HARLOW COLLEGE FURTHER EDUCATION CORPORATION

AUDIT COMMITTEE

Minutes of the meeting held virtually on MS Teams at 9.30am on Tuesday 3 March 2026

Membership	*Ray Levy (Chair) *Matt Braund *Julia Fillary *Ian Tompkins
*denotes present	
In attendance	Paul Goddard, Scrutton Bland Ryan Pearce, Scrutton Bland Paul Whitehead, Deputy Principal Kristie Craig, Vice-Principal Deanne Morgan, Executive Director – Finance Ben Nicholl, Executive Director – IT and Systems Ruth Lucas, Head of Governance

1 Apologies for Absence

Apologies for absence were received from Shachi Blakemore, Buzzacott.

2 Declarations of Interest

There were no declarations of interest.

3 Minutes of the Previous Meeting

The minutes of the Audit Committee and the joint Audit and Resources Committee meeting both held on 9 December 2025 were agreed as accurate records of the meeting and were signed remotely by the Chair.

4 Matters Arising from the Minutes (not mentioned elsewhere on the agenda)

There were no matters arising.

5 Internal Audit

5.1 Procurement and Payments Internal Audit Report

The Audit Committee received and considered the internal audit report on procurement and payments, presented by Ryan Pearce, Scrutton Bland.

Governors were informed that the internal audit report on procurement and payments provided Governors with substantial assurance that the governance, risk management and control arrangements for the material risks reviewed are managed effectively and no recommendations have been raised.

Ryan Pearce reported that a good framework has been established and that routine, day-to-day payments are transparently recorded. Good work is being undertaken on reviewing contracts and the contract register and this is an ongoing exercise. The appointment of an external procurement specialist is positive.

A Governor congratulated the College on the audit receiving no recommendations.

The Audit Committee noted the internal audit report on procurement and payments.

5.2 Internal Audit Progress Report 2025-2026

The Audit Committee received and considered the internal audit progress report, presented by Ryan Pearce, Scrutton Bland.

Governors noted the progress made against the internal audit plan and that the Adult Skills Fund and Funding Assurance audits are still to be completed. Paul Goddard asked if the Committee felt that these were still the right areas to audit or if there was something else more prevalent. It was agreed that the two areas were still relevant.

Governors' attention was brought to the mapping of audit areas contained within the report.

A Governor asked if the 2026-2027 audit areas were suggestions or based on discussions with the College. Ryan Pearce reported that these were suggested areas which formed part of the planning process for 2025-2026 and are not confirmed.

A Governor reported that creditors would be a good audit area in the future, due to the College not meeting the target in the management accounts of 95% of invoices being paid within 30 days. Paul Goddard reported that payment processes, including the invoice date compared to the payment date, were looked at as part of the procurement and payments internal audit and no weaknesses were identified.

The Audit Committee noted the internal audit progress report 2025-2026.

6 Internal Audit Tracker

The Audit Committee received and considered the audit tracker, presented by Deanne Morgan, Executive Director – Finance.

Deanne Morgan reported that the number of recommendations on the audit tracker has increased due to the funding assurance audit however the majority of these have been implemented and completed. Those showing limited progress are recommendations with a longer lead time therefore are not due for completion yet. Paul Whitehead asked if these recommendations were on track to complete by the due date and a Governor highlighted that some commentary on progress is required for future reports. Deanne Morgan agreed to liaise with the Marketing Team on updating the tracker.

A Governor asked how the marketing actions happen and if they are self-auditing. Deanne Morgan reported that discussions are held with the auditors at the end of the audit and that teams are clear on the actions needed to be undertaken. A Governor asked what expertise Scrutton Bland has to audit marketing. Paul Goddard reported that

Scrutton Bland are specialist further education internal auditors and conduct a high number of such audits. The auditor assigned to this audit has completed a number of similar audits and Scrutton Bland knows what “good” looks like in the context of this audit. The audit focused on controls as well as good practice. The marketing internal audit report was presented at the December Audit Committee meeting and Ruth Lucas agreed to send the report to Ian Tompkins.

The Audit Committee congratulated the teams for closing off so many actions and implementing the recommendations.

The Audit Committee approved the audit tracker.

7 Risk Register

The Audit Committee received and reviewed the report on the risk register, presented by Deanne Morgan, Executive Director – Finance.

Governors were informed that no new risks have been added to the risk register and no risks have been deleted.

Two risks have been revised as follows:

- **Risk 6 – Capital: Failure to expand at Stansted Airport College**

  This risk has been revised specifically for expansion at Stansted Airport College (STAC) due to uncertainty over securing the funding.

  The risk score has increased from 8 to 10.

  A Governor asked if there will be an update on STAC Phase 2 at the March Corporation meeting and Ruth Lucas confirmed that there will be.

- **Risk 14 – Compliance: Failure to comply with statutory obligations**

  This risk has been updated to include the different areas that have in the last few years been subject to new or additional legislation or court rulings.

  There has been no change to the risk score.

Governors were informed that the College continues to monitor the two high risks relating to local government policy and safeguarding.

Two emerging issues which continue to be monitored are fraud prevention and detection and reforms under The Employment Rights Act, both of which have been included in Risk 14, failure to comply with statutory obligations.

A Governor highlighted the issue with local government reform and devolution in relation to access funding and services for young people, which could be disrupted during the changeover period. Paul Whitehead reported that there are a number of risks associated with this which are outside of the College’s control however they have an impact on the College and its students.

The Chair of the Audit Committee asked Scrutton Bland if there are risks that they have seen at other colleges which the College should consider. Paul Goddard reported that there is nothing missing. Some colleges have AI as a separate risk however it is included within a risk on the College's risk register and that most have student recruitment as a risk however the College's currently just has higher education recruitment as a risk. Paul Goddard reported that Harlow is better at articulating external risks than other college clients.

The Audit Committee approved the risk register.

8 Regularity Self-Assessment Questionnaire

The Audit Committee received and considered the Regularity Self-Assessment Questionnaire, presented by Deanne Morgan, Executive Director – Finance.

Governors were reminded that the self-assessment questionnaire is reviewed by the Audit Committee each time it meets, is a DfE template and that updates are shown in purple font throughout the document. The College constantly self-assesses against the questionnaire to ensure that it is meeting its accountability requirements. The questionnaire is reviewed throughout the year and submitted annually to the external auditors who audit against it on behalf of the DfE.

A Governor asked about the recent insurance claim and who was claiming. Paul Whitehead confirmed that it is a claim put in by a parent of a student. It has been shared with the insurers, who appointed an investigator and initial feedback is that the College is not at fault.

The Audit Committee noted the Regularity Self-Assessment Questionnaire.

9 Fraud Report

The Audit Committee received and considered the Fraud Report, presented by Deanne Morgan, Executive Director – Finance.

Governors noted that one instance of fraud had taken place since the Audit Committee last met with money being taken off a payment card. The company has refunded the College and payment cards are kept at a zero balance however if the College receives any form of refund, there will be a balance on the card available to spend.

The Audit Committee noted the Fraud Report.

10 Data Breach Report

The Audit Committee received and considered the Data Breach Report, presented by Ruth Lucas, Head of Governance.

The Committee noted that there have been two new data breaches since the last Audit Committee meeting, one relating to student details - multiple records and one to student details - single record. Corrective action has been taken and lessons learnt where relevant.

The Audit Committee noted the Data Breach Report.

11 Cyber Security Report

The Audit Committee received and considered the Cyber Security Report, presented by Ben Nicholl, Executive Director – IT and Systems.

Governors noted that pen testing commenced in January 2026 and that reports will be produced on a monthly basis.

Phishing training continues to be delivered to 22 members of staff yet to complete it and this will be completed on the next staff development day on 18 March 2026. Individual members of staff are being reminded about the training and support is being provided for staff whose first language is not English to access and understand the training. The outstanding staff are those with limited access to the College's IT system due to the nature of their roles.

Ben Nicholl provided the Committee with an update on Windows and on device management for PCs.

A Governor asked if there is a cyber security review for any new suppliers. Ben Nicholl confirmed that there is and Paul Whitehead reported that cyber security is part of the scoring for any procurement exercise and data protection and GDPR questions are asked as standard.

The Audit Committee noted the Cyber Security Report.

12 Complaints Report

The Audit Committee received and considered the Complaints Report, presented by Kirstie Craig, Vice-Principal.

The Committee was informed that this report previously was presented annually to the Standards and Curriculum Committee however it will now be a standing item on the Audit Committee agenda.

