

BASINGSTOKE COLLEGE OF TECHNOLOGY CORPORATION

AUDIT COMMITTEE

MINUTES OF A MEETING HELD ON WEDNESDAY 12 JUNE 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	5 Members present	Meeting quorate
In Attendance:	*	Anthony Bravo	Principal	
	*	Simon Burrell	Clerk to the Corporation (Clerk)	
	vi	Paul Goddard	Scrutton Bland (Internal Auditor) (SC)	
	*	Chris Mantel	Alliotts (Financial Statements Auditor) (FSA)	
	*	David Moir	Deputy Principal Finance & Resources (DPFR)	
	vii	Kevin Moloney	TIAA (Internal Auditor) (IA)	
Present at meeting:	*			
Via video link (To Minute 831)	vi			
Via video link (From Minute 832)	vii			

PART 1: NON-CONFIDENTIAL MATTERS

(5.15pm)		ACTION
828.	<p>APOLOGIES</p> <p>Martin Slatford.</p> <p>WELCOME</p> <p>Paul Goddard was welcomed to the meeting.</p>	
829.	<p>DECLARATIONS OF INTEREST</p> <p>There were no Declarations of Interest made.</p>	
830.	<p>NOTIFICATION OF ANY OTHER BUSINESS</p> <p>There were no items of Any Other Business notified.</p>	

831.

INTERNAL AUDIT PLAN 2024/25

A written report was received and considered. The SC advised that the proposed internal audit plan (IA Plan) for 2024/25 had been developed following an initial planning meeting with the College, a review of the College’s strategic objectives, previous internal audit reviews and proposed reviews, a review of the College’s risk register, and the recent Audit Workshop with the Audit Committee. He proposed that the IA Plan (Appendix A of his report) be based on:

Key Risks:

- Apprenticeship Recruitment (4 days)
- Human Resources – Recruitment (5 days)

Regulatory/Compliance:

- Funding Assurance (6 days)
- Work Experience Placements (4 days)

Added Value:

- Additional Learner Support/
High Needs Learners (4 days)
- Audit Ctte’s discretionary days (4 days)

Routine/Cyclical/Contract Management:

- Follow-up reviews (2.5 days)
- Planning and control (2.5 days)
- Audit Ctte prep and attendance (3 days)

(35 days)

The SC also highlighted (Appendix B of his report) those areas that had been initially identified for review in 2025/26 and 2026/27.

The Audit Ctte raised a concern that the number of days allocated to each review was not necessarily very high based on the specific area to be covered. The SC advised that it was planned to cover as much as possible during each review with good, scoped targeting undertaken at the review planning stage.

The Chair of the Audit Ctte felt that should more time be required to undertake a specific review that could be considered at the expense of another planned review that could be deferred if appropriate. In addition, he stressed that the Audit Ctte did not wish to see reviews as ‘box-ticking’ exercises. The SC confirmed that he would not want to give the Audit Ctte and the Corporation a false level of assurance.

In reviewing the proposed IA Plan, it was noted that the six planned reviews gave a good coverage. The DPFR noted that some of the areas identified for review had not been looked at before.

In response to a question from a Member the SC advised that he would endeavour to submit the first review to the Audit Ctte at its meeting in November 2024, but that would be subject to agreeing a suitable timetable for the IA Plan implementation with the DPFR.

(The SC left the meeting)

The Audit Ctte considered the proposed Internal Audit Plan 2024/25.

It was RESOLVED to RECOMMEND to the CORPORATION that the Internal Audit Plan, based on 35 days and covering the areas outlined above, be agreed.

Corp

	(The IA joined the meeting)	
832.	<p>MINUTES OF THE PREVIOUS MEETING</p> <p>The Minutes of the meeting held on 13 March 2024 were confirmed as a correct record and were signed by the Chair.</p>	
833.	<p>MATTERS ARISING FROM THE MINUTES</p> <p>There was no Matters Arising discussed that were not due to be considered elsewhere at the meeting.</p>	
834.	<p>INTERNAL AUDIT SERVICE REPORTS</p> <p>A written report was received and considered. The IA advised that since the previous meeting of the Audit Ctte two further reviews had been finalised:</p> <p style="text-align: center;">1. Business Continuity Planning</p> <p>The IA's overall assessment was noted as 'Substantial Assurance'. One 'operational' recommendation had been made and accepted by College Management.</p> <p style="text-align: center;">2. Subcontracting</p> <p>The IA advised that the report was based on the template provided by the Department for Education (DoE). No formal grade was assigned to this review but based on the DoE 'RAG' rating, showed that of the ten 'subcontracting standard requirements' reviewed 8 were noted as 'Met' and two as 'Partially Met'. Two minor recommendations had been made and acted upon by College Management.</p> <p>With regards to completion of the IA Plan 2023/24, the IA advised that of the final three reviews two were in progress (i. staff recruitment & retention. ii. cyber security) and the third (learner numbers) was at the planning stage. It was noted that as the next Audit Ctte meeting was not until November 2024 the IA was requested to issue the final reports as soon as practicable so that the Clerk could circulate them to the Members of the Audit Ctte as soon as they had been finalised.</p> <p>(The IA left the meeting)</p>	Internal Auditor/ Clerk
835.	<p>FINANCIAL STATEMENTS 2023/24: AUDIT PLAN</p> <p>A written report was received for information and noted. The FSA outlined his proposals for the audit of the financial statements 2023/24. In developing his plan he advised that he had reviewed the business and audit risks and concluded that there were no major concerns that needed to be included in the review. He felt that the only additional 'risk' identified was that related to the closure of the Future Skills Centre, Bordon.</p> <p>The FSA confirmed that there was nothing fundamental that he wished to raise with the Audit Ctte and advised that he felt BCoT was a well-run and managed college.</p> <p>With regards to the fees related to the review of the financial statements, the FSA advised that they had been increased by 7% to reflect increased operational and staff costs.</p> <p>(The FSA left the meeting)</p> <p>It was noted that the role of the financial statements auditor would be re-tendered in 2025.</p>	

