**CALDERDALE COLLEGE**
**AUDIT COMMITTEE MEETING**

**Draft Minutes of the Meeting held on 26 March 2026, held via MS Teams at 5.00pm.**

**Present:**

| | |
|---|---|
| Richard Laycock | External Governor |
| Greg Scully | External Governor |
| Martyn Stone | External Governor (Chair) |

**In Attendance:**

| | |
|---|---|
| Andrew Harrison | Vice Principal – Corporate Services |
| Graham Gillespie | WBG |
| Brendan McKendry | Cooper Parry |
| Jane Taylor-Holmes | Clerk |

***Agenda: There were no items of other business.***

| Min. No | Minutes | Action |
|---|---|---|
| 1 | **AC/26/101 - Apologies for absence**<br><br>Apologies were received from Safia Kauser, External Governor Becky McIntyre, External Governor. | |
| 2 | **AC/26/102 – Confirmation of eligibility, quorum and declarations of interest**<br><br>No notice had been received of any member becoming ineligible to hold office. There were no declarations of interest in agenda items. The meeting was quorate. | |
| 3 | **AC/26/103 – Minutes of previous meeting**<br><br>**Resolved -** The Audit Committee minutes of the meeting held on 9 October 2025 were approved as a true and accurate record. | |
| 4 | **Resolved –** The Joint Audit and Finance & Resources Committee minutes of the meeting held on 1 December 2025 were approved as a true and accurate record. | |

| Min. No | Minutes | Action |
|---|---|---|
| | | |
| | **AC/26/104 – Matters Arising** | |
| 5 | Committee members reviewed the matters arising matrix and the comments made in relation to progress. | |
| 6 | Mr A Harrison, Vice Principal- Corporate Services explained that items proposed by Governors for the scope of the forthcoming Safeguarding Internal Audit had now been discussed and incorporated into the audit scope. These included the review of the sexual harassment policy and staff understanding of whistleblowing interfaces and safeguarding processes. The fieldwork was scheduled to commence 21 April 2026. | |
| 7 | Mrs J Taylor-Holmes, Clerk to the Corporation confirmed that the Search and Governance Committee continued to focus on Governor recruitment to Committees and more broadly to the Board. | |
| 8 | All further matters arising from previous meetings were completed, for completion at a future meeting date or on the agenda for discussion. | |
| | **AC/26/105 – Vice Principal Report** | |
| 9 | Mr Harrison provided the Vice Principal's Report, which provided a summary of key operational and compliance matters relevant to the Audit Committee's remit. | |
| 10 | Accuracy of Funding Data; Mr Harrison explained that regular ILR returns and associated data validations were progressing well, this was also confirmed by External Audit, during income testing, with no concerns raised. | |
| 11 | Mr Harrison explained that the West Yorkshire Combined Authority (WYCA) was undertaking a desktop compliance review focusing on existence and eligibility of adult learners. The document and data submission had been made on 13 March; the College awaited feedback. | |
| 12 | Internal Audit (WBG) would conduct a mock funding audit focused on adult funding during the week commencing 21 April; findings would come to the June committee. | |
| 13 | Fraud, Irregularity, and Financial Regulations; There had been no reported incidents of fraud or breaches of financial regulations. No gifts or hospitality had been declared. | |

