

BASINGSTOKE COLLEGE OF TECHNOLOGY CORPORATION

AUDIT COMMITTEE

MINUTES OF A MEETING HELD ON WEDNESDAY 13 MARCH 2024

Membership (6):	*	Charles Cardiff	External Member	Chair
	*	Beryl Huntingdon	External Member	
	*	Nicole Martin	Co-opted Member	Vice Chair
		Martin Slatford	External member	
	*	Ian Ward	Staff Member	
		Pamela Woolgrove	External Member	
Quorum:		3 Members required	4 Members present	Meeting quorate
In Attendance:		Anthony Bravo	Principal	
	*	Mark Bonnett	Finance Manager (FM)	
	*	Simon Burrell	Clerk to the Corporation (Clerk)	
		Chris Mantel	Alliotts (Financial Statements Auditor) (FSA)	
	*	David Moir	Deputy Principal Finance & Resources (DPFR)	
	v	Kevin Moloney	TIAA (Internal Auditor) (IA)	
	v	Julie Dougill	External Board Review Consultant	
Present at meeting:	*			
Via video link	v			

PART 1: NON-CONFIDENTIAL MATTERS

(5.20pm)		ACTION
817.	<p>APOLOGIES/WELCOME</p> <p>Martin Slatford, Pamela Woolgrove.</p> <p>Julie Dougill was welcomed to the meeting. It was noted that Julie was undertaking the External Board Review and was joining the meeting as an observer.</p>	
818.	<p>DECLARATIONS OF INTEREST</p> <p>There were no Declarations of Interest made.</p>	
819.	<p>NOTIFICATION OF ANY OTHER BUSINESS</p> <p>There were no items of Any Other Business notified.</p>	
820.	<p>MINUTES OF THE PREVIOUS MEETING</p> <p>The Minutes of the meeting held on 29 November 2023 were confirmed as a correct record and were signed by the Chair.</p>	

821.	<p>MATTERS ARISING FROM THE MINUTES</p> <p>There was one Matter Arising noted that would be covered under the Internal Auditor’s report (Minute 822 below).</p>	
822. (5.24pm)	<p>INTERNAL AUDIT SERVICE REPORTS</p> <p>A written report was received for information and noted. The IA advised that progress against the internal audit plan was on target. There had been one completed review since the last meeting of the Audit Ctte.</p> <p>In introducing the progress report, the IA stressed the challenges facing everyone owing to increasing financial pressures, escalating costs, high inflation, and the cost-of-living crisis. He highlighted that the knock-on effects of the Covid pandemic, the increase in remote working practices, linked with the cost-of-living crisis had increased the risk of opportunist fraud against organisations, and that all organisations needed to be more aware of the risks and take appropriate steps to keep their money, people, and data safe. In particular, he stressed the increase in cyber security threats to colleges.</p> <p>It was also noted that the Audit Ctte’s audit allocation had not yet been identified or used. The Chair of the Ctte raised the need to review the turnover in recently recruited staff. The DPFRR advised that the average length of service of staff who left within their first four years was 1.4 years, and that this increased to 11 years for staff who stayed more than four years. The Audit Ctte requested that the IA includes a review of staff turnover by length of service as part of the Staff Recruitment & Retention review that was scheduled to start on 8 April 2024.</p> <p>With regards to the Matter Arising related to the Compliance Review of Learner Numbers (Minute 807.1) the IA advised that it was planned to review this matter at the next audit. The DPFRR requested that the review be undertaken as soon as practicable and reported back in the current financial year.</p> <p>1. Assurance Review of Student Recruitment (Draft)</p> <p>A written report was received and considered. The IA’s overall assessment was noted as ‘Reasonable Assurance’. Five recommendations had been made: 3 graded ‘important’, and 2 graded ‘routine’.</p> <p>In reviewing the report, the Audit Ctte stressed its concerns that the sample selection of 9 students used by the IA was extremely limited based on a total enrolment of 5000+ students. In addition, they (the Audit Ctte) felt that there was an adversely high number of errors found in the small sample selection, leading to the thought that there could be a larger number of overall errors. The IA stressed that the sample selection included a disproportionately high number of overseas enrolments and did not give an accurate view of the ‘home’ students.</p> <p>The DPFRR advised that he was satisfied that the matters highlighted in the report were minor issues and not errors, and that there were no concerns in the overall student record system. He reminded the Ctte that the annual Funding Audit looked at student enrolment in much more depth and detail. He commented that the audit work conducted was not in line with the audit objectives, as it seemed to focus on procedures that take place after enrolment, rather than student recruitment.</p> <p>The Audit Ctte had a robust discussion regarding the IA report on student recruitment and highlighted its concerns regarding the level and detail related to the scope of such reviews. In response to a Question from a Member the IA advised that the internal audit plan was developed based on a risk approach highlighted by the risk register. It was suggested that the scope of each review needed clearer. The Audit Ctte stressed that greater attention needed to be given in future to the terms set of IA reports.</p>	

<p>823. (5.55pm)</p>	<p>RISK MANAGEMENT AND RISK REGISTER</p> <p>A written report was received for information and noted. The DPFR advised that the most significant change to report was that the IT system backup and failover processes were fully tested and operational. In addition, the Director of IT had proposed several changes to the College's IT Infrastructure which, when implemented, would greatly reduce the risk of similar problems occurring in the future.</p> <p>The DPFR advised further that to achieve that and to make the system even more robust, the planned IT capital spend originally proposed for 2028 would be brought forward to 2024.</p> <p>It was noted that the (current) biggest risk was the introduction of T Levels (residual risk score 30), followed by apprenticeship delivery not financially viable (residual risk score 28), and Future Skills Centre, Bordon (residual risk score 27).</p>	
<p>824.</p>	<p>POST-PROJECT REVIEWS</p> <p>No post-project reviews had been undertaken since the last meeting of the Audit Committee.</p>	
<p>825. (6.04pm)</p>	<p>USE OF COLLEGE SEAL</p> <p>The Clerk advised that the College Seal had been used in the period since the previous meeting to sign a lease with a Dog Grooming Business.</p>	
<p>826.</p>	<p>ANY OTHER URGENT BUSINESS</p> <p>There were no items of Any Other Urgent Business discussed.</p>	
<p>827.</p>	<p>DATES OF FUTURE MEETINGS</p> <p>Wednesday 12 June 2024 Wednesday 27 November 2024 Wednesday 12 March 2025 Wednesday 11 June 2025</p>	
<p>(6.05pm)</p>	<p>Part 1 Meeting closed</p>	

<p>Confirmed as a correct record</p>		<p>12 June 2024</p>
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