

**Redacted and Abridged¹ Minutes of the Audit and Risk Meeting held on 26
November 2025 at 5.30pm
MS Teams**

Present

Mrs Sally Little	Chair
Mrs Isara Cotton	Co-opted Member
Mr Neil Fletcher	(From Minute 7 Until Minute 12)
Mr Malcolm Goulding	
Miss Hajara Ugradar	

In attendance:

Mr Mark Airey	Executive Director of Finance
Ms Sue Hutchinson	Partner, Menzies (Until Minute 7)
Mr Jasper Ho	Audit Manager, Menzies (Until Minute 7)
Mr Conor McGinley	Internal Audit Manager, Wbg
Mrs Clare Rayner	Director of Governance
Mr Simon Nixon	Principal and Chief Executive
Mr Iain Stott	Vice Principal – Corporate Services

1. Welcome and Apologies

The Chair welcomed everyone to the meeting. The Chair welcomed Ms Sue Hutchinson, Partner, and Mr Jasper Ho, Internal Audit Manager, from Menzies, the College's external auditor.

The Committee noted that Mr Neil Fletcher would join the meeting shortly.

2. Declaration of Interests

The Director of Governance highlighted the interests of Senior Post Holders and Mr Fletcher in Agenda Item 14: Senior Post Holder and Governor expenses. No other declarations of interest were made.

3. Audit and Risk Committee - Closed Session

Redacted.

Mr Airey and Mr Stott joined the meeting.

The Chair asked management joining the meeting if they had any interests to declare. No other interests were declared.

¹ Please note that any matters which the Corporation is satisfied should be dealt with on a confidential basis have been removed from these minutes.

4. Minutes of Previous Meeting

The minutes of the meetings held on 18 June 2025 and 8 October 2025 were agreed as correct records.

Resolved: The minutes of the meetings held on 18 June 2025 and 8 October 2025 were agreed as correct records.

5. Matters arising

The Committee reviewed the matters arising report. The Director of Governance highlighted that online General Data Protection Regulation training was now available on Smartlog.

The Chair suggested ordering the matters arising according to their delivery dates to enable the Committee to better track actions which were current, due or overdue.

Resolved: The Committee noted the matter arising report.

Action: The Director of Governance undertook to re-order the matters arising report by delivery date.

6. Audit and Risk Committee Annual Report

The Director of Governance referred members to the draft Audit and Risk Committee Annual Report 2024/25. The Director of Governance asked the Committee to approve the draft and to agree that the Chair of the Committee could approve the final version once the external audit had been completed and the reference to the Committee's governance self-assessment had been added.

Members expressed satisfaction with the report, noting it was comprehensive and well-written. It was noted that the Internal and External Audit Performance Review Report and the Internal Audit Annual Report 2024/25 would be appended to the final version.

The Committee agreed to consider suggestions for wider governance self assurance to provide an independent view beyond the Audit and Risk Committee's Self Assessment in the Closed Session at the end of the meeting.

The Committee noted that the external governance review, conducted every three years, included observations of committee meetings and provided external assurance.

The Committee approved the report and agreed that the Chair could approve the final report on behalf of the Committee.

Resolved: The Committee approved the Audit and Risk Committee Annual Report 2024/25 and agreed that the Chair could approve the final report on behalf of the Committee.

Mr Fletcher joined the meeting.

7. Annual Report Financial Statements, Management letter and Letters of Representation

Mr Mark Airey, Executive Director of Finance, referred members to the Annual Report and Financial Statements, at Appendix 1, the Management Letter, at Appendix 2, the letters of representation, at Appendices 3 and 4 and the regularity self-assessment questionnaire 2024/25 at Appendix 5. Mr Airey reported:

- the Resources Committee would review the Annual Report and Financial Statements at its next meeting;
- the external audit report was largely complete and the College was confident that outstanding work would be completed satisfactorily;
- the regularity self-assessment questionnaire 2024/25 at Appendix 5 had been signed by the Principal and Chief Executive.

The Committee discussed the reports with management and the external auditors. In response to comments and queried the Committee noted:

- how capital commitments and pension liabilities were being managed. The Committee noted that approval for the roofing projects and other projects had been approved by the Board;
- the current surplus of the local government pension scheme has not been reflected in the accounts as pension fluctuation was out of the control of the College;
- that a reference to the Clerk to the Board would be updated to Director of Governance.

