

Audit Committee

Thursday 05 March 2026, 6:00-8:00pm

Block 1 Boardroom (1.204)



Meeting papers link: [05 March 2026 \(GovernorHub\)](#)

Committee members present:

Shabir Chagan

Ian Hughes (Committee Chair)

Alison Jarrett (Committee Vice Chair)

Grant Johnson

In attendance:

Nathan Coughlin, Bishop Fleming (Item 4.1)

Louise Tweedie, RSM (Items 1-7)

Steph Morley, Director of Governance

Andrew Woodford, CFO & Vice Principal

APPROVED MINUTES

Item	Discussion	Action
1	Welcome The Chair opened the meeting and welcomed all in attendance.	
2	Procedural matters	
2.1	<u>Apologies</u> There were no apologies as all committee members were in attendance.	
2.2	<u>Declarations of interest</u> There were no declarations of interest for this meeting.	
2.3	<u>Confidential item(s)</u> The Committee agreed Item 8 (External audit review) would be held in Confidential session.	
2.4	<u>Approvals since last meeting</u> There had been no approvals to report.	
2.5	<u>Minutes of last meeting and actions/matters arising</u> The Committee approved the minutes of the meeting held on 04 December 2025 as a true record. Refs 1-5: Update on risk dashboard redevelopment provided under Item 3. All other actions were reported as completed/closed.	
3	Spotlight: Risk management	
3.1	<u>Risk Management Policy – discussion</u> A.Woodford introduced the item and confirmed the changes that would be made to the risk dashboard on PowerBi following the discussion at the previous meeting. He confirmed the new look dashboard would be presented to the Committee at its next meeting.	AW

A.Woodford presented the revised Risk Management Policy, which had been updated to reflect the Committee's request for change to a three type/score approach of inherent, mitigated and residual risk.

The Committee noted the proposed update to the policy and requested the following:

- Correction on Page 9 of (3) Inherent to (3) Residual
- Amendments in relation to identified typos
- Clarification regarding policy review frequency
- Consideration of a separate risk appetite statement and at least an annual discussion by the Corporation

**AW
(&IH)**

The Committee **recommended** the Risk Management Policy for approval by the Corporation, subject to the amendments above.

3.2 Risk register developments

See Item 3.1.

3.3 Live risk register

A.Woodford introduced the item and informed the Committee the usually quiet period between committee meetings had been busy in relation to risk, with changes in level and new risks added to the register.

The Committee welcomed the introduction of the heatmap information and asked if related benchmarking would be possible with other FE colleges. A. Woodford explained this would be difficult based on different approaches and the subjective nature of risk management; however, it was acknowledged that there would be common risks across the sector. The Committee asked for the heatmap to be reflected in the new look dashboard if possible.

AW

A.Woodford referred to the college's top risks and confirmed the likelihood for the risk related to cash balances had been raised following the discussion at Corporation about the capital programme. He advised the uncertainty and lack of ability to plan caused by the still awaited outcome of the government's curriculum reform remained a considerable risk, as well as the pressures on the college's estate caused by growth in student numbers.

A.Woodford informed the Committee clarification was also awaited from the DfE regarding in-year growth funding, which posed a risk to the current year's budget model. The Committee asked how much this was expected to be and if this was reflected in the cash flow. A. Woodford advised the funding could be c£1m and confirmed a prudent £600k had been reflected in the cash flow. The Committee acknowledged the risk to and continued impact of growth on college finances and requested in-year growth funding (uncertainty and amount) be added as a risk.

AW

The following were confirmed as the biggest (mitigated) risks facing the college:

- The effect of external factors on planning
- Uncertainty regarding Ofsted
- The pressure on the college estate
- Student retention
- Staff recruitment

- Operating within the agreed budget
- Cyber attack
- Changes in funding methods
- Funds for the capital programme

The Committee noted the risk relating to cyberattack and it was suggested G. Johnson, as link governor for digital/IT, would be invited to the Digital Group meetings.

**AW &
SM**

The Committee **noted** the latest update of the risk register and welcomed the presentation of the new format at its next meeting, including an updated version of the risk action plan to reflect the changes.

