Minutes of Audit Committee Meeting

Held on Thursday 5 March 2026 at 5.30pm
Executive Boardroom, All Saints Building, Worcester

Present:	**In Attendance:**
Chris Hallam (Chair)(Vice Chair of Corporation) Phil Colledge (Governor) Vicki Davies (Governor) Adam Hall (Governor) Donna Gibson (Governance Professional) Scott McReedy (WBG)(Via Teams)	Helen Davies (Governor)(Observing) Michelle Dowse (Principal/CEO) Cherie Clements (Vice Principal Finance & Corporate Operations)

36.1	**Welcome and Apologies** The Chair welcomed members to the meeting and welcomed Helen Davies (Governor) who had joined the meeting as an observer and Scott McReedy (Internal Auditor) who had joined the meeting via Teams. The Governance Professional confirmed that the meeting was quorate and advised that Bishop Fleming (External Auditor) were not joining the meeting.	
36.2	**Declarations of Interest** It was noted that none of the members present had any interests to declare, financial or otherwise.	
36.3	**Audit Committee Concerns** The Committee had no issues that they wished to raise or discuss in the absence of College Management and Auditors	
36.4	**Auditor Concerns** The Internal Auditors had no issues which they wished to discuss in the absence of College Management.	
36.5	**Minutes of the Previous Meeting** The minutes of the meeting held on 20 November 2025 were confirmed as approved, subject to some minor revisions being made by the Governance Professional.	**Governance Professional**
36.6	**Matters Arising** The Committee considered the matters arising from the previous meeting, noting that most had been completed. The Vice Principal Finance & Corporate Operations (VPFCO) confirmed that both of the subsidiary companies are dormant. They provided the background for each, with Molinna being the Worcester College of Technology company and NEWCEL being the company for North East Worcestershire College pre-merger. If one could be closed down completely NEWCEL would be the recommended selection and would cut ties to the previous entity of NEW College. The VPFCO confirmed that advice on this approach would be discussed with the College's VAT Adviser. *The Committee Chair enquired whether Bishop Fleming would also be approached for advice, particularly around the year end and accounts position?* The VPFCO confirmed that they would be consulted and the advice and guidance they provided shared with the Committee.	

	The VPFCO confirmed to the Committee that the College IT Department had confirmed that College devices have the appropriate security applied to them (BitLocker) and could be used overseas without any concerns. The Committee noted that the confirmation addressed previous concerns that it had raised regarding devices being taken out of the UK and security concerns when doing so.	
36.7	**Determination of any other Urgent Business** There was no urgent business for the Committee to consider.	
36.8	**Tender Committee Updates** For information the Committee received a verbal update from the VPDCO on the upcoming tenders for the M&E, Cleaning and HR/Payroll System contracts. The VPFCO advised that the M&E and Cleaning contracts are due to commence on 1 August 2026. The change to the HR/Payroll system arose as a result of the current provider retiring the existing system, requiring the College to respond within a short notice period. A Governor enquired whether there are internal Payroll Administrators and what is the impact on those? They were advised that the team is purely internal and does have the capacity to cover the extra workload as some of the team are part time and willing to increase their hours. *A Governor sought assurance on which staff would attend the tender presentations and whether the relevant teams would be appropriately represented. It was confirmed that key representatives from the IT, HR and Payroll teams will be present, and that their feedback will be considered as part of the evaluation process.* The Committee noted that there would be Governor representation at the Tender Committee meeting on 16 March 2026. *A Governor asked how the changes would be managed. The VPFCO advised that appropriate project management arrangements would be put in place, and that the forthcoming tender process would address how any risks or issues would be mitigated and managed* *A Governor asked whether the HR/Payroll system will be cloud-based or hosted internally. The VPFCO advised that this had not yet been confirmed, but that further detail would likely be provided as part of the supplier presentations.* *A Governor sought assurance as to whether consideration had been given to appointing a provider with a framework that could combine the tenders. The VPFCO confirmed that the providers invited to tender were drawn from the CPC framework for FE and were not able to combine tenders. It was also noted that the College will be appointing a new M&E provider, as the current provider did not participate in the tender process.* *A Governor noted that the 2 main contracts are of considerable size, have they had sign off by ELT?* The VPFCO confirmed that ELT are aware, the M&E contract has been changed twice previously, and Management have confidence in the process. *The Governor asked about the HR/Payroll system?* The VPFCO reported that there has never been a change of provider. When the two colleges merged the systems were merged by staff internally. *A Governor challenged the robustness of the tender scrutiny and overall tender process. The Committee agreed that the Finance & Resources Committee should retain oversight of tender scrutiny, with tenders also reported to the Corporation. It was noted that Corporation approval would be required for the contracts, in line with the Financial Regulations given the values involved* *A Governor requested that the Risk Register be updated in respect of any system changes that may be made.*	

