

The Bournemouth and Poole College

MINUTES OF THE MEETING OF THE AUDIT & RISK COMMITTEE HELD ON 28 NOVEMBER 2023

Members Present:		
Dan Tout	Board Member & Chair of the Audit & Risk Committee	
Ian Jones	Board Member	
Saba Rubaei	Board Member	
Neethu Stephen	Co-opted Audit & Risk Committee Member	
Finance & Resources Committee Members were in attendance for items 001-004:		
Mike Kennedy	Board Member	
David Ford	Board Member	
John Dale	Board Member	
Philip Sayles	Principal/CEO and Board Member	
In attendance:		
Graham Try	Interim Chief Operating Officer	
Marianne Barnard	Director of Governance	
Paul Judd	Director of IT Services	
Chris Mantel	Partner (Alliotts)	
Roy Plowman	Principal Auditor (TIAA)	

PART A

		Actions
001-2324	APOLOGIES FOR ABSENCE No apologies for absence were recorded.	
002-2324	DECLARATIONS OF INTEREST There were no declarations of interest noted.	
003-2324	FINANCIAL STATEMENTS AUDIT The following were presented by the External Auditors: i) The Management Report for the year ended 31 July 2023 Alliotts presented the management report, it was reported that the audit had gone smoothly and there had been no significant issues. The following key points were noted: <ul style="list-style-type: none"> • In relation to Going Concern, the cash base continued to be healthy • In relation to the Bournemouth Campus development, no adjustments were needed in 2022/23, however in 2023/24 adjustments would be seen due to the demolition of buildings. It was suggested that the impact of the Bournemouth Campus re-development was discussed and it was agreed that a group of staff would meet with Alliotts in the new year • Following the College's withdrawal from WESS the Redlands property remained vacant. Based on an annual rent of £1,200 a potential onerous lease provision was regarded as highly immaterial and no 	

	<p>additional adjustment was recommended</p> <ul style="list-style-type: none"> • There was concern about the ongoing carry over from WESS, however it was agreed that this was not material • The pension liability has decreased c£15.4m during the year from a liability of c£13.9m to an asset of c£1.5m. However, this asset had not been recognised within the financial statements and an adjustment made through the reported actuarial gain/loss to reduce the overall asset to £Nil <p>ii) Letter of Representation – Financial Statements Audit</p> <p>The Letter of Representation, Financial Statements Audit to the period ending 31 July 2023, was noted by the Committee.</p> <p>iii) Letter of Representation – Regularity Assurance Engagement</p> <p>The Letter of Representation, Regularity Assurance Engagement to the period ending 31 July 2023, was noted by the Committee.</p> <p>RESOLVED: The Committee received and noted the Management Letter from Alliotts and approved the letters of representation.</p>	
004-2324	<p>FINANCIAL STATEMENTS 2022/23</p> <p>The committee reviewed the following 2022/23 Financial Statements:</p> <p>i) Bournemouth & Poole College Annual Report and Financial Statements</p> <p>The Financial Statements were reviewed and it was confirmed they would be signed at the Board meeting on 14 December 2023.</p> <p>It was noted that an OfS regulation required the college to have an Access & participation Plan and that this required a separate audit opinion. It was confirmed that Alliotts would draft this.</p> <p>ii) Southern Educational Facilities Management Ltd Annual Report and Financial Statements</p> <p>The Committee received and noted the Southern Educational Facilities Management Ltd Annual Report and Financial Statements.</p> <p>iii) Southern Educational Professional Services Ltd Annual Report and Financial Statements</p> <p>The Committee received and noted the Southern Educational Professional Services Ltd Annual Report and Financial Statements.</p> <p>The process for signing the financial statements was confirmed, which would be via DocuSign. The college would provide Alliotts with the relevant email addresses and it was confirmed that BPC would submit the accounts to the ESFA.</p> <p>RESOLVED: Members of the Audit & Risk Committee and the Finance and Resources Committee considered the detail in the Annual Reports and Financial Statements and recommended them for approval and signing at the Board of the Corporation meeting on 14 December 2023.</p>	Alliotts
Members of the Finance and Resources Committee left the meeting		
005-2324	MINUTES OF THE PREVIOUS AUDIT & RISK COMMITTEE MEETING	

	<p>The committee reviewed and approved the minutes of the Audit & Risk Committee meeting held on 13 June 2023 as a correct record.</p> <p>RESOLVED: The committee approved the minutes of the meeting held on 13 June 2023.</p>	
006-2324	<p>APPOINTMENT OF CHAIR AND VICE CHAIR FOR THE COMMITTEE</p> <p>It was agreed that Dan Tout would continue to Chair the committee and that Ian Jones would act as Vice Chair during 2023/24</p> <p>RESOLVED: The Chair and Vice Chair for 2023/24 were noted.</p>	
007-2324	<p>INTERNAL AUDIT REPORTS</p> <p>The 2022/23 Annual Report by TIAA on the internal control environment at the College was presented. This report summarised the outcomes of the reviews that had been carried out on the organisation's framework of governance, risk management and control.</p> <p>The 2022/23 Annual Audit Plan approved by the Audit Committee was for 20 days of internal audit coverage. During the year an additional review was requested relating to sub-contracting, with an additional four days added to the plan.</p> <p>TIAA had carried out the following: Two assurance reviews - Subcontracting and Key Financial Controls and two advisory reviews - Benchmarking Finance Departments and Apprenticeships. Six important and five routine recommendations had been made.</p> <p>RESOLVED: The Committee received and noted the internal audit reports.</p>	
008-2324	<p>COLLEGE FOLLOW UP & AUDIT PLAN</p> <p>TIAA presented the following reports:</p> <p>i) Audit follow-up report (November 2023) showing progress with audit recommendations and a status report on completed actions.</p> <p>The current position on the tracker was showing as: twenty-seven items, sixteen had been implemented, seven were outstanding and four not appropriate anymore. It was agreed the COO and TIAA would look again and remove anything that was no longer needed on the report.</p> <p>ii) Audit Strategy and Annual Internal Audit Plan 2023/24</p> <p>It was confirmed that twenty audit days were planned in 2023/24. Two changes were noted as agreed in the June 2023 meeting: the audit history and an apprenticeship benchmark review had been added and the learner review audit removed in view of the recent ESFA learner number audit. It was also noted that the number of audit days had been increased from 20 to 25 days.</p> <p>RESOLVED: The Committee received the reports on internal audit.</p>	COO/TIAA
009-2324	<p>RISK MANAGEMENT</p> <p>i) Risk Management Policy</p> <p>The Risk Management Policy was presented for note only.</p> <p>ii) Updated Risk Register (November 2023)</p> <p>The Risk Register was discussed at each meeting of the Audit & Risk Committee and individual risks were also "owned" and considered by individual committees.</p>	