| Min. No | Minutes | Action |
|---|---|---|
| 14 | New DfE Financial Reporting requirements – Mr Harrison explained that Colleges would retain the July year-end, but must provide a new March reporting return. A dry run was scheduled for 2026–27, ahead of formal implementation in 2027–28. The National Audit Office may undertake sample testing in future years. | |
| 15 | Business Continuity and IT Infrastructure; Mr Harrison referred to continued work which was progressing on the College's network resilience, including replacement of the core switch and upgrading of fibre connectivity across Francis Street. | |
| 16 | Mr G Scully, External Governor asked about the nature of the backup arrangements. Mr Harrison confirmed that the current configuration operated effectively as a single backup system, this had been reviewed as part of a previous internal audit review with no concerns raised. | |
| 17 | Mr Harrison explained that early preparatory work had commenced on evaluating requirements arising from Martyn's Law, supported by visits from both counter-terrorism police and the local highways planner. | |
| 18 | Concerns remained about vulnerabilities related to the public road between campus buildings, including the feasibility of replacing and strengthening bollards to protect the reception from a potential vehicle-based threat. | |
| 19 | It was noted that whilst the College was exploring options, some aspects depended on the local authority. | |
| 20 | Lockdown Procedures: A substantive discussion took place. Committee members queried whether a robust lockdown policy existed, whether staff and students understood it, whether communications systems were adequate and whether annual testing was sufficient. | |
| 21 | Mr Harrison recognised that the College needed to strengthen its procedures, increase testing frequency, and re-communicate expectations (information was currently provided to staff and students on induction). Challenges relating to vulnerable learners and balancing this to minimise distress were acknowledged. Mr Harrison referred to the different sound which was made from the fire alarm system and that all doors were now lockable from the inside. | |

| Min. No | Minutes | Action |
|---|---|---|
| 22 | It was noted that the forthcoming review under Martyn's Law would underpin future improvements. | |
| 23 | Health and Safety; Mr Harrison reported that a positive reduction in reported incidents was noted, though near-miss reporting remained under-represented. It was noted that there had been no RIDDOR reportable events. | |
| 24 | Progress continued with WorkNest, with several major actions scheduled for completion over summer. | |
| 25 | Internal Health & Safety Committee meetings and workshop visits continued. It was noted that the last Internal Health & Safety Committee meeting was held on 10 March. | **Action: Mr Harrison June 2026 (additional information on Internal H&S Committee)** |
| 26 | Mr R Laycock, External Governor queried the reporting periods and seriousness of recent incidents. Mr Harrison confirmed the data shown was cumulative for the academic year and that no significant new incidents had arisen beyond two slips/trips which led to small insurance claims for which Mr Harrison provided information. | |
| 27 | Committee members discussed the importance of trend analysis and the differentiation between actual incidents and reporting culture. It was agreed that it would be useful to assess health and safety culture using the HSE Safety Climate Tool. | **Action: Mr Harrison October 2026** |
| 28 | Mr Harrison agreed to provide trend data. It was noted that this was the first full year of the current way of recording incidents and consideration would be given to how comparative data could be presented. | **Action: Mr Harrison December 2026** |
| 29 | In relation to the issue of lack of near miss reporting, Mr Harrison referred to the potential introduction of hazard observation reporting, as used at Oldham College. | |
| 30 | DfE Clawback funding agreement: The DfE Funding Agreement relating to the capital scheme clawback had been fully signed, concluding this matter. | |
| 31 | **Resolved:** Committee members received the updates within the Vice Principal report. | |
| | **AC/26/106 – Audit Recommendations and Actions** | |

| Min. No | Minutes | Action |
|---|---|---|
| 32 | Mr Harrison provided an overview of progress towards the agreed actions arising from Internal and other Audit reports. | |
| 33 | The Audit Recommendations tracker showed that of the 28 recommendations, 27 had been completed, with one not yet due. | |
| 34 | Internal Audit had undertaken the follow up report and validated that all 15 recommendations within their follow-up scope had been fully implemented; these would be removed from the tracker. | |
| 35 | Committee members commended management's approach, noting the unusually strong position compared with sector norms. | |
| 36 | **Resolved:** The Committee approved the update. | |
| | **AC/26/107 - Internal Audit reports** | |
| 37 | The Committee received the internal audit report covering the new Financial system. | |
| 38 | Mr G Gillespie, WBG referred to page 65 of pdf pack and confirmed that strong assurance; the highest rating had been provided. Mr Gillespie referred to the scope on page 2 of the report, the system in place and how this had been reviewed. | |
| 39 | Mr Gillespie confirmed that one low-risk recommendation relating to updating procedural documentation to reflect the new system had been identified and Management had confirmed that this would be updated at the June meeting in line with the usual annual review cycle. | |
| 40 | Mr Gilesprie confirmed that benchmarking and good-practice analysis indicated strong performance against the wider college base. | |
| 41 | Internal Audit Follow up report; Mr Gillespie confirmed that WBG had reviewed implementation of the 15 ICCA recommendations. All had been fully implemented, Mr Gillespie explained that this was an incredibly strong and unique position and provided a high level of assurance to the Committee. | |
| 42 | Committee members expressed their appreciation for the thorough work and management responsiveness. | |