AW

3.4 Risk action plan

The Committee reviewed the live risk action plan and **agreed** an updated/ corrected version of the plan would be presented to the Corporation at its upcoming meeting on 17/03/26.

AW

4 **Audit plans and reports**

4.1 External audit update

N. Coughlin informed the Committee that planning for the 2025/26 annual audit had begun and the formal audit plan would be presented to members at the next meeting. He reminded governors of the upcoming changes to the FE/HE SORP effective from August 2026 and advised a webinar about these changes and other sector updates would be offered to committee members. Prior to August 2026, he confirmed that Bishop Fleming would work with college officers to agree how different funding streams and leases (existing and upcoming) would be recognised and advised there was no anticipated impact on the college's financial health score because of these changes.

NC

NC

The Committee asked if the changes in lease recognition (from revenue to capital) would be a material change. N. Coughlin confirmed it could be, particularly in the event of long-term operating leases, and advised leasing arrangements would need to be looked at in advance of August 2026.

The Committee acknowledged the importance of timing when signing a new lease within the next 6months, particularly if part of a capital project, and emphasised the risk of the local authority not willing to accept a lease as capital, despite the SORP change, also needed to be considered.

The Committee **agreed** a report would be provided at the next meeting to confirm the impact of the SORP changes on the college.

**NC &
AW**

4.2 Internal audit:

- Payroll controls audit report:** L. Tweedie presented the report of the Payroll Controls audit, which had been given a 'substantial assurance' opinion with 1 Medium and 1 Low level identified management actions.

The Committee noted the audit opinion and asked for further information related to the payroll reconciliation recommendation. L. Tweedie advised the audit had confirmed the existence of appropriate systems/procedures; however, some dates and signatures were missing. The low-level action therefore related to the need for consistency.

The Committee asked if the findings related to timesheets covered both digital and hard copy claims. A. Woodford advised only a paper-based system was used at this time and reported his intention to move to a purely digital system in the future.

The Committee **noted** the outcome of the internal audit for Payroll Controls, as set out in the report, and the identified management actions.

- b) **Internal audit progress report:** L. Tweedie referred to the report provided and confirmed the remaining audit activity taking place this year:

- Budgeting control and financial reporting (March 2026)
- Follow-up (March 2026)
- Curriculum plan implementation (May 2026)
- Learning support arrangements (June 2026)

L. Tweedie referred to the upcoming changes in employment law and A. Woodford confirmed those related to whistleblowing had already been addressed and HR policies were being reviewed to ensure compliance with the upcoming changes.

The Committee **noted** the audits still to be undertaken this year and the meetings at which their outcome and findings would be reported.

- c) **FE benchmarking report:** L. Tweedie referred to this year's RSM benchmarking report for the FE sector and advised, based on the report, the college performed consistently and broadly in line with the sector as a whole.

The Committee **noted** the FE benchmarking report from RSM.

4.3 Audit action tracking – progress report

A. Woodford presented the latest update on the implementation of audit actions/ recommendations and reported only a small number of actions (related to the Estates audit) remained outstanding. He advised this was due to a growth in the team's workload without additional capacity, including the introduction of a new Construction curriculum and the college's capital programme - this had been addressed and progress would soon be made on the outstanding actions.

The Committee requested the reintroduction of the audit assurance column as evidence of confirmation an action had been completed.

AW

The Committee **noted** the update provided and **agreed** to the removal of the reported completed actions.

5 **Policy and compliance**

5.1 Freedom of Information Policy

A.Woodford presented the updated Freedom of Information Policy, which had been revised with minor changes including more clarity regarding refusal of an FOI request, the ability to propose a possible change to the request if refusal was based on cost and the introduction of an internal review process for FOI refusals.

The Committee noted the proposed updates and requested the following:

- A strengthened sentence regarding submission of a request by social media
- Clarification regarding the timescales for an 'appeal' against a refusal
- Amendments in relation to identified typos

AW

(&IH)

The Committee **approved** the Freedom of Information Policy, subject to the requested amendments.

5.2 Health & Safety Policy

A.Woodford presented the updated Health & Safety Policy, which had been updated to reflect feedback from A. Hanson (Chair of F&RC).

The Committee suggested the list of related policies and procedures on Page 12 included the Lockdown Procedure/drills.

