



**AUDIT COMMITTEE  
PART I**

Minutes of the one hundred and second meeting of the Brockenhurst Audit Committee meeting, held on Tuesday, 7 February 2023 via Zoom.

<b>Present:</b>	<b>Governors</b>		<b>Meetings attended</b>
	Mr S Williams	Chair	(3 out of 3)
	Mrs D Hawkins		(2 out of 3)
	Mrs C Cooke		(2 out of 3)
	Mr G Cooper		(3 out of 3)

<b>In attendance:</b>	Mr S Wain	Interim Principal	
	Mr L Feingold	Vice Principal, Finance	
	Mr S Lovegrove	Vice Principal, Curriculum and Quality	
	Mr G Francis	Assistant Principal, A-Levels	
	Mrs L Payne	Clerk to Corporation	(2 out of 3)

**Meeting commenced at 5.00pm**

		<b>ACTION</b>
102.1	<b>WELCOME, APOLOGIES AND DECLARATIONS OF INTEREST</b> The Chair welcomed everyone to the meeting. Apologies had been received from Ian Fry. No member declared any conflict of interest with the agenda.	
102.2	<b>COMMITTEE BUSINESS</b>	
102.2.1	<b>Minutes of previous meeting held on 17 November 2022</b> The minutes of the meeting held on 17 November 2022 having been previously circulated to members were agreed as a true record and would be signed electronically by the Chair. <b>All Members were agreed.</b>	
102.2.2	<b>Matters arising from the meeting held on 17 November 2022</b> Matters arising had been actioned and in some cases agreed at the Extraordinary meeting on 26 January 2023.	
102.2.3	<b>Minutes of previous meeting held on 26 January 2023</b> The minutes of the meeting held on 26 January 2023 having been previously circulated to members were agreed as a true record and would be signed electronically by the Chair. <b>All Members were agreed.</b>	
102.2.4	<b>Matters arising from the meeting held on 26 January 2023</b> All matters arising had been actioned.	
102.3	<b>INTERNAL AUDIT</b>	
102.3.1	<b>Internal Audit Report – Autumn Term visit</b>	

	<p>The Vice Principal, Finance advised members that the College's Internal Auditors TIAA had not carried out any compliance reviews during the Autumn term 2022. He advised members the Audit plan for 2022-23 comprised one compliance review being Key Financial Controls and would be undertaken this term.</p> <p>The VPF informed members that as requested by the Standards and Finance committee and the Board, TIAA had provided a quote of £1,848 including VAT for a review of the College's Reforecasting process being 4 days' work.</p> <p>He reminded members that this had arisen at the request of the Board based on the reforecasting process last year.</p> <p>The Vice Principal felt the quote for the review was high and it was agreed the Vice Principal would talk to the Chair of the Board on the proposed Audit and refer the matter to the Board in March.</p> <p><b>All Members were agreed.</b></p>	<b>VP-Finance Refer to Corporation</b>
102.3.2	<p><b>Internal Audit Recommendations Register</b></p> <p>The Vice Principal, Finance informed members that there were just a few points still outstanding from the last internal audit, most had been completed, the final action would be completed by the June meeting.</p> <p><b>The report was noted.</b></p>	<b>Agenda item next meeting</b>
102.4	<b>RISK MANAGEMENT</b>	
102.4.1	<p><b>Risk Management Register and Action Plan 2022-2023 Update</b></p> <p>Members noted the report and in particular the risks that it was proposed were taken off the current risk summary, but remaining as generic risks.</p> <p>Members felt it may be useful to keep, those proposed risks for removal, on the risk register at this time, pending the start of the new Principal, so that she was able to see the present position. Members discussed the benefits of retaining the risks on the risk summary that were no longer risks or providing a summary for the new Principal. Overall it was agreed to take the risks off the risk register and provide a summary for the new Principal.</p> <p>It was noted that there were no new risks on the register but that one or two of them had been amended. The risk around pay and remuneration for staff was now the top item and highest risk. The VPF advised members there were pay award discussions going to the Standards and Finance committee this week and then the risk on this matter, could be further assessed.</p> <p>There was a discussion about the ever high energy costs. The VPF reminded members the College had a six-month contract for utilities and was now looking at a new contract from July. The VPF confirmed the utility costs were now lower and better than they had been previously.</p> <p>The project build was noted as still a key risk, as the amount actually claimed in the new build project, needed to be £3.2m by the end of March. The current figure claimed stood at £1.2m.</p> <p>The VPF spoke about the ONS reclassification and that the refinancing required by the College had happened.</p> <p>Members agreed to recommend the Risk register to the Board for approval.</p> <p><b>All Members were agreed.</b></p>	<b>Refer to Corporation</b>
102.4.2	<p><b>Log of outstanding recommendations from Internal and External Audit reports</b></p> <p>This item had already been covered earlier in the agenda.</p>	
102.4.3	<p><b>Notification of Incidents or actual fraud identified</b></p> <p>There were no incidents to report.</p> <p><b>The report was noted.</b></p>	
102.5	<p><b>Evaluation of Meeting</b></p> <p>Members were happy with the papers and content and felt it informed their decisions and recommendations.</p> <p>The length of the meeting was short but adequate, there was good added value and appropriate challenge in relation to the items on the risk register.</p>	

102.6	<b>AOB (to be notified to Clerk in advance of meeting)</b> <b>External Auditors Contract</b> There was one item of any other business relating to the contract with the External Auditors, Alliotts which was due to end this year. The Vice Principal, Finance advised members that although the contract with the External Auditors to the College would end this year there was an option to extend for a further two years. In discussion with the Auditors, the VPF confirmed they would be happy continue for a further two years. Their fees would increase by 9% to £28,746pa excluding VAT. Members enquired whether they could negotiate the fee down but the VPF felt that this was unlikely. Members agreed to recommend to the Board the extension of the contract with Alliotts for a further two years. <b>All Members were agreed.</b>	<b>Refer to Corporation</b>
102.7	<b>Date of next meeting</b> <b>Thursday, 18 May 2023 at 5.30pm</b>	

**Meeting ended at 5.20pm**