**AUDIT AND RISK COMMITTEE**

**CONFIRMED MINUTES FROM THE MEETING HELD ON 3 MARCH 2026 AT 4:00PM THETFORD BOARDROOM, CITY COLLEGE NORWICH**

**Present:**

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| Philip Pearce | PP | Chair |
| Jill Wade | JWa | Governor *(remote, via MS Teams)* |
| Sean Green | SGn | Governor |

**Attendees:**

| | | |
|---|---|---|
| Jen Eves | JE | Chief Operating Officer *(from 4:05pm to 6:15pm)* |
| Jerry White | JWh | Principal and CEO *(from 4:05pm to 6:15pm)* |
| Jodie Mitchell | JM | Director of Governance and Legal |
| Karen McIntosh | KM | Finance Manager *(from 4:05pm to 6:15pm)* |
| Martin Colbourne | MC | Chief Finance Officer *(remote, via MS Teams from 4:05pm to 6:15pm)* |
| Paul Goddard | PG | Internal Auditor, Scrutton Bland *(remote, via MS Teams until 5:35pm)* |
| Stuart McKay | SM | External Auditor, MHA *(remote, via MS Teams until 5:35pm)* |
| Claire Harber | CH | Governance and Legal Officer *(until 6:15pm)* |

**Apologies:**

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| Hannah Stewart | HS | Co-opted Member |
| Leisyen Cox | LC | Internal Auditor, Scrutton Bland |

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1. **CONFIDENTIAL - Governor Meeting with Auditors**
This item is an opportunity for informal discussion between governors and auditors and is not formally minuted.

*JE, JWh, KM and MC joined the meeting at 4:05pm.*

2. **Apologies for Absence**
Apologies were received and noted as above.

3. **Declarations of Conflicts**
No interests were declared.

4. **Unconfirmed Minutes of the Meeting Held on 26 November 2025**
The unconfirmed minutes of the meeting held on 26 November 2025 were agreed as a true record of the meeting and will be signed by the Chair at the next available opportunity.

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6. **Matters Arising**
24/25 Audit 1 Action 5: Use three lines of defence risk model and tailor it to the College (MC). *The Committee noted the update on the action list and that this will be considered within the next policy review.* ACTION ONGOING (Due: March 2026)

24/25 Audit 2 Action 7: Consider ways in which staff training on fraud can be strengthened (MC). *The Committee were informed that Economic Crime and Corporate Transparency Act training has been rolled out to Governors and the Senior Management Team. The next step is to formulate a training plan to engage the wider College. Due date updated.* ACTION ONGOING (Due: May 2026)

24/25 Audit 4 Action 2: In follow-up reports, differentiate between recommendations implemented and those superseded (LC). *Action not yet due.* ACTION ONGOING (Due: June 2026)

Audit 1 Action 2: Check and confirm to the Committee whether the Adult Skills Fund Devolution IA recommendations are on track to be completed by end September 2025 (JW). *Due to ongoing delays in relation to devolution, it was agreed that this action would be archived.* ACTION CLOSED.

Audit 2 Action 1: ACTION COMPLETE
Audit 2 Action 2: ACTION COMPLETE
Audit 2 Action 3: ACTION COMPLETE
Audit 2 Action 4: ACTION COMPLETE
Audit 2 Action 5: ACTION COMPLETE
Audit 2 Action 6: ACTION COMPLETE
Audit 2 Action 7: ACTION COMPLETE

**7. Risk Reporting (including Risk Register Review)**

The Risk Reporting papers were circulated prior to the meeting. The following points were highlighted:

- The risk management process is being refreshed and there has been a move away from the e-risk system.
- The risk calculation method remains unchanged (5x5 impact / likelihood).
- There are eleven identified strategic risks (previously eight) and 62 operational risks.
- Risks with increased scores include employee relations (due to industrial action and pay negotiations) and staff sickness.
- Risks with decreased scores include financial position (due to a predicted 'Good' financial health rating for 2025/26) and insufficient number of Governors (due to the number of Governors having increased).
- Risk appetite is yet to be defined, but risks with a score over 16 post mitigation include cyber security, employee relations and staff sickness.
- Operational risks that may become strategic risks are on a watch list and are being closely monitored.