	<p>It was noted that the Risk Register had been fully reviewed and updated in November 2023 by the College Executive and the latest updated version was reviewed by the Committee.</p> <p>One new risk had been added: Risk 9, 'An employer providing significant adult/full cost/apprentice learners to the College, which in turn generated significant grants and fees, ceased to contract with the College.'</p> <p>Two risks had been deleted since the last meeting of the Committee in June 2023. These related to staffing changes in Marketing and Business Development impacting recruitment. These posts had now been recruited to and enrolments had exceeded targets for 16-18 learners. Similarly, the changes to apprenticeship processes risk had been deleted and provisional apprenticeship enrolment numbers were very good.</p> <p>It was noted that a separate Risk Register was maintained for the DfE Project and this was regularly considered by the Estates Project Group, it was however noted that no meeting had taken place during the autumn term 2023 but that the next meeting would be on 23 January 2024.</p> <p>The process for updating the Risk Register via the Risk owner and the Executive team was noted.</p> <p>The Chair of the Committee noted a number of items to consider for the next version of the Risk Register:</p> <ol style="list-style-type: none"> 1. Trend on non-achievement in exam-based assessment 2. Artificial Intelligence/Plagiarism/ChatGPT 3. Not being sustainable/or perceived as sustainable <p>RESOLVED: The committee noted the current Risk Register and the items discussed.</p>	
010-2324	<p>CYBER SECURITY REPORT</p> <p>The Director of IT presented the latest Cyber Report and the following updates were noted:</p> <p>Accreditations: It was confirmed that the College regained Cyber Essentials accreditation in October 2023. Changes to MFA criteria for students meant the college had not been able to attain CE+.</p> <p>Vulnerability Scan: The college was seeking to arrange a vulnerability scan for the spring term 2024.</p> <p>Cyber Insurance: This had been renewed in August 2023 and the next renewal would be due in August 2024.</p> <p>Cyber Awareness: It was noted that a termly staff cyber newsletter highlighted current threats. An all staff Phishing test was currently being conducted.</p> <p>Committee Members asked if the insurance company had visited onsite. The Director of IT confirmed that there were some very detailed questions to answer, but that no on-site visit had taken place. It was noted that contracts were generally tendered for via frameworks, and therefore suppliers would have passed a pre-qualifying questionnaire</p> <p>RESOLVED: The Committee received and noted the latest Cyber Security Report.</p>	

011-2324	<p>AUDIT COMMITTEE ANNUAL REPORT 2022/23</p> <p>The committee reviewed the Committee’s draft Annual Report to the Board of the Corporation 2022/23 and this was approved for presentation to the Board of the Corporation at the meeting on 14 December 2023.</p> <p>RESOLVED: The Committee received and approved the Committee Annual Report.</p>	
012-2324	<p>REGISTER OF INTERESTS</p> <p>The Committee received and reviewed the latest Register of Interests for Board Members and Senior Staff in the College. It was confirmed that the annual update had been completed in the autumn term 2023.</p> <p>RESOLVED: The Committee received and noted the latest Register of Interests.</p>	
013-2324	<p>BOARD MEMBER TRAINING AND SKILLS</p> <p>The Committee received the report on Board Member Training & Skills. This detail was provided to meet the requirement from The Post-16 Audit Code of Practice 2022 to 2023</p> <p>Board Members engage with a wide range of training and events which develop knowledge and skills across a range of areas. These were set out in the report which showed a good level of engagement.</p> <p>The report also provided detail on the Skills Audit which has been conducted in autumn term 2023. Members of the Audit & Risk Committee considered the detail set out and it was noted that the Search & Governance Committee had recently looked at the skills audit and had identified a number of areas to target in future Board Member recruitment.</p> <p>RESOLVED: The Committee reviewed and discussed the Board Member Training and Skills Report.</p>	
014-2324	<p>ANY OTHER BUSINESS</p> <p>It was confirmed that the Post 16 Audit Code of Practice required the Board of the Corporation be given the opportunity to meet with the External Auditors, it was confirmed that this had been considered and discussed and that the attendance of the Commercial, Finance and Resources Committee Members along with the Audit & Risk Committee included the majority of Board Members and was sufficient, this approach was confirmed by the External Auditors.</p>	
015-2324	<p>DATE OF NEXT MEETING:</p> <p>The next meeting of the Audit Committee would be held on 6 February 2024.</p>	
016-2324	<p>EVALUATION</p> <p>It was noted that the Committee had undertaken the required activities.</p>	
017-2324	<p>CONFIDENTIALITY</p> <p>Items to be recorded confidentially were noted.</p>	