

THE BOURNEMOUTH AND POOLE COLLEGE

MINUTES OF THE MEETING OF THE AUDIT & RISK COMMITTEE HELD ON 26 NOVEMBER 2024

Members Present:		
Dan Tout	Board Member & Chair of the Committee	
Ian Jones	Board Member	
Saba Rubaei	Board Member	
Neethu Stephen	Co-opted Audit Committee Member	
Sarah Hutchings	Chief Operating Officer	
In attendance:		
Mark Davies	Director of IT Services	
Marianne Barnard	Director of Governance	
Chris Mantel	Alliotts, External Auditors	
Daniel Hussain	Validera, Internal Auditors	
Lee Glover	Validera, Internal Auditors	
Gavin Shirley	Director of MI & Funding	Apologies
Finance & Resources Committee Members – in attendance for items 001-003		
Mike Kennedy	Board Member and Chair of Finance and Resources Committee	
John Dale	Board Member and member of the Finance and Resources Committee	
Phil Sayles	College Principal and CEO, Board Member and member of the Finance and Resources Committee	
Karen Hancock	Director of Finance	

PART A

		Actions
001-2425	APOLOGIES FOR ABSENCE Apologies were received from Gavin Shirley. Daniel Hussain and Lee Glover from Validera were welcomed to their first Bournemouth and Poole College Audit & Risk Committee meeting.	
002-2425	DECLARATIONS OF INTEREST There were no declarations of interest noted.	
003-2425	FINANCIAL STATEMENTS AUDIT The following were received from the External Auditors: i) The Management Report for the year ended 31 July 2024 Chris Mantel from Alliotts reported a clean opinion and drew attention to the following points: <ul style="list-style-type: none"> The budget forecasts, which cover in excess of 12 months from the accounts signing date, demonstrate that the College could continue to 	

	<p>operate throughout this period generating additional cash surpluses. Alliotts understood that 2024/25 recruitment was above target, although there was no in year funding growth funding anticipated</p> <ul style="list-style-type: none"> • Going concern – there were no issues noted, cash flow was good, however there were items to be aware of, such as the additional National Insurance costs • The Department for Education signed a contract for the redevelopment of the College's Bournemouth Campus in November 2023. The demolition of the site occurred in the year and a disposal had been recognised in line with the cost of the assets demolished. It should be noted that this development was being fully funded by the DfE and an asset would only be recognised when formally handed over to the College • Prior Period Adjustment - During the year end valuation process the actuaries identified that they had failed to correctly account for the staff who transitioned back to the college from WESS. This has resulted in a revised valuation for FY23. On the basis that this valuation resulted in a liability of c£154k compared against the previously reported asset of £1.5m it was agreed that a restatement would be applied. <p>Local Government Pension Scheme Actuaries - The committee discussed the actuaries error from last year and Alliotts confirmed that the work had been done and this was now accurate.</p> <p>ii) Letter of Representation – Financial Statements Audit iii) Letter of Representation – Regularity Assurance Engagement</p> <p>Alliotts confirmed these were the standard letters.</p> <p>RESOLVED: The Committee received and noted the Management Letter from Alliotts and approved the letters of representation.</p>	
004-2425	<p>FINANCIAL STATEMENTS 2023/24</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 of the Corporation meeting on 12 December 2024.</p> <p>A number of points were noted:</p> <ul style="list-style-type: none"> • The Financial Statements were prepared by the college and audited by Alliotts • They showed an operating surplus of just over £1m • The Strategic Report had been updated to reflect the new College Strategy • The Financial Statements followed the Casterbridge model • It was noted that there would be a Strategic Report produced for a wider audience in the spring term 2025. <p>ii) 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 subsidiary Annual Reports and Financial Statements would be presented to the Board for approval on 12 December 2024, following review by the AGM on the same day.</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 12 December 2024.</p>	
005-2425	<p>PART A MINUTES OF THE LAST MEETING & MATTERS ARISING</p> <p>RESOLVED: The Committee reviewed and approved the Part A minutes of the meeting held on 11 June 2024 as a correct record.</p>	
006-2425	<p>APPOINTMENT OF CHAIR AND VICE CHAIR</p> <p>RESOLVED: Dan Tout would continue as Chair of the Committee and Ian Jones would be the Vice Chair for the Committee for the academic year 2024/25.</p>	
007-2425	<p>INTERNAL AUDIT REPORTS</p> <p>The Chief Operating Officer presented the following:</p> <ul style="list-style-type: none"> i) TIAA Internal Audit Reports 2023/24: <ul style="list-style-type: none"> • Health and Safety Overall Assessment: Reasonable Assurance The College had been without a Head of Health & Safety for some time and had recently employed a consultant to support college with this activity. The TIAA report had an administrative focus butt it was agreed that it was a fair reflection of where the college was at. It was noted that there was work to be done to embed processes and training. • Key Financial Controls Overall Assessment – Reasonable Assurance An updated document which included the management response would be shared. There were limited issues, but some actions to be addressed. ii) Audit progress report with the status report on actions <p>It was agreed to close down the actions from previous audits. There was an outstanding action linked to the ToR for the internal Health & Safety Committees. There was a commitment for this to happen before Christmas 2024.</p> <p>RESOLVED: The internal audit reports were received and noted.</p>	
008-2425	<p>COLLEGE AUDIT PLAN</p> <p>The Audit Strategy and Annual Internal Audit Plan 2024/25 were presented by Validera. It was noted that their follow up approach was slightly different to TIAA. They promote the use of a routine paper from management at each committee, then once a year they complete and assurance piece to confirm accuracy of the reports.</p> <p>The Audit Plan for 2024/25 was confirmed:</p> <ul style="list-style-type: none"> • Payroll, Expenses and Benefits (5 days) 	