The Committee challenged whether due to the value of lost absence days the College has considered bringing in third party consultants to assist in supporting staff sickness issues. The senior team present advised that there has been significant work undertaken internally in relation to sickness and data available is of a high standard; the impact of this work will need to be assessed before consideration is given to seeking external support. The planned strengthening of HR resource will also assist. It was noted that staff sickness is being closely monitored by the Business Committee.

The Committee challenged the decreased score for the financial position risk given that the transformation plan is not where it was intended to be at this point, there are still financial challenges, and the EBITDA is not in an ideal position. The senior team present highlighted that some key variables have arrived in the College's favour, such as an additional high-needs funding claim, which have the effect of boosting the in-year position meaning a predicted return to a ‘Good’ financial health rating. It was noted that a forecast is being prepared to show the medium-term impact of these changes, and it was agreed that the risk position will be reevaluated following its completion. It was agreed that the risk comment would be updated to reflect that the reduction in score is due to the in-year position.

**ACTION 1: Update comment in financial position risk to clarify that reduction in risk is due to in-year position (MC).**

**8. Review of Internal Audit Reports**

The Internal Audit Update was circulated prior to the meeting and noted by the Committee.

**8.1 IAS Reports 2025/26**

Internal Audit Reports for Management Information and Student Retention were circulated prior to the meeting. The following points were highlighted:

Management Information (MI) – Substantial Assurance

- Power BI reporting is strong, particularly for curriculum planning, finance and estates.
- MI is used effectively and well-developed dashboards are in place.
- The IA checked source data to ensure correct information is feeding through.
- There was one low recommendation to make budget reporting accessible to budget holders. It was noted that this can be implemented when the new finance system is installed next year.

Student Retention – Reasonable Assurance

- The IA found an appropriate framework in place for student retention.
- A deep dive into the responses to a sample of ten students with attendance below 55% was carried out - one was as expected but the remainder showed varying levels of activity.
- There was one medium and three low recommendations.
- A thorough response was received from management in relation to the medium recommendation and it was noted that the College was already intending to carry out the work suggested within the recommendation.

Governors asked what contact is being made with other colleges to identify how other institutions are addressing retention issues and were informed that there is currently much focus in the sector on ‘not in education, employment or training’ (NEET) risk indicators and as a result local and national methodology is developing. Although the College has not got to the stage of implementing this within its systems, this can be built into the Individual Learning Plan (ILP) re-design (it will be ensured that vulnerable students are flagged to the correct leaders).

In response to further Governor questioning, the following points were clarified:

- Although the College does not carry out student exit surveys, a student’s reason for leaving is logged.
- Support groups are in place for some vulnerable groups; for example, there are support groups for unaccompanied asylum seekers and young carers.
- The College engages with the Students’ Union (SU) as partners in its work in relation to vulnerable groups (for example, the Young Carers Group was initiated by the SU) and there is a Student Voice Governor Group which reports to the Curriculum and Quality Committee.

**ACTION 2: Arrange for JWa to meet with Students’ Union President (JM/CH).**

**ACTION 3: Send Student Survey results to JWa (JWh).**

**9. Progress Report on Outstanding Internal Audit Recommendations**

The Progress Report on Outstanding Internal Audit Recommendations was circulated via email prior to the meeting. The following points were highlighted:

- The majority of 2024/25 recommendations are now complete, including those in relation to business continuity, wellbeing and cyber security. Some are still in progress, and some are overdue but with updated due dates as set out in the paper.
- Any actions remaining from prior to 2024/25 are in progress with clear ownership and updated milestones.

**ACTION 4: Send papers for item 9 to PG (CH).**

**10. Internal Audit Universe Assessment Matrix**

The Internal Audit Universe Assessment Matrix was circulated prior to the meeting. It was noted that the suggested audits are in draft at this stage and proposals are welcome.

It was agreed that Committee members would review the matrix and feedback comments and/or proposals to JM by the end of March.

**ACTION 5: Review the IA Universe Assessment and feedback any proposals for additions for the 2026/27 plan to JM by the end of April. (A&R members)**

**ACTION 6: JM to meet with JWa to discuss IA. (JM)**

**11. Annual Financial Handbook Compliance Self-Assessment**

The annual Financial Handbook Self-Assessment was circulated prior to the meeting. It was noted that the self-assessment is based on a template supplied by the external auditors and will form part of the regularity review undertaken by them as part of the external audit.

The Committee asked whether the self-assessment has been checked by others aside from the author and it was confirmed that the Finance Manager and Director and Governance and Legal have reviewed and agree with the self-assessment.