836.	<p>RISK MANAGEMENT AND RISK REGISTER</p> <p>A written report was received for information and noted. The DPFR advised that the College’s risk register had been reviewed and risk scores refreshed to reflect the current position and plans for 2024/25.</p> <p>The DPFR advised further that, generally, the main risk scores had been reduced, but two had been increased:</p> <ol style="list-style-type: none"> 1. The introduction of T levels and associated curriculum changes (Risk Score = 33): this presented the single largest risk to the College as it directly impacted on 16-19 learners at level 3, and the opportunity to progress to level 3. The risk score had increased following clarification by government of the alternative level 3 qualifications that would be available and the decision to continue to defund BTECs. 2. Recruitment and retention of staff with specialist skills (Risk Score 28) especially in the Engineering and Construction departments had become acute. Generally, across the College, vacant positions were at times running above 10%,and that was placing a huge strain on staff teams. <p>However, the DPFR stressed that as the College had a very good Ofsted rating, strong finances, growing full-time student numbers and a fully operational IT system, the overall risk profile was lower than it had been for a long time, and continued to decline. He highlighted the prospect of a 20% increase in the 16-19 demographics between 2025 and 2027 where the risk profile would then swing-back to quality of provision, as finances and resourcing looked secure in the medium term. IT and data security (Risk Score 25) would, though, continue to remain a high risk.</p>	
837.	<p>SPECIALIST REVIEW OF APPRENTICESHIP FUNDING DATA <i>(Matter Arising from Audit Ctte meeting on 14 June 2023, Minute793)</i></p> <p>The DPFR advised that following the review in May 2023 and the concerns raised at that time, there had been a number of personnel and system changes that had brought about improvements. In addition, as the College was part of the national ‘Project S’ there was a simplification of the funding rules, and that the College would not be subject to any funding audits in 2024/25 or 2025/26.</p> <p>The update was noted.</p>	
838.	<p>ELECTION OF CHAIR OF THE AUDIT COMMITTEE</p> <p>The Clerk advised that the Term of Office for the Chair of the Audit Committee was due to expire on 15 June 2024. He called for nominations. One nomination was received.</p> <p>It was RESOLVED that Charles Cardiff be elected Chair of the Audit Committee for a two-year term of office commencing 15 June 2024. <i>(Proposed by Pamela Woolgrove, Seconded by Beryl Huntingdon)</i></p>	
839.	<p>POST-PROJECT REVIEWS</p> <p>There had been no post-project reviews undertaken since the last meeting of the Audit Committee.</p>	
840.	<p>USE OF COLLEGE SEAL</p> <p>The Clerk advised that the College Seal had not been used in the period since the previous meeting of the Audit Committee.</p>	

841.	ANY OTHER URGENT BUSINESS There were no items of Any Other Urgent Business discussed.	
842.	DATES OF FUTURE MEETINGS Wednesday 27 November 2024 (Joint with F&R Ctte) Wednesday 12 March 2025 Wednesday 11 June 2025	
843.	CONFIDENTIAL MINUTES OF THE PREVIOUS MEETING The Confidential Minutes of the meeting held on 13 March 2024 were confirmed as a correct record and were signed by the Chair.	
844.	CONFIDENTIAL MATTERS ARISING FROM THE MINUTES 1. Appointment of Internal Auditors from 2024/25 (Minute CA13) It was noted that the Audit Ctte had now met with the (then) proposed internal auditor and was satisfied with the outcomes. It was RESOLVED to RECOMMEND to the CORPORATION that the appointment of Scrutton Bland as the College's internal auditor for the five-year period 2024/25 to 2028-29 be confirmed.	Corp
(6.17pm)	Meeting closed	

Confirmed as a correct record		27 Nov 2024
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