	<ul style="list-style-type: none"> • Student Records (6 days) • Bursary and Learner Support (4 days) • Risk Management (4 days) <p>25 days had been agreed, which also included 2 days for follow up and 3 days for management time.</p> <p>This approach was noted and approved. It was confirmed that the committee could approve changes or updates during the year as needed.</p> <p>RESOLVED: The committee received and approved the Audit Plan for 2024/25.</p>	
009-2425	<p>RISK MANAGEMENT</p> <p>The Chief Operating Officer presented the following:</p> <p>i) Risk Management Policy (for approval)</p> <p>Some minor changes had been made. The updated policy was approved.</p> <p>ii) College Risk Register</p> <p>The number one risk had increased, this risk related to the Lansdowne area and the impact of the asylum seekers living in the Roundhouse Hotel and how a limited number of individuals caused problems. The impact on staff and students was significant. The current score goes outside of the risk appetite agreed, but the college did not have control over this. Everything the college could do to mitigate risks was being done. Kier were supporting, additional fencing had gone up. Security/other college staff could encourage students to come onto site, but they could not move on other groups. All people coming onto site needed to provide ID.</p> <p>iii) DfE Risk Register</p> <p>There was an emerging risk around DfE Main Project Programme - this had been on track until very recently, unfortunately the delay to install the SSE HV Cable would result in multiple enabling actions having to be rescheduled.</p> <p>DfE RSOW Programme – this had also been on track until very recently, however there had been some delays from the additional RSOW works needed, these required additional time to be completed and therefore additional costs. There was an additional update since the report had been prepared, there were some unexpected issues with the roof and chimney. The DfE had used their contingency.</p> <p>The RSM Emerging Risks Further Education report had been reviewed by the Chair of the Committee. It was noted that the report set out the top three most prevalent emerging risks:</p> <ol style="list-style-type: none"> 1. Changes in government priorities: new or changes in laws, policies and regulations affecting all businesses and individuals. 2. Geo-political instability, including fall-out from, and expansion, of conflicts. 3. Continued economic slow-down. Reduced spending by consumers and reduction of changes in spending by government. <p>Other risks identified included:</p> <ul style="list-style-type: none"> • Following the ONS re-classification, the risk around underwriting the LGPS • Apprenticeships and a potential risk around levels of demand 	

	<ul style="list-style-type: none"> The ESFA closing and the simplification process going on around funding <p>RESOLVED: The Committee received and discussed the Risk Register items.</p>	
010-2425	<p>CYBER THREAT REPORT</p> <p>The Director of IT Services presented the Cyber Threat Controls Report and the following points were highlighted:</p> <ul style="list-style-type: none"> Accreditation - The College regained Cyber Essentials accreditation in October 2023, submitted evidence for 2024 accreditation. The college was required to reach Cyber essentials, as this was an ESFA requirement. The cost to the college was £600 plus VAT Data Protection Requests - It was noted that the college deals with a significant amount of data access requests, for example references for students, from employers Vulnerability scanning - Significant numbers of emails were blocked and not delivered to individual inboxes. The greatest threat was the colleges users. Termly cyber bulletins were shared with staff and a recent focus in these had included the increasing use of QR codes by attackers and seasonal shopping scams A phishing campaign was currently running - Repeat offenders were tracked and a third offence would result in mandatory training and a risk of staff disciplinary. Waling was also noted as a risk <p>Committee members discussed opportunities to work with Dorset Police and other organisations around educating students about deep fakes and AI, and the associated risks. It was suggested that The Director of IT Services speak to Stuart Palmer, Director of Learning, as he had some good connections in the sector.</p> <p>RESOLVED: The Committee received and discussed the Cyber Threat Controls Report.</p>	
011-2425	<p>AUDIT COMMITTEE ANNUAL REPORT</p> <p>Members reviewed the Committee's draft Annual Report to the Board of the Corporation 2023/24 and this was approved for presentation to the Board of the Corporation at the meeting on 12 December 2024.</p> <p>The committee asked for clarification on the Apprenticeship Benchmarking, it was noted in the report that it had been agreed not to complete this internal review due to information not being forthcoming. It was confirmed that this related to TIAA who said the benchmarking data from their sector research was not forthcoming and was not to do with the college being un-responsive.</p> <p>ACTION: This would be updated and clarified in the version presented to the Board.</p> <p>RESOLVED: The Committee received and approved the Committee Annual Report.</p>	Director of Governance
012-2425	<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 2024. The Director of Governance had reviewed the entries in detail, and nothing was flagged as a</p>	

	<p>concern.</p> <p>RESOLVED: The Committee received and noted the latest Register of Interests.</p>	
013-2425	<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 2023 to 2024.</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 had last been conducted in autumn term 2023. The Director of Governance explained that a skills review was completed with Peridot ahead of the recruitment campaign in summer 2024.</p> <p>Four new Board Members had been recruited in the autumn term 2024 and the next Skills Audit would be completed in 2025.</p> <p>RESOLVED: The Committee reviewed and discussed the Board Member Training and Skills Report.</p>	
014-2425	<p>ANY OTHER BUSINESS</p> <p>It was requested that the screen be shared more often, as it helped committee members identify the exact points in reports that were being discussed.</p>	
015-2425	<p>DATE OF NEXT MEETING:</p> <p>The next meeting of the Audit & Risk Committee would be held on 4 February 2025.</p>	
016-2425	<p>EVALUATION</p> <p>It was noted that the Committee had undertaken the required activities.</p>	
017-2425	<p>CONFIDENTIALITY</p> <p>Confidential points were recorded in Part B minutes.</p>	