Ms Hutchinson reported:

- on the smooth audit process and collaborative engagement with the College;
- that the College's finance team had been very transparent with the auditors;
- no further adjustments had been agreed other than presentational adjustments;
- that they were waiting for the government's funding audit of the College to be completed;
- that follow up activity was ongoing.

The Principal and Chief Executive explained that a late DfE request for funding auditors to review End Point Assessment costs for apprenticeship students in all colleges subject to a funding audit, had delayed the completion of the funding audit. The College had requested a response from the DfE by various channels as this

could delay the College's receipt of the reconciliation statement but had not received a response to date. He explained that it was unclear at present if this would impact on signing of the accounts at the Board in December.

Mr Stott confirmed that the College had been working with RSM, the funding auditors, and referred to the complexities relating to the apprenticeships funding. Mr Stott confirmed that the control checking work was ongoing, with the College undertaking a significant amount of work for what was expected to be a relatively small change.

Mr Ho presented the draft management letter at Appendix 2. He reported that:

- the audit had been straightforward;
- as previously discussed, the auditors were awaiting the outcome of the funding audit;
- the pension work had been completed;
- the auditors were working on a number of follow up queries with the team.

The Principal and Chief Executive and Ms Hutchinson agreed to meet the following week to discuss the arrangements for final sign off of the Annual Report and Financial Statements and other documents. The Committee noted that the College had contacted the DfE to highlight that an extension might be required if the reconciliation statement was not issued in time for the Board meeting on 11 December 2025.

The Chair:

- recorded thanks to management for revising the narrative following feedback on the 2023/24 financial statements and undertook to forward some minor amends;
- expressed gratitude for the College's hard work and commitment;
- thanked Ms Hutchinson and Mr Ho for their contribution and attendance at the meeting.

The Committee agreed to inform the Board that the audit process undertaken to date had given sufficient confidence to provide assurance that the financial statements and associated regularity self-assessment review had been prepared in a satisfactory manner.

Resolved: The Committee agreed to inform the Board that the audit process undertaken to date had given sufficient confidence to provide assurance that the financial statements and associated regularity self-assessment review had been prepared in a satisfactory manner.

Ms Hutchinson and Mr Ho left the meeting.

Mr McGinley joined the meeting.

8. Internal Audit Reports

The Chair welcomed Mr Conor McGinley, Internal Audit Manager, Wbg, to the meeting.

Mr McGinley reported that he would be working with the College going forward.

a) College Financial Handbook

Mr McGinley presented the College Financial Handbook Internal Audit report at Appendix 1. Mr McGinley outlined the scope of the audit and reported:

- that the overall conclusion was a ‘strong’ level of assurance could be given;
- that no management recommendations had been made:
- on benchmarking with other colleges;
- on the College’s compliance with the schedules and musts, segregation of duties, and controls in place.

The Committee acknowledged the positive outcome and commended the work of the finance team.

The Committee noted that the changes to the College’s Financial Regulations had been approved by the Board in March 2025.

The Committee noted the College Financial Handbook Internal Audit report.

b) Adult Skills Funds

Mr McGinley presented the Adult Skills Funds Internal Audit report at Appendix 2. Mr McGinley outlined the scope of the audit and reported:

- that the overall conclusion was a ‘strong’ level of assurance could be given;
- that four low level management recommendations had been made in relation to:
 - signing of learner agreements before the start of the course and obtaining immigration status;
 - data entry for claims for full or co-funding;
 - recording of start dates on the Individual Learner Record (ILR);
 - recording of existing qualifications.
- benchmarking with other colleges;
- that many of the errors identified had been corrected in year when followed up;
- the Adult Admission Procedure was still in draft when the auditors completed their work and had been scheduled to be approved by the Executive Leadership Team in March 2025.

A member highlighted that for one sample an error had been identified in 10% of the sample and for another an error in 11 out of 30 and queried whether this was as significant as it appeared.

Other members queried the roles and responsibilities for staff for ensuring compliance and the process for internal validation checks to correct errors in year.

