

## MINUTES

**Audit and Risk Committee Meeting  
held via Microsoft Teams  
Monday 8 December 2025 at 16:30**

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<b>Date and timings:</b>	<b>16:30 to 18:15</b>
<b>Location:</b>	via Microsoft Teams
<b>Present (Governors):</b>	Rick Olver (RO) (Interim Chair) Seye Awolusi (SA) Marco Steel (MS) David Knott (DK)
<b>Clerk to the Corporation:</b>	Lana Jackman (LJ) Group Executive Director Governance and Strategy
<b>Minutes:</b>	Carrie Brown (CB) Head of Governance
<b>In attendance:</b>	Denise Brown (DB) Group CEO Paul Goddard (PG) (Scrutton Bland) Beth Pritchard (BP) (Scrutton Bland) Stuart McKay (SM) (MHA) Adam Fahey (AF) Group Deputy CEO- Curriculum and Quality Zed Mohammed (ZM) Group Deputy CEO Ansar Mahmood (AM) Group Deputy CEO- Chief Information Officer
<b>Apologies:</b>	Jayne Sheehan (JS) Vice CEO- Innovation

### Item

#### 0.0 **Agenda**

#### 1.0 **Welcome.**

RO welcomes everyone to the Audit and Risk Committee and introductions were given.

#### 2.0 **Preliminary items.**

##### 2.1 **Apologies for Absence.**

Apologies were received in advance from Jayne Sheehan- Vice CEO Innovation.

##### 2.2 **Declarations of Interest.**

There are no other new declarations of interest other than those already standing *(in accordance with the requirements of section 177 of the Companies Act 2006)*.

##### 2.3 **Urgent items of other business.**

None.

#### 3.0 **2024-2025 Accounts.**

The Committee **REVIEW AND NOTE** the Financial Statement and Regularity Auditor report.

SM presents the report and notes the following:

- The audit found 3 significant risks- fraud risk in revenue recognition, management override and related party transactions.
- There were also 6 other audit risks and a near miss on Managing Public Money due to a severance payment.

ZM thanks SM for his work on the audit noting that the audit for 2022-2023 has 64 audit recommendations therefore there has been a large turnover.

MS asks about the related party transactions and the missing forms for the Governors and how the audit can still give such strong assurance that there were no related party transaction without these? CB responds that these missing forms were from the Student Governors who do not currently and have not in the last financial year make any financial decisions. SM notes the challenges with Student Governors and these forms especially when they resign swiftly as two of those mentioned did.

RO asks about the programme of action to address the DBS point. ZM notes that there will be a refresh cycle on DBS for those staff members that haven't had a recheck within 5 years in line with the risk tolerance.

#### **Financial Statements.**

SM notes the improvement in the financial turnaround at SECG with expenditure well controlled and financial upturn. SM adds that creditors are under control.

DK asks what happens to the surplus in the context of FE? SM notes that surplus is allowed to be kept for FE and for SECG it is important to build up the cash reserves, pay down debt or investment in the large estate.

ZM notes the accounts presented are the first set of account in a decade where SECG have produced a surplus.

#### The Backstage Centre Ltd.

MS asks about the processes for the staff in the consolidation of The Backstage Centre Ltd to SECG? SM notes that these have been TUPED over and the creditors will also pass over to SECG.

### **4.0 Minutes of previous meeting.**

#### **4.1 Minutes of the meeting held on 20 May 2025.**

The Minutes of the meeting held on 20 May 2025 were **APPROVED** as an accurate reflection of the meeting.

#### **4.2 Matters Arising.**

None.

### **5.0 Internal Audit Reports.**

#### **5.1 Internal Audit Plan.**

The Committee **REVIEW, NOTE AND RECOMMEND TO THE CORPORATION BOARD VIA WRITTEN RESOLUTION** the Internal Audit Plan.

PG presents in the Internal Audit Plan noting the mapping to the internal audit plan.

DB detailed that the annual subcontracting audit is done every year to build in additional assurance- this was historically agreed by Audit and Risk Committee.

SA asks for detailed clarity around the process for creating the audit plan and also asks if Scrutton Bland are governed by the Global Internal Audit Standards? PG confirms that Scrutton Bland are governed by the Global Internal Audit Standards. PG notes that this plan was developed in line with the 3 year plan that was previously agreed by the Audit and Risk Committee and also with the SECG management team. PG notes that this plan is pulled together by a risk basis.

DK asks about the GDPR audit and asks for confirmation that this covers information security more broadly. PG confirms that this is a broader audit than just GDPR.

LJ notes that her name is misspelt in the report and asks for it to be amended.

#### **5.2 Internal Audit Annual Report.**

The Committee **REVIEW AND NOTE** the Internal Audit Annual Report. PG reflects positively on the progress on the Internal Audit Annual Report and the positive benchmarking within the sector. PG notes that there is gradual increase low audits. PG thanks ZM and LL for their support with the audits.

MS asks about the assurance ratings and that SECG did not have a report with a 'strong' recommendation and it this need to be considered by the Committee. PG comments that the lack of 'strong' audit recommendations is not a negative issue, they are rarely given, only for completely clean audits. PG adds that this rating is not going to be available next year.