AW

The Committee **recommended** the Health & Safety Policy for approval by the Corporation.

5.3 Prevent risk assessment

A.Woodford presented the revised Prevent risk assessment, which had been updated to reflect local and national tensions and would be further amended in light of the current situation in the Middle East.

The Committee noted the use of a central system (EVOLVE) for planning visits and trips and asked what adoption was like across the college. A. Woodford advised he had observed the system in practice and noted there could be more effective and consistent use. He advised an internal review was planned, which would be followed by training for staff members and would help to improve utilisation.

The Committee requested the incorporation of the new acronyms mentioned into the governors' glossary.

SM

The Committee **noted** the revised Prevent risk assessment.

6 **By exception reports**

6.1 Cyber security

There was nothing to report at this time.

6.2 Data protection and FOI

A.Woodford presented the report provided and advised further data breaches had been recorded since the last meeting and reports made to the ICO where appropriate. He highlighted the reported incident of a Teams folder with open access and advised the IT department had subsequently audited folder access on Teams to ensure this could not be repeated.

The Committee asked if the SAR requests from a student's aunt were the same individual. A. Woodford confirmed they were and advised the college had responded in line with the legal advice received in relation to this specific matter.

6.3 Fraud, bribery and money laundering

There was nothing to report at this time.

6.4 Governance/regulatory compliance

S. Morley presented the report on compliance with the DfE's website publication requirements and advised there were no concerns to refer to the Committee following the checks undertaken earlier this term. She confirmed this exercise would be undertaken annually and the outcome reported at the next available meeting of the Audit Committee.

6.5 Health and safety

The Committee noted the report provided, including the improvements made since the last report.

The Committee identified an error in the percentages quoted within the report and it was agreed the figures would be corrected.

AW

6.6 Office for Students (OfS)

S. Morley informed the Committee she had submitted a consultation response on behalf of the Corporation supporting the proposed reduced regulation for FE colleges without degree awarding powers.

6.7 Procurement

There was nothing to report at this time.

6.8 Whistleblowing

There was nothing to report at this time.

7 Any other business

There was no additional business for discussion and L. Tweedie left the meeting at this point.

8 Confidential session

8.1 External audit annual performance review

The Committee discussed the report provided, which presented an assessment against Bishop Fleming's 2024/25 performance for the areas of planning, knowledge of business, discharge of duties and relationships. The proposed evaluation for all four areas was 'Achieved'/Green.

The Committee discussed each of the evaluations in detail and agreed its support for all four proposed evaluations.

The Chair closed the meeting at 8:00pm.

2025/26 meeting dates remaining:

- 21 May 2026

Actions from meeting - See Corporation & Committee action tracker for details and updates

Ref	Item	Action	Owner	Timescale
Audit Committee – 05 March 2026				
1	3.1	Risk Management Policy: Send identified typos to AW/SM	IH	ASAP
2	3.2	Risk developments: Present the new dashboard at next meeting	AW	Jun26
3	3.2	Risk developments: Look at how heatmap information could be represented on the dashboard	AW	Jun26
4	3.3	Risk register: Add in-year growth as a risk in the register	AW	Mar26
5	3.3	Risk register: Invite GJ to the Digital Group	AW & SM	ASAP
6	3.3	Risk action plan: Present updated/corrected plan to Corporation on 17/03/26	AW	10/03/26
7	3.4	Risk action plan: Review format of plan to reflect new approach	AW	Jun26
8	4.1	External audit: Circulate briefing details re SORP/sector updates	NC	When ready
9	4.1	External audit: Present 25/26 audit plan at next meeting	NC	Jun26
10	4.1	External audit: Report back on impact of SORP changes	NC	Jun26
11	4.3	Audit tracking: Reintroduce audit assurance column	AW	Jun26
12	5.1	FOI Policy: Make requested changes to the policy	AW	ASAP
13	5.1	FOI Policy: Send amendments to AW/SM	IH	ASAP
14	5.2	H&S Policy: Make requested changes	AW	ASAP
15	5.3	Prevent risk assessment: Add new acronyms to glossary	SM	Mar26
16	6.5	H&S report: Review the %ages within the report	AW	ASAP