

Audit Committee

Final

20 November 2025 at 5pm

Members Rachael Fisher (Chair); Suzanne Lyne; Shawez Mir; Kunal Parkash

Attendees Maxine Deslandes (Deputy Chief Operating Officer); Matt Fawcett (Deputy Principal (Planning, Partnerships and Projects)); Anil Nagpal (Chief Operating Officer); Owen Rees (Director of Governance); Kevin Maloney (TIAA); Robert Cloke (Buzzacott LLP)

Observers Carole Kitching (Chair of the Corporation), Karen Redhead (CEO & Principal), Jane Makwe, Cecilia Harvey (from item 13), Phillip Kerle (from item 13), Chris Taylor (from item 13)

1 Attendance

As the Chair was delayed, Kunal Parkash was elected to chair the meeting. The Committee congratulated him on his nomination as Chair of the Committee.

The Chair welcomed members to the meeting and led a round of introductions. He noted that Carole Kitching and Karen Redhead were attending as observers. Jane Makwe had been nominated to join the Board and the Audit Committee and was also attending the meeting as an observer.

2 Declarations of interest

No interests were declared.

3 Minutes

***Resolved*, That the minutes of the meeting held on 2 October 2025 be approved as a correct record.**

4 Matters Arising and Actions Log

The Actions Log had been updated. Officers updated on open actions in relation to business continuity and the HR system, the integration of operational risk registers and the strategic risk register, and the review of key risks by relevant committees.

5 Subcontracting Update

The Deputy Principal (Planning, Partnerships and Projects) presented the report, which set out subcontracting activity since the previous meeting. The DPPP noted that, as previously reported, subcontracting had been substantially reduced.

Governors asked whether there was capacity for the College to increase subcontracting if this was necessary. The DP (PP&P) reported that the planned reduction meant that the College was substantially below its allowed limit for subcontracting and could therefore increase if needed; however, there would be a financial cost if there was an increase. The College would also need to reapply for the DfE subcontracting standard to retain its capacity to subcontract.

6 Annual Health and Safety Report 2024-25

The Chief Operating Officer introduced the report, which set out a review of the College's health and safety performance for the period covering 1 September 2024 to 31 July 2025. The report summarised the policies in place, staff training and accidents and incidents, including any reportable to the Health and Safety Executive (HSE).

The Committee noted it would be useful to present accidents and incidents from each campus with a per capita figure, reflecting their different sizes.

ACTION Health and Safety Reports to include a per capita comparison (Chief Operating Officer)

A governor also asked about the timescale for the HSE investigation of the RIDDOR reportable incident.

ACTION Check timescale for follow up to incident reported to HSE to be closed (Chief Operating Officer)

Resolved, the report was agreed for submission to the Board.

7 Risk Management

The Chief Operating Officer introduced the report, which set out the strategic risk register. He noted that there were 9 risks on the register, with 6 risks assessed as high and subject to further monitoring and 3 as acceptable. He noted that the risks faced by the College were common within the further education sector.

A governor asked whether the strategic risks were too focused on finance and whether a wider range of risks should be included. The COO reported that only 3 of the 9 were financial.

A governor asked whether links to the delivery of the strategy were clear enough in the Register. The COO noted that these were set out in the Enabler column, and it was agreed to reorder the register by Enabler to make this clearer.

The Committee discussed the ordering of the register and also requested that update comments be dated to allow these to be tracked.

ACTION Include dates on update comments where these were made (Chief Operating Officer)

8 Fraud report

The Chief Operating Officer reported that there had been no instances of fraud or suspected fraud since the last meeting of the Committee. He added that TIAA would be delivering refresher training to staff on fraud detection.

9 Internal Audit Update (tracker)

The Deputy Chief Operating Officer reported on progress against internal audit recommendations. 49 recommendations were outstanding, with managers advising that 17 of these had been implemented. Outstanding recommendations were now being tracked via the TIAA portal, with all recommendations transferred.

In response to a question from a governor, the DCOO clarified that the original due date would normally be shown but the agreed revised date was showing in the tracker due to the transfer to TIAA's tracker. The Committee discussed the process for reporting on outstanding recommendations going forward, noting the importance of changes to due dates not being made by managers alone. It was noted that there were outstanding recommendations without an update for IT, where there was no Director in place at the time of the meeting.

Kevin Maloney (TIAA) reported that he would produce a progress report for future meetings, which would be able to track recommendations and categorise these more clearly. He noted that this would show the original implementation date, any revised date and whether the recommendation was implemented, outstanding or overdue. He noted that overdue recommendations requiring extension should be reported to the Committee for their review and agreement.

