

The Bournemouth and Poole College

MINUTES OF THE MEETING OF THE AUDIT & RISK COMMITTEE HELD ON 14 JUNE 2022

Members Present:		
Dan Tout	Board Member & Chair of the Audit & Risk Committee	
Ian Jones	Board Member	
Saba Mohammed	Board Member	
Neethu Stephen	Co-opted Audit Committee Member	
In attendance:		
Michael Johnson	Chief Operating Officer	
Marianne Barnard	Director of Governance	
Paul Judd	Director of IT Services	
Chris Mantel	Partner (Alliotts)	

PART A

		Actions
031-2122	APOLOGIES FOR ABSENCE No apologies for absence were received.	
032-2122	DECLARATIONS OF INTEREST There were no declarations of interest noted.	
033-2122	MINUTES OF THE LAST MEETING & MATTERS ARISING The minutes of the meeting held on 1 March 2022 were confirmed as an accurate record and approved by the Committee. RESOLVED: The committee approved the minutes of the meeting held on 1 March 2022.	
034-2122	COLLEGE FOLLOW UP & AUDIT PLAN (TIAA) The COO noted that the college did not currently have an Audit Plan for academic year 2022/23, but that this would be developed shortly. The committee considered the appropriate number of days needed for internal audit. It was confirmed that there was no specific requirement, but that it was considered good practice. Currently there were fifteen days in the contract with TIAA, but it was noted that this was at the lower level across the sector. It was also noted that many colleges were retaining a minimum number of days with an internal audit company and using specialist consultants for specific pieces of work, allowing colleges to focus on areas needed. It was agreed to continue with the fifteen days, but with sufficient budget allocated to allow further audits as needed. It was noted that the college had been subject to a number of other audits recently, for example an OFS audit. It was agreed it would be useful to bring records of all audit details together in one place, so the committee had full oversight. It was agreed that the COO would organise this. The COO noted the latest position on the internal audit plan, it was noted that	COO

	<p>two audits were planned during 2021/22, but were yet to be completed. The Key Financial Controls audit was currently taking place and the Subcontracting one would take place shortly. Following the completion of these, the audit tracker would be updated.</p> <p>The COO noted there were a number of items which were being finalised and following an update, the report would look a lot briefer.</p> <p>RESOLVED: Committee Members noted the TIAA tracker update.</p>	
035-2122	<p>FINANCIAL STATEMENTS AUIT PLANNING MEMORANDUM (ALLIOTTS)</p> <p>Chris Mantel presented the Audit Planning document, the purpose of the document was to summarise Alliotts' planning, testing, and reporting approach in relation to the audit of the Bournemouth & Poole College accounts for the year ended 31 July 2022.</p> <p>Two key points were noted:</p> <p>Materiality: At the planning stage it was anticipated that an overall financial statements materiality of £590k for the college, £8,000 for SEFM and £1,000 for SEPS for the audits, based on the March 2022 management accounts.</p> <p>Regularity: It was noted that this audit was not a reasonable assurance audit engagement, that Alliotts would not be giving an audit opinion, but rather a regularity assurance conclusion, which would continue to be addressed jointly to the College and the ESFA.</p> <p>It was noted that business risks that could significantly impact the college included, but were not limited to the following:</p> <ul style="list-style-type: none"> • A fall in the number of students which could result in reduced income from ESFA funding; • The College's capital strategy; • The use of sub-contracted arrangements; • Impact of COVID on adult provision; • Staff resource restrictions due to market conditions; • Increased pressure on resources during the split away from WESS; • Increasing pension/NI costs and other inflationary pressures. <p>The significant change for the audit would be dealing directly with the team within the college, rather than via WESS. It was noted that the dates and staff involved had been agreed.</p> <p>RESOLVED: The Committee received the report from Alliotts.</p>	
036-2122	<p>RISK MANAGEMENT/RISK REGISTER</p> <p>The COO presented the latest version of the Risk Register.</p> <p>At the March 2022 meeting of Audit & Risk Committee, the Risk Register was reviewed in detail. During the meeting, members felt that they were not provided with adequate assurance on the following two risks:</p> <p>Risk 1 – Where members suggested that a heatmap should be prepared for</p>	

	<p>the next HR Committee. The heatmap should show the age profile of each area in the College and identify those areas that were most problematic to recruit to. This was prepared and discussed at the HR Committee (May 2022).</p> <p>Risk 2 – Where members felt that Finance and Customer Services staff should have training on voice phishing. This had been planned for the July 2022 Staff Development Day.</p> <p>It was noted that the wording of Risk 3 had been updated to be more specific around the ESFA Financial Health Grade and Bank covenants.</p> <p>Risks 4 and 5 were new.</p> <p>Risk 4. The college had received the results of the recent staff survey, which required some action. The results had been shared with SLT and the HR Committee and would shortly be shared with the College Management Team and then all staff.</p> <p>Risk 5. This flagged a risk around the DfE-funded capital project. It was noted that there were a number of risks that could be associated with this project and they were being managed on a separate risk register that reported to the Estates Project Group.</p> <p>RESOLVED: The committee noted the current Risk Register and the items discussed.</p>	
037-2122	<p>CYBER SECURITY REPORT</p> <p>The Director of IT presented the latest Cyber Report. It was noted that this was one of many tools used to provide assurance. It provided a visual tool and acted as a prompt for renewals.</p> <p>It was noted that there had been a lot of activity in this area over the last few months. Cyber Essentials had been achieved in May 2022 and the college was being inspected for Cyber Essentials Plus shortly.</p> <p>It was noted that Multi Factor Authentication for students was being introduced for students in September 2022.</p> <p>RESOLVED: The Committee received and noted the latest Cyber Security Report.</p>	
038-2122	<p>FRAUD REGISTER</p> <p>This item is recorded in Part B</p> <p>Ian Jones left the left at this point (10.30)</p>	
039-2122	<p>COMMITTEE SELF-ASSESSMENT REVIEW – 2021/22</p> <p>The draft Committee Self-Assessment was reviewed and it was agreed that the Director of Governance and the Committee Chair would discuss further to identify and areas for review or development ahead of 2022/23 academic year.</p> <p>RESOLVED: The committee noted the latest version of the Committee Self-Assessment.</p>	

040-2122	<p>COMMITTEE TERMS OF REFERENCE & WORK PLAN – 2022/23</p> <p>The committee noted the Terms of Reference and Work Plan for 2022/23.</p> <p>RESOLVED: The committee noted the latest version of the Committee Terms of Reference and Work Plan for 2022/23.</p>	
041-2122	<p>ANY OTHER BUSINESS</p> <p>It was noted that the ONS were currently undertaking some work on the status of colleges, to consider whether colleges classification changed to public sector. The DFE were requesting that colleges lending banks give information direct to the DFE on colleges, to allow the DFE to review the overall debt level. The committee noted and supported the requirement to provide a letter to NatWest Bank, giving our permission to share data.</p> <p>RESOLVED: The committee supported the requirement to provide a letter to NatWest Bank, giving our permission to share data.</p>	
042-2122	<p>DATE OF NEXT MEETING:</p> <p>The next meeting of the Audit Committee would be held in the autumn term 2022. It was agreed that an in-person meeting would be useful.</p>	
043-2122	<p>EVALUATION</p> <p>It was noted that the Committee had undertaken the required activities.</p>	
044-2122	<p>CONFIDENTIALITY</p> <p>Items to be recorded confidentially were noted.</p>	