In response to these queries, Mr Stott:

- explained the reason the internal audit reports were on the November agenda;
- explained the complexities involved in auditing in-year data, which was subject to frequent changes and updates, when compared to end of year reporting. He explained that this audit had been conducted quite early in the year. He highlighted that in relation to the recommendation on immigration checks, the government's self-assessment tools had been delayed, affecting the College's validation processes. However, he acknowledged that some, such as signing of the learning agreement, would not change in year;
- provided assurance that most issues, such as residency cards and start date recordings, had been addressed, although some, such as signing of learning agreements, could not be corrected retrospectively;
- detailed staff training efforts to ensure compliance with new funding regulations, particularly for the Adult Skills Fund;
- referred to teething problems associated with the government's digital e VISA system which had been scheduled to go live on 1 January 2025 but had been delayed until June 2025;
- reported on staff training on how to record start dates for students and recording of prior attainment levels;
- reported that the College did undertake internal checks but the College was currently waiting for the new funding rules to be published and associated audit assessment tools;
- that the Adult Skills Fund was a new funding stream with new funding regulations for 2024/25 and this was one of the reasons why the College had asked for an internal audit. However, there were lots of unknowns, for example at the time the internal audit was completed Wbg did not have the DfE audit framework / government's Provider data self-assessment toolkit (PDSAT) and as funding rules had not been published, the examples highlighted might not have been a true error.

Mr McGinley was of the view that the issues identified in the internal audit were minor and did not indicate systemic problems. He reassured the Committee that the audit outcomes were consistent with expectations and that any significant errors would have been escalated promptly.

The Committee noted the Adult Skills Funds internal audit report.

c) Follow Up Review

Mr McGinley presented the follow-up review report, at Appendix 3, highlighting the actions taken to implement previous internal audit recommendations. He reported:

- that a strong level of assurance could be given on the follow up review which meant that the internal auditors had seen sufficient evidence that the College endeavoured to implement the recommendations raised. He reported that eight recommendations were fully implemented, two were not yet due, and eight were partially implemented. He outlined the recommendations that were partially implemented;
- on the progress of recommendations and the completion dates agreed with management.
- that assurance could be given to the Committee that progress was being made, although some delays were due to timing issues and staff absences. He emphasised the importance of continuing to track and implement these recommendations to ensure compliance and effective risk management.

The Committee noted the Follow Up Review report.

The Chair thanked Mr McGinley for his reports.

Resolved: The Committee noted the internal audit reports.

9. Risk Management Register

Mr Stott referred members to the risk register at Appendix 1. Mr Stott reported:

- on two new risks which had been discussed at the Board on 16 October 2025: failure to adequately prepare for the new Ofsted framework and failure to develop a strategic plan in time for the new academic year;
- a separate risk on Artificial Intelligence had been added to the risk register following discussion at the meeting on 18 June 2025 and the Board on 3 July 2025;

- that the register had been further streamlined and updated to reflect recent changes.

The Committee discussed the risk register with management. Members:

- suggested that timescales required further review as some were dated July 2025 and to consider if “review date” might be a more appropriate heading;
- suggested inclusion of the Board’s intention to complete a Board skills matrix in the narrative on governor recruitment;
- suggested that consideration was given to separating risks where the mitigations were different e.g. risk of litigation for HR People matters and HR estates matters. However, it was noted that this would extend the number of risks when previously it was agreed that the number of risks should be reduced;
- noted the risk of litigation had increased (the arrow) due to two significant incidents in the autumn term;
- agreed with the addition of new risks related to the Ofsted framework and strategic planning;
- suggested the risk of ‘Changes in Board membership have adverse impact on College strategic direction and/or oversight’ was reviewed as two Vice Chairs had been appointed which mitigated this risk;
- noted that there were currently two governor vacancies following a retirement and resignation, and both governors had served on the Quality and Standards Committee;
- some risks could increase if an Ofsted inspection was imminent.

The Committee noted that at its meeting on 14 August 2025, the Board had discussed talent management, organisational development and succession planning and agreed that further consideration should be given to whether risks related to these areas were significant enough to be included on the risk register.

The Principal and Chief Executive provided further background on the Board’s discussion on succession planning on roles such as the Senior Procurement Officer, where there could be key person dependencies or where staff had significant technical skills and knowledge. The Principal and Chief Executive also referred to discussion that many members of the College Management Team were of a similar age demographic and therefore might move to the next stage of their lives at a similar time. College management would recruit as required, but the Committee might want to consider if a more formal succession plan pipeline for identified roles was required and whether this risk should be added to the risk register.

The Committee debated whether succession planning and related matters below Executive Leadership Team level should be added to the risk register, or whether they should be considered as ‘business as usual’ operational matters. Members

suggested that there were different elements to the risk: succession planning, roles with a single point of failure /key person dependency roles and loss of corporate knowledge.

Mr Stott advised following the work the College had done on staff recruitment, retention and benefits, the College had been successful in appointing to roles which had been traditionally difficult to fill. However, there were limits to the amount of mitigation the College could put in place. e.g. if the College only needs one electrician, it could not justify appointing two for contingency or succession planning purposes.

Mr McKinley commented that he regularly saw the strategic elements of staff recruitment and retention appearing on risk registers.

Following discussion, it was agreed that management should further explore existing College arrangements in respect of talent management, organisational development and succession planning and report back to the Committee.

Resolved: The Committee agreed to note the register and recommend to the Board inclusion of the new risks.

Action: That management to further explore whether a risk on talent management, organisational development and succession planning was required and report back to the Committee.

10. Audit Register

Mr Stott provided an update on the audit register, noting that it has been updated to reflect actions addressed from internal audits from previous years and those still remaining.

The Committee noted the Audit Register report.

Resolved: The Committee noted the Audit Register.

Mr McGinley left the meeting.

11. Health and Safety Annual Report 2024/25

Mr Stott presented the Health and Safety report for 2024/25 Mr Stott reported:

- on the increase in reported incidents compared to the previous year. Mr Stott attributed this rise to the proactive training efforts of the new Health and Safety Officer, and an increase in first aid cases and incidents due to the increased number of students on site;
- that there had been one significant incident involving chest pains requiring hospitalisation;

- near misses had reduced from 15 to 12;
- there were no Reporting of Injuries, Diseases and Dangerous Occurrences Regulations (RIDDOR) incidents in 2024/25;
- the introduction of Smartlog for staff training;
- first aid support at the College;
- improvements around the estate, which would mitigate risks identified by the Health and Safety Officer;
- the overall conclusion was the College had a strong commitment to health and safety, with the proper controls and legal compliance in place.

The Committee discussed the report with management. In response to comments and queries, Mr Stott reported that after any incident the Health and Safety Officer reviewed risk assessments and practices in order to identify any improvements. Members noted that common incident areas were dance, sport and construction. Members were assured by the proactive approach taken.

The Committee also noted that reporting of incidents could also indicate a positive culture in which incidents were recorded so that lessons could be learned.

A member requested that incident ratios relative to student numbers were provided. Members agreed that this would aid comparison to previous years.

Resolved: The Committee discussed and note the draft Annual Health and Safety Report 2024/25 at Appendix 1.

Action: To include incident to student ratios in future health and safety reports.

12. RIDDOR report

Mr Stott provided an overview of two RIDDOR incidents which had occurred in the autumn term and reported to the Health and Safety Executive.

He reported that the Health and Safety Officer had reviewed risk assessments and practices following each incident.

He reported that the Health and Safety Executive had not visited the College to date, which could indicate satisfaction with the risk assessments provided by the College.

It was noted that the second RIDDOR report had not been included in the pack in error and would be included with the report to the Board.

The Committee discussed the reports with management and in response to comments and queried the Committee noted that:

- risk assessments had taken place following the incidents and that the member of staff and the student concerned had undertaken full training on the equipment used;
- where the incidents had taken place in College;
- the College would take forward the recommendations of the Health and Safety Officer to make sure that similar incidents did not happen in the future.

The Committee noted the report and the importance of learning opportunities from each incident.

Resolved: The Committee noted the two RIDDOR incidents that have been reported to the Health and Safety Executive in 2025/26.

Action: Director of Governance to share the report on the second RIDDOR incident with the report to the Board.

13. Annual Report of Debts Written Off 2024/25

Mr Airey presented the Annual Report of Debts Written Off for 2024/25, noting that the report was at Appendix 1.

The Committee expressed satisfaction with the College's proactive approach to debt recovery, including pursuing County Court Judgements (CCJ) where it was financially viable.

The Committee noted the report.

Resolved: The Committee noted the Annual Report of Debts Written Off 2024/25.

14. Senior Post Holder (SPH) and Governor Expenses 2024/25

Mr Airey presented the report on Senior Post Holder and governor expenses. The Committee noted the report and the minimal expenses incurred.

Resolved: The Committee Senior Post Holder (SPH) and Governor Expenses 2024/25.

15. Matters to draw to the attention of the Board

The Committee agreed that the following matters should be drawn to the attention of the Board:

- progress with the year-end audit,
- the Committee's discussion on talent management, organisational development and succession planning with a request for the Executive

Leadership Team to further consider how to move forward and report back to the Committee;

- the College's proactive reporting of RIDDOR incidents in-year.

Resolved: The Committee agreed the key matters to be highlighted to the Board.

16. Date of Next Meeting - 4 March 2026

The Committee noted the next meeting was scheduled for 4 March 2026.