MS asks for clarity on the audit numbers? PG details that the audit numbers include the risk management work.

ZM provides some historic context for the reasoning for the audit plan and it's development.

### **5.3 Progress Report.**

The Committee **REVIEW AND NOTE** the Internal Audit Progress Report which notes the reasonable progress.

*SM left the meeting 17:25.*

### **5.4 Lecturer Utilisation.**

The Committee **REVIEW AND NOTE** the Lecturer Utilisation Final Report which gives significant assurance.

It is noted that the report contains one low recommendation.

MS asks for reassurance on the confidence of the data that has been received given the amount of manual data input. AM responds that the lecturer utilisation output systems have been updated so that they are less manual and there are assurances on the data in terms of teaching hours.

MS asks about the internal target and will this be increased? DB responds that this utilisation is under reported and the reporting has had significant work and is now at 96%. DB notes that the definition of utilization not comprehensive or clear. DB details that 96-97% is the ideal taking into account staff sickness.

### **5.5 Subcontracting Review Audit Report.**

The Committee **REVIEW AND NOTE** the Subcontracting Review Final Report which gives significant assurance.

It is noted that the report contains one low recommendation and added value point.

### **5.6 Apprenticeship and Adult Skills Fund Recruitment.**

The Committee **REVIEW AND NOTE** the Apprenticeship and Adult Skills Fund Final Report which gives significant assurance.

It is noted that the report contains one medium recommendation and six low recommendations. PG notes

### **5.7 Estates Management Audit Report.**

The Committee **REVIEW AND NOTE** the Estates Management Final Report which gives reasonable assurance.

It is noted that the report contains one medium recommendation and four low recommendations.

### **6.0 External Audit Recommendations Monitoring Report.**

The Committee **REVIEW AND NOTE** the Audit Recommendations Monitoring Report.

SA asks about the process for signing this off. BP responds that Scrutton Bland have meetings with all of the responsible managers for all of the open recommendations and whilst some recommendations will be close if evidence has been provided to highlight the case. However, sometimes that area has moved and the recommendation might need to be adapted to reflect what is currently relevant at SECG. The

expectation for the action to be clearer is that evidence is presented in addition to upcoming plans that SECG may have.

## **7.0 Risk Management.**

### **7.1 Risk Register.**

The Committee **REVIEW AND NOTE** the Risk Register.

ZM notes the work that has been done with Scrutton Bland to improve the risk register and this change of the layout.

DK gives positive feedback on the layout of the risk register and asks about the result of the Cyber Essential Plus audit? AM confirms that audit was pushed back due the need of IT to reissue all of the computers with Windows 11. DK asks for a discussion outside of the meeting to review the scoring for each risk.

**ACTION:** Discussion to be had outside of the meeting to review the scoring for the risks on the risk register.

SA asks about the main areas of focus; ZM responds the Thurrock Freehold Lease, English and Maths and also the Government White Paper.

PG notes that risk 12 of data breaches and notes that other committees at other FE Colleges take a more 'when not if' approach and give this a higher rating.

## **8.0 Whistleblowing and Fraud Termly Report.**

The Committee **RECEIVE A VERBAL UPDATE** on Whistleblowing and Fraud noting that there have been no incidents of whistleblowing in the 2024-2025 Academic Year.

## **9.0 GOVERNANCE.**

### **9.1 Audit and Risk Committee Annual Report.**

The Committee **REVIEW AND NOTE THAT THE REPORT WAS APPROVED BY WRITTEN RESOLUTION BY THE CORPORATION BOARD.**

### **9.2 Board Assurance Framework.**

The Committee **RECEIVE A VERBAL UPDATE** on Board Assurance Framework.

### **9.3 Audit and Risk Committee Terms of Reference.**

The Committee **REVIEW, NOTE AND RECOMMEND TO THE CORPORATION BOARD** the Audit and Risk Committee Terms of Reference.

## **10.0 POLICIES.**

None.

## **11.0 Any Others Business.**

Accounting and Estimations.

ZM notes that there is an accounting estimations paper and details that this will be circulated post the meeting.

*Meeting moved to Confidential Business.*

*PG, SM, AF, DB, AM and BP left the meeting at 18:13.*

***There being no further business the meeting ended at 18:13hrs.***

Signed *Rick Oluer*

Dated 6 March 2026

**Meeting of the Audit and Risk Committee Meeting**

**Matters Arising and actions from previous meetings.**

**Actions to be confirmed ongoing/completed**

**Actions confirmed completed will be removed from the table.**

Item	Actions	Deadline	Lead	Status
<b>Monday 8 December 2025</b>				
7.1	Discussion to be had outside of the meeting to review the scoring for the risks on the risk register		CB to organize with ZM/DK	After discussion it has been decided that this would be fruitful as a full Corporation Board training session for 30 minutes prior to the May or July Board meeting.

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<sup>1</sup> The code of conduct for Governors requires governors to be honest and open with regard to conflicts of interest (either real or perceived). Governors must not use their position for personal gain in business, political or social relationships. Therefore, a governor who has, or may be perceived to have, such a personal interest in a particular matter under consideration should declare that interest, withdraw from all discussions relating to it and take no part in any vote on such matter.