The DCOO noted that a group of recommendations should be resolved by the impending introduction of new Customer Relationships Management software. Further, the arrangements for evidencing and signing off completion had been simplified with the appointment of TIAA, which should result in recommendations being closed more swiftly.

10 Internal Audit Assignment – Estates Management

The COO introduced the report, noting that Scrutton Bland had compiled the report but were not in attendance at the meeting. There were 7 recommendations, and Reasonable assurance.

11 Annual Internal Audit report 24-25

The COO introduced the report, noting that Scrutton Bland had compiled the report but were not in attendance at the meeting.

A governor asked why additional days had been required above the planned 43. The DCOO noted that, as the annual plan had been focused on the review of outstanding recommendations, additional days had been required for Scrutton Bland to gather sufficient evidence to give their opinion on the College. Asked whether there were lessons to be learnt from this, the DCOO noted that it underlined the importance of closing recommendations in a timely fashion, and that the position was reviewed in good time before the contract end.

A governor asked whether the College had sufficient capacity to meet audit recommendations on the timescale set. Kevin Maloney noted that the purpose of reports was to provide assurance and recommendations made were to support this. He noted that the timescale for implementation was set with the input of service managers and should not be agreed if not achievable. Where this was not subsequently achievable, a report should be made to the Committee explaining the reason for this. The CEO & Principal and DCOO agreed with this, while noting

that turnover of managers and the need to evidence implementation were factors that may have affected individual recommendations. The COO noted that there would be greater pace and visibility, aided by the tracker, going forward.

12 Annual report of the Audit Committee 24-25

The Director of Governance presented the report, which set out the Committee's work in the previous year. It was approved, subject to a check on the number of internal audit days to ensure this matched the figure given in the Annual Internal Auditor's Report.

Resolved, that the Annual Report be agreed for submission to the Board.

The Audit Committee was joined by the Finance & General Purposes Committee for the annual joint meeting to consider the financial statements. The following members of the Finance and General Purposes committee were present from this item – Phillip Kerle, Cecilia Harvey and Chris Taylor.

Rachael Fisher took the Chair from this item.

13 DfE Assessment of Financial Health

The COO presented the report, which set out the Department for Education (DfE)'s assessment of the College's financial health based on its 2024-25 return and 2025-26 budget plan. The College's financial health was assessed as Good.

The COO noted that the report was accompanied by the Governor Dashboard, which was produced by the DfE. It set out the college's position against a range of indicators and comparators.

In response to a question from a governor, the COO outlined the likely triggers for intervention by the DfE, noting that the College had move significantly forward from its own period in intervention.

14 Post Audit Report

Robert Cloke (Buzzacott) introduced the post audit management report on behalf of the external auditor, noting that the audit was almost complete with minor information outstanding. He noted that the audit had not raised any major concerns, and he anticipated unmodified and unqualified opinions on the accounts. He outlined the findings in relation to the key areas set out at the planning stage. He confirmed that he had been able to access the internal auditors and all other information required.

Two recommendations were being made; firstly, there had been an omission of a related party transaction from the accounts, and a subsequent check had found that there were undeclared directorships held by a governor. The second recommendation was in relation to cancelled invoices.

A Governor asked what would be put in place in relation to related party transactions and checking governor declarations. The DCOO clarified that the related party transaction was the first of its kind due to an individual taking up a new role as a trustee, while there would be a process put in place to double check registers of interest against public records to ensure that all declarations were made, and any related party transactions identified.

A governor asked about medium-term risks to financial health. The COO noted that, in addition to funding risks, that the College was always carefully monitoring its cash position, ensuring that this met the position set by the governing body.

The Committee noted that it would be useful for the College to model what would be necessary to achieve Outstanding financial health, while noting that investment in learners would remain the priority.

ACTION Consider how to model Outstanding in future budget setting processes (Chief Operating Officer)

The Committee thanked the Auditors for their work. The COO also congratulated the DCOO and staff on their work, noting that the accounts showed a third consecutive surplus and that the overall position represented outstanding progress from the position inherited by the CEO & Principal.

15 Regularity Self-Assessment Questionnaire (RSAQ)

The COO presented the RSAQ and Fraud Questionnaire, noting that these had been previously presented to the Committee and updated in line with the comments made.

Resolved, that the Regularity Self-Assessment Questionnaire be recommended for approval to the Board.

16 Draft Annual Report and Financial Statements 24-25

The COO presented the report and financial statements and asked for any comments or questions.

A governor asked if the list of Key Management Personnel should identify the Chief Financial Officer. The COO noted that this was his responsibility.

17 Any Other Business

There was none.

18 Assessment of Meeting

Governors thanked Rachael Fisher for her work as Chair and a governor, and for continuing in position for the autumn term meetings.

19 Next meeting

6.00 pm on 19 March 2025.