36.9	**WBG FE Sector Update** The Committee noted the Sector Update provided, noting that it was a useful document. WBG reported that the update is a developing document, continuing to evolve to incorporate items of interest and relevance to its client base. It is intended to focus on key issues that are impacting upon the sector. WBG reported that they are open to including any topics requested by clients. *A Governor commented that the update was highly informative, noting its broad coverage of areas including policy developments, funding reforms, and cyber security. They referenced the previous IT review and acknowledged that cyber security will remain a key and ongoing risk, not only for the College, as an item on the risk register, but across the sector. It was suggested that cyber security should continue to feature as a standing item within the update, given its significance.* The VPFCO advised that enhanced security monitoring is currently being explored, while noting the need to balance the frequency of monitoring with the associated cost implications. The Principal/CEO acknowledged that the timing of the monitoring could be a challenge operationally. *The Lead Governor for IT & Digital suggested that some elements could be done outside of key college hours. Another Governor suggested that security monitoring could be undertaken three times a year, possibly termly.* *The Lead Governor for IT & Digital observed that as much as possible is being done to reduce Risk 14 on the risk register.* The Committee held a detailed discussion on the Sector Risk relating to Governance and Strategic Planning. Members considered the extent to which the Board has actively contributed to the development of the strategic plan. It was noted that many of the papers and reports presented to Committees and the Corporation, such as KPIs, Annual Reports, the Principal's Report, and the Accountability Statement, are aligned to and support the strategic plan. Members were also reminded that the former Governor Away Day has evolved into a Corporation Strategic Planning Day, with an increasing emphasis on strategic focus year on year. Governors serving on the Governance & Search Committee have challenged how the day can be enhanced to strengthen its strategic impact, demonstrating a clear awareness of the importance of understanding and shaping the College's strategy. *Governors were of the view that, as the Board continues to evolve, there may be a shift from a primary focus on challenge and discussion towards a more strategic role in influencing and setting the College's direction alongside the Principal/CEO and College Management.* *A Governor observed that they had gained much more from the most recent Strategy Day and there was an obvious change of direction.* The recent Estates Strategy was referenced as an example where Governors were involved from the beginning and have taken a check and balance approach at various stages to see it through to the next stage. This approach ensured that Governors had oversight and College staff felt supported. This approach could be taken when the strategy needs to be updated. Members agreed that the discussion held was useful and agreed that the involvement of Governors would evolve over time. *Referring to the reference to the Apprenticeship Levy, a Governor asked if any more was known about the move from the DfE to the Department of Work and Pensions (DWP)?* The VPFCO advised that nothing had been announced as yet.	
36.10	**Internal Audit Progress Reports (Individual Audit Reports)** **a) Safeguarding** The Committee noted the overall conclusion was strong. The report highlighted 13 areas of best practice that had been observed in practice. The audit had seen evidence of preparation for	

	Martyn's Law and that a practice lockdown was being planned for the Bromsgrove campus. There were no management actions arising from the report. The Principal/CEO sought input from the Internal Auditor regarding the Single Central Register (SCR), which had been reviewed as part of the audit. A sense check was requested, in advance of the Ofsted inspection, on whether two references are required, noting that this has not consistently been the College's practice historically and that clarification on the correct approach would be beneficial.	**WBG**
	b) Risk Management The Committee noted the overall conclusion was strong. The Committee were encouraged by the positive outcome and like the previous report noted that several areas (10 in total) of best practice had been identified. One management action arose from the audit and was assessed as Low. This related to the provision of risk management training for all staff with responsibilities involving risk. College Management acknowledged this as a fair observation. The Committee was also reminded that RSM has previously delivered risk management training sessions for both the Executive Leadership Team and members of the Corporation. The Committee were advised that the action would be progressed via a session at the Managers Day in September. WBG confirmed that they could assist with that if needed. *A Governor suggested that the session could be recorded and shared with any new staff or anyone who may have missed the session.*	
36.11	**Risk** **a) Strategic Risk Register** The Committee monitored the Risk Register and noted the changes in the position for risks 3, 4, 5, 6, 7, 11, 15 and 18. The Chair referred to Risk 7 – a decline in apprenticeship numbers, or numbers remain static, which had deteriorated. The Lead Governor for Apprenticeships confirmed that this reflects a common trend across the sector. The VPFCO suggested that increases in the National Minimum Wage may be a contributing factor and could particularly be impacting upon smaller organisations. **b) Risk Management Plan** The Committee noted that, following discussion of the College's risk appetite at the Corporation Strategic Planning Day, no changes were required to the current position. The item will be revisited at the September Workshop. It was further noted that including this as a standing agenda item ensures the risk appetite is formally set and subject to regular review throughout the year. The Committee agreed to recommend that current unchanged position be approved by Corporation.	Governance Professional
Sector Updates / Best Practice		
36.12	**a) Framework for Auditors and Reporting Accountants of Colleges** The Committee noted that the March 2025 issue is still the version that the sector is using and the Governance Professional would receive notice of any revisions and would highlight these for the attention of the Committee. **b) Novel, Contentious and Repercussive Transactions Decisions Log** The Governance Professional had created a separate log for such transactions in response to a discussion at the previous meeting. The log can be extended to record any decisions at other Governance meetings where such transactions had been considered. The Committee noted that having a log in place ensures that there is evidence that decisions were properly considered.	
36.13	**Meeting Effectiveness & Reflections**	

	The Committee reflected on the effectiveness of the meeting, considering whether there was sufficient challenge and if the discussions provided an appropriate level of assurance for Governors and noted: • The agenda was relatively short, as is typical for this time of year. • All members were afforded the opportunity to contribute, ask questions, and be heard. • The meeting was conducted in a respectful and constructive environment. • Appropriate challenge was demonstrated across a number of items, notwithstanding the shorter agenda. • The Audit Committee was recognised as operating in a professional, respectful, and mature manner. • The input from WBG was noted as particularly valuable. • The discussion provided the Principal/CEO with areas for further consideration, which was welcomed. • Contributions added value to the matters under discussion. • The Committee will continue to provide appropriate challenge to College Management, hold it to account where necessary, offer support as required, and provide assurance to the Corporation.	
36.14	**Any Other Urgent Business** There was no urgent business for the Committee to consider. The Chair thanked all for their attendance and participation.	
	Date and Time of Next Meeting: 23 June 2026, 5.30pm, Worcester	