The Committee noted the Financial Handbook Compliance Self-Assessment.

**ACTION 7: Circulate missing appendix to cover sheet to Committee (CH).**

**12. Review of Whistleblowing Policy**

The draft review of the Whistleblowing Policy was circulated prior to the meeting. It was confirmed that the policy has been reviewed against legislation and regulation and has also been reviewed by the Internal Auditors who suggested some small alterations which have since been made.

The Internal Auditor made an optional suggestion to change the name of the policy to Whistleblowing (Freedom to Speak Up) Policy as this name has been adopted by some organisations to encourage people to speak up.

The Audit and Risk Committee determined to recommend the Whistleblowing Policy to the Board for approval.

It was noted that 'speaking up' has different connotations and consequences to whistleblowing and concern was raised that a change in name might confuse the notion of whistleblowing.

The Committee did not make a decision whether to change the name of the policy to 'Whistleblowing (Freedom to Speak Up)' but agreed that 'whistleblowing' should remain in the title.

**13. Statutory, Regulatory and Sector Updates**

The following verbal updates were provided:

External Auditor

- There will be a change to the FE/HE SORP which will apply from 1 August. Main changes are in relation to revenue recognition and lease accounting. Webinars are available on the trustee hub.
- It has been confirmed that there will not be a change in year-end for the sector. This may mean however that there will be additional returns required to the end of March.

Internal Auditor

- There has been reports that DfE funding auditors are increasingly focusing on the apprenticeships end point assessment process and there have been some clawbacks as a result.
- More whistleblowing cases are going directly to the DFE rather than via colleges and some of these are anonymous.
- The newly released white paper on SEND reforms will likely mean increased work for colleges to prepare support plans for each learner, but Education Care Plans (ECPs) should reduce.

Governors asked whether there should be concern around the increased focus on end point assessment processes and were informed that registry have good processes and keep abreast of updates via professional networks.

**ACTION 8: Ensure CC and Registry team are aware that DfE funding auditors are increasingly focusing on the apprenticeships end point assessment process (JW/JE).**

Chief Finance Officer

- The college is awaiting DFE funding notifications which are expected this month. There has been no toolkit this year which has made funding estimates difficult.
- The College plans to bid for post-16 capital funding next month.

Principal

- The College has written to local MPs on the sector VAT issue. One MP is helping to outline a strategy to lobby government on the College's behalf. Other college leaders are taking similar action.

*PG and SM left the meeting at 5:35pm.*

**14. CONFIDENTIAL – External Audit Tender**

The discussion was confidential and is recorded in the confidential minutes (set 1).

**15. CONFIDENTIAL – Auditors Performance Indicators**

The discussion was confidential and is recorded in the confidential minutes (set 1).

**15.1 CONFIDENTIAL – Assessment of Auditors Performance Indicators for 2024/25**

The discussion was confidential and is recorded in the confidential minutes (set 1).

**15.2 CONFIDENTIAL – Approval of Auditor Performance Indicators for 2025/26**
The discussion was confidential and is recorded in the confidential minutes (set 1).

**15.3 CONFIDENTIAL – Internal Audit Procurement Process for 2026/27**
The discussion was confidential and is recorded in the confidential minutes (set 1).

**16. Other Urgent Business**
No matters were raised under this item.

**17. Meeting Review and Summary**
It was agreed that the Chair would feed back to report writers outside the meeting and that if other members of the Committee have any comments they would advise the Chair of the meeting.

**ACTION 10: Feedback on report writing to PP (All members).**

**ACTION 11: Issue to feedback to report writers (PP).**

The Committee were reminded that the Chair will be preparing a Committee Chairs Report for Board later this month and it was agreed that the report template would be circulated to members so that members could advise of items for inclusion.

**ACTION 12: Send Committee Chair Report template to A&R members (JM).**

**ACTION 13: Highlight to Committee Chair any items for inclusion within the Committee Chairs Report for Board (All members).**

*JE, JWh, KM, MC and CH left the meeting at at 6:15pm.*

**18. CONFIDENTIAL – Confidential Matters Arising**
The discussion was confidential and is recorded in the confidential minutes (set 2).

**19. Date of Next Meeting**
The next Audit and Risk Committee Meeting is scheduled to take place on 8 June 2026 at 4:00pm.

All formal business having been concluded; the meeting closed at 6:27pm.

**Signed ………………………………………………….. Date ………………………**
**(Chair)**