| Min. No | Minutes | Action |
|---|---|---|
| 43 | Mr Gillespie confirmed that work against the plan was on track with the next two internal audits; Funding Audit and Safeguarding due to commence on 21 April with the reports being provided to the June Audit Committee meeting along with the Annual Report. | |
| 44 | It was noted that a meeting would be scheduled in or around early May to commence work on the 2026/27 Internal Audit Plan. It was noted that this meeting would include Mr Stone, Mr Gillespie, Mr Harrison and Mrs Taylor-Holmes. Mrs Taylor-Holmes confirmed that discussions had taken place in other Committees around any areas where internal audit focus would be appreciated. It was noted that the Internal Audit Plan 2026/27 would be presented to the Committee in June. | **Action: Mr Harrison May 2026**<br><br>**Action: WBG June 2026** |
| 45 | **Resolved –** Committee members received the Internal Audit reports. | |
| | **AC/26/108 - Internal Audit Key performance indicators** | |
| 46 | Mr Harrison explained that these were presented in line with previous years. These were approved without amendment. | |
| 47 | **Resolved:** Internal Audit KPIs were approved. | |
| | **AC/26/109 - External Audit Key performance indicators** | |
| 48 | The Committee approved the KPIs. | |
| 49 | Mr Laycock asked whether there should be a KPI referencing the timeliness of accounts sign-off. Mr Harrison referred to KPI #7 as addressing this expectation. | |
| 50 | Committee members noted that previous delays had stemmed partly from external dependencies (DfE information release) and partly from the predecessor auditors' late-stage review processes. | |
| 51 | Mr Harrison reported that a clear timetable had now been agreed, with the College confident of timely sign-off ahead of the December Board meeting. It was noted that the Joint Audit and Finance & Resources Committee meeting was scheduled for 30 November, with the Board meeting for final sign off of Annual Accounts scheduled for 10 December. | |
| 52 | **Resolved:** External Audit KPIs were approved. | |

| Min. No | Minutes | Action |
|---|---|---|
| | **AC/26/110 Risk Management**<br><br>• **Risk Register** | |
| 53 | Mr Harrison presented the Risk register and provided an update on the Football Foundation Project Risk. | |
| 54 | Mr Harrison explained that a specific risk had been added relating to the 3G pitch project following the development of a dispute regarding a recently discovered £200,000 project funding gap, with the Football Foundation expecting the College to contribute additional funds not originally understood to be required. | |
| 55 | Mr Harrison explained that any additional contribution was being strongly resisted by the College and the College was also liaising with the AoC to try and resolve the matter. | |
| 56 | Mr Harrison explained that the original risk had been around the delay in the project due to issues regarding planning/ It was agreed that an update would be provided to the full Board in April. | **Action: Mr Harrison April 2026** |
| 57 | Staff Recruitment and Retention (Red Risk) – Committee members considered the risk and Mr Harrison confirmed that recruitment challenges persisted in specialist areas, particularly engineering. | |
| 58 | Mr Harrison confirmed that the risk had been reviewed by the Finance & Resources Committee and the Head of HR had attended the Board in December to provide an update on action taken in relation to recruitment / retention. | |
| 59 | Committee members requested that HR data (vacancies, turnover, etc.) be added to the Board pack; Mr Harrison agreed. | **Action: Mr Harrison April 2026** |
| 60 | Mr Harrison referred to some minor changes to risk scores included in the report. Mr Harrison explained that he had recommended a reduction in the risk rating in relation to TU action after successfully agreeing the staff pay award. Committee members discussed the potential for inflation to increase due to global issues. | |
| 61 | Committee members expressed concern that the risk register might understate the seriousness of inflation-related impacts on college finances (relating to the very small increase in 16- | |

