

The Bournemouth and Poole College

MINUTES OF THE MEETING OF THE AUDIT COMMITTEE HELD ON 15 JUNE 2020

Members Present:	
Dan Tout	Board Member & Chair of the Audit Committee
Ian Jones	Board Member
Guy Spencer	Co-opted Committee Member
In attendance:	
Michael Johnson	Chief Operating Officer
Marianne Barnard	Director of Governance
Chris Mantel	Alliotts
Nick MacBeale	TIAA

PART A

		Actions
037-1920	APOLOGIES FOR ABSENCE No apologies for absence were received.	
038-1920	DECLARATIONS OF INTEREST There were no declarations of interest noted.	
039-1920	MINUTES OF THE LAST MEETING & MATTERS ARISING The minutes of the meeting held on 2 March 2020 were confirmed as an accurate record and approved by the committee. The committee reviewed the latest tracker and an update was given on outstanding actions, including the introduction of a police presence on and around campuses, which it was confirmed was being progressed and on the Whistleblowing Policy which had now been updated and approved by Board. RESOLVED: The committee approved the minutes of the meeting held on 2 March 2020 and noted the latest tracker.	
040-1920	FORWARD PLANNING The Audit Committee Calendar of Business for 2020/21 was noted by members, it was confirmed this was a draft and would be reviewed regularly by the Director of Governance and Chief Operating Officer. RESOLVED: The committee noted the Audit Committee Calendar of Business for 2020/21.	
041-1920	COLLEGE FOLLOW-UP The Audit Follow-up report dated 15 June 2020 showed progress with audit recommendations and a status report on completed actions. It was noted that there were currently nine outstanding recommendations, it was anticipated that all actions would be closed by the November 2020 Audit Committee meeting. It was highlighted that a number of the outstanding items were related to HR. The Chief Operating Officer provided an update on the arrangements for HR in the College Executive team. RESOLVED: The committee reviewed the Audit Follow-up report showing progress with audit recommendations.	

042-8920	<p>RISK MANAGEMENT</p> <p>The Chief Operating Officer presented the Risk Register. It was noted that much of the College's activity (and therefore risks) had been impacted on by COVID-19 and with the agreement of the Chair of Audit Committee the Executive has produced a register that identified all the risks caused by COVID-19 and the subsequent mitigations (if any).</p> <p>It was noted that one issue had not yet been included on the Risk Register - the current Requires Improvement Ofsted grade, it was noted that at the time that the college locked down, the Ofsted monitoring visit was imminent and college staff were confident that significant improvements had been made. The impact of the Requires Improvement grade had been significant and it was crucial that the re-inspection took place as soon as possible.</p> <p>The format of the register was presented as a timeline rather than by any prioritisation of risks. Key themes from the Risk Register were highlighted including IT, it was noted that staff had generally embraced remote working and teaching, using a range of systems. Resilience of the off-site system had generally been good but there had been some capacity issues which would be addressed through investment during 2020/21. It was acknowledged that some things were easier than others to plan ahead for, the Chief Operating Officer confirmed that projects in the colleges own control such as student enrolment, could be easily planned in advance, whilst other activities which were subject to Government guidelines, were harder to plan more than a week or two ahead for.</p> <p>TIAA provided some general observations: some detail on risks associated with working from home including data protection and health and safety would be a useful addition. Other areas for consideration included considering additional costs that may be incurred in the future and enhanced cleaning. It was also acknowledged that there would be some opportunities associated with COVID-19 which could be considered for inclusion.</p> <p>RESOLVED: The committee noted the latest Risk Register.</p>	
043-1920	<p>YEAR-END FINANCIAL ACCOUNTS AUDIT PLAN AND REGULATORY PLAN</p> <p>Alliotts presented the Audit Plan for the year ending 31 July 2020. The purpose of the plan was to summarise the planning and proposed audit approach in relation to the audit of the College's accounts prepared in the format and on the basis set out in the Post-16 audit code of practice (the 'Code') for the year ended 31 July 2020. It was confirmed that this would cover both the Financial Statements and Regularity Assurance.</p> <p>It was noted that based on the latest reforecast position for the College, an initial materiality of £500k would be applied but that this would be re-assessed when draft financial statements were received in September/October.</p> <p>The summary of risks that had been identified during the planning were noted, including the potential breach of a loan covenant, for which it had been confirmed the bank had indicated a waiver would be given.</p> <p>RESOLVED: The committee noted the Audit Plan for the year ending 31 July 2020.</p>	
044-1920	<p>TERMS OF REFERENCE</p> <p>The Committee reviewed the draft Terms of Reference for the Audit Committee for 2020/21. It was noted that the Post 16 Audit Code of Practice had not yet been updated in 2020, therefore approval of the ToR would be delayed until a cross reference could take place.</p> <p>RESOVLED: The Audit Committee Draft Terms of Reference were noted and it was agreed that updated ToR would be shared for approval via the GVO following the publication of the updated Post 16 Audit Code of Practice.</p>	

045-1920	<p>ANY OTHER BUSINESS</p> <p>The Chief Operating Officer provided an update on the Internal Audit Plan from TIAA that was approved by the Audit Committee at the meeting in June 2019, and assumed 44 days split across the audits agreed.</p> <p>The College's closure from on-site working effective from 23 March and subsequent demands on staff time in terms of remote working and then planning for a phased re-opening (first on 12 May for vulnerable students and then for additional students from 15 June) had resulted in not being able to support TIAA with audits planned for the period from March through to July 2020.</p> <p>The audits that had not yet been completed were:</p> <ul style="list-style-type: none"> • Cash flow validation – only 2 of the 6 days had been carried out • Key financial controls • ICT cyber security • Learner numbers • Sub-contracting • Departmental review • Teachers' Pension Scheme <p>In an email exchange between the Chair of Audit Committee and the Chief Operating Officer on 19 March, the Chair agreed that planned audits could be stood down from the plan. The proposal was to retain ICT cyber security, sub-contracting and Teachers' Pension Scheme but all other outstanding work would be stood down and this was supported by the committee. There was some debate as to whether as a result of this TIAA would be able to supply the College with an overall opinion, but it was agreed by TIAA that following the completion of the final audits, they would be able to give an overall limited opinion.</p> <p>Committee Members thanked Guy Spencer who was attending his final Audit Committee meeting - for his contribution to the committee over the last three years and wished him well for the future.</p>	
046-1920	<p>DATE OF NEXT MEETING:</p> <p>The next Audit Committee meeting would take place on Tuesday 24 November 2020, 10.30-12.00. It was noted that FAG members would join for part of the meeting.</p>	
047-1920	<p>EVALUATION</p> <p>It was agreed that the committee had completed the required activities.</p>	
048-1920	<p>CONFIDENTIALITY</p> <p>Confidential minutes are recorded in Part B</p>	