

BLACKPOOL AND THE FYLDE COLLEGE
AUDIT COMMITTEE
MINUTES OF A MEETING HELD ON WEDNESDAY 17 JUNE AT 5.00PM
VIA VIDEOCONFERENCE

Present: J Mills (in the Chair) Independent Member
S Dunstan Co-opted Subject Specialist
J Cole Independent Member
L Moffat Independent Member

In attendance: R Ryan, Chief Operating Officer
S Yeoman, Financial Controller
D Young (Clerk to the Corporation)

J Butterfield, Internal Auditor, TIAA
D Chamberlain, External Auditor, KPMG

1. Chair and quorum

J Mills took the chair and noted that due notice had been given to all Committee members and that a quorum was present. Accordingly, she declared the meeting duly convened and constituted.

2. Apologies for absence

There were no apologies for absence.

3. Minutes of previous meeting

The minutes of the previous meeting held on 4 March 2020 were agreed as a true and accurate record.

4. Internal audit reports

J Butterfield presented the following internal audit reports which had been circulated with the agenda:

- Assurance review of e-Procurement;
- Assurance review of admissions;
- Assurance review of marketing; and
- Assurance review of income and debtors.

With regard to the assurance review of e-Procurement, the Chief Operating Officer highlighted that the recommendation to revise the Financial Regulations to reflect the new OJEU threshold for the supply of goods/services was covered at agenda item 11 at minute 8 below.

In response to a question from S Dunstan as to the rationale for the assurance review of marketing, the Chief Operating Officer reminded the Committee of the context and background for the review. J Cole acknowledged the value of this particular audit given the importance of effective marketing.

S Dunstan asked whether the right topics were being identified for internal audit in light of their “substantial assurance” assessments. In response, the Chief Operating Officer reminded the Committee of the process for debating potential areas for internal audit with TIAA and the opportunity for the Committee to be involved in this decision making, referring to agenda item 7, at minute 5 below.

Furthermore, J Butterfield reminded the Committee that the areas that were selected for internal audit scrutiny were also influenced by relevant emerging issues across the sector. She also confirmed that the positive internal audit assessments were the result of the college’s high performance and robust controls, including comparatively across TIAA’s client base.

The Committee **RECEIVED** the internal audit reports and noted the content.

5. Audit Strategy and Annual Internal Audit Plan 2020/21

J Butterfield presented the draft audit strategy and annual internal audit plan for 2020/21 circulated with agenda which Committee discussed at length.

Following the Committee’s comments, questions and suggestions regarding the proposed content and timing of certain audits, particularly in view of the risks and challenges associated with Covid-19, the Committee **RESOLVED**:

1. THAT an audit of the apprenticeship area be brought forward to 2020/21.
2. THAT the scope of the HR audit would be revised to include issues related to Covid-19 including home working.
3. THAT the cybersecurity audit would be undertaken in 2021/22 as previously scheduled. However, Management would share with the Committee the outcome of any Covid-19 look-back/lessons learnt exercise, the purpose of which was to provide assurance of B&FC’s readiness for potential future lockdowns.

ACTION: Chief Operating Officer

4. THAT, subject to the above changes, the audit strategy and annual internal audit would be recommended to the Board for approval.

Audit Findings Tracking Log

The Chief Operating Officer presented the regular audit tracking log and drew the Committee's attention to the fact that no audit recommendations were requesting extensions to the agreed timescales, the audits with future deadlines were on track to complete on time, and management was formulating its response to the recently completed UKVI audit.

The Committee **RECEIVED** the report and noted the content.

6. External Audit Plan 2019/20

D Chamberlain presented a report which had been circulated with the agenda to outline the proposed external audit annual plan for 2019/20.

During her presentation of the report, D Chamberlain drew the Committee's attention to the revision to the FRC's going concern audit standard and the introduction of requirements by the Office for Students for the audit of access to participation expenditure to be included within the audit opinion on the accounts, the specific requirements of and fees for which had not yet been determined.

The Committee's discussion on KPGM's fees was minuted confidentially.
The Committee **RECEIVED** the report and noted the content.

7. Risk management report

The Chief Operating Officer presented the risk management report and updated risk register which had been circulated with the agenda.

The Chief Operating Officer drew the Committee's particular attention to B&FC's risk management strategies relating to Covid-19 which remained B&FC's key focus, including the secure plan and organisational risk assessment, which had been shared with the Board and which the Chair provided positive feedback thereon.

The Committee **RECEIVED** the report and noted the content.

8. Proposed update to Financial Regulations

The Financial Controller outlined each of the proposed changes to B&FC's Financial Regulations.

In response to a question from S Dunstan, the Chief Operating Officer clarified the reason for the change to personnel at paragraph 11.4 of the revised Financial Regulations, which was noted.

Following consideration, the Committee **RECOMMENDED** the changes to the Financial Regulations to the Corporation Board for approval.

9. Committee membership

The Clerk to the Corporation informed the Committee that following a recent review of the composition of the committees including the skills, knowledge and experience of the Board members, the Board had approved the appointment of Independent Member, Chris Holt, to the Committee.

The Committee also noted that the decision regarding the appointment of Independent Member Martin Long to the Committee would be confirmed in due course.

Following consideration, the Committee **APPROVED** the appointment of Chris Holt to the Committee with immediate effect.

10. Other matters to report

As this was L Moffat's last meeting before she stood down from the Corporation Board in September 2020, the Chair thanked L Moffat for her contribution and commitment to the Committee.

11. Date, time and venue of next meeting

It was noted that the next meeting of the Committee would be held on 25 November, 5.00pm via Teleconference.

There being no further business the meeting closed at 6.00pm.