| Min. No | Minutes | Action |
|---|---|---|
| | 18 allocation, lack of in year growth and global conflict). It was agreed that whilst elements were included within funding-related risks, the Committee encouraged reconsideration of whether this (inflationary pressures as a discreet risk) should be more explicit. | |
| 62 | Mr Harrison explained that the Curriculum, Quality and Standards Committee had reviewed risks and identified curriculum pathway reform challenges as a potential risk. Information on reforms would be presented to the Board in the Principals report and at the Governor Development Day in May. | |
| 63 | Cyber Security; Committee members discussed recent escalations in FE sector cyber-attacks and noted recent examples. Mr Harrison confirmed the risk was covered under Risk F5, and outlined ongoing measures:<br>• cyber essentials accreditation;<br>• improved network resilience;<br>• phishing training;<br>• system monitoring;<br>• prior internal audit review. | |
| 64 | Mr Stone queried the extent to which the register informed decision-making and strategic direction rather than being produced solely for governance oversight. | |
| 65 | Mr Harrison confirmed that SLT reviewed the register monthly with this being reported termly to Governors through the Committees and / or Board. Risk mitigation actions were embedded in several operational plans and further embedding at middle-management level remained a development priority. | |
| 66 | It was noted that Internal Audit's positive outcomes gave further assurance that key controls were functioning effectively. | |
| 67 | **Resolved;** Committee members approved the risk register. | |
| | **AC/26/111 - Items to be reported to the Board** | |
| 68 | <u>Alert the Board;</u><br>The developing funding gap dispute with the Football Foundation in relation to the 3G pitch project. | |

| Min. No | Minutes | Action |
|---|---|---|
| 69 | The need to significantly strengthen lockdown procedures, communications, and testing in light of emerging Martyn's Law expectations. | |
| 70 | Sector-wide increases in cyber-attack prevalence, reinforcing the importance of continued vigilance. | |
| 71 | Assure the Board;<br>Exceptionally strong Internal Audit findings, including:<br>Strong assurance on the new finance system;<br>All follow-up recommendations fully implemented. | |
| 72 | Good progress in health and safety culture change and incident reduction. | |
| 73 | No reported incidents of fraud or financial irregularity. | |
| 74 | Compliance work on funding and data accuracy progressing satisfactorily. | |
| 75 | Good assurance from Internal and External audit | |
| 76 | Action for the Board to take;<br>To note the need for ongoing focus on specialist staff recruitment and retention, with HR metrics to be included in future Board reporting. | |
| 77 | To receive an update in April regarding the status and financial implications of the Football Foundation project. | |
| 78 | To note forthcoming work on lockdown preparedness, communication improvements and physical security measures. | |
| 79 | To endorse continued monitoring of sector-wide inflationary pressures and their financial impact on the College. | |
| | **AC/26/112 – Dates of Future Meetings** | |
| 80 | Audit Committee – 18 June 2026 – MS Teams; 5.00pm | |
| | **AC/26/113 - Meeting in the absence of management** | |
| 81 | Mr Harrison left the meeting. | |
| 82 | The Committee invited reflections from Internal and External Auditors. | |

| Min. No | Minutes | Action |
|---|---|---|
| 83 | Internal Audit<br>Mr Gillespie commented that engagement from College staff had been excellent throughout the year. Planning, evidence provision, responsiveness, and follow-up were all of a high standard. It was extremely rare for a College newly under new auditors to achieve 100% implementation of all legacy recommendations. | |
| 84 | External Audit<br>Mr McKendry echoed these comments, reporting high levels of cooperation and professionalism from management, effective timetabling and responsiveness and a strong platform for an efficient external audit cycle. | |
| 85 | The Committee expressed appreciation for the auditors' reflections and acknowledged the positive direction of assurance work over the year. | |

Approved as a true and accurate record at the Audit Committee meeting held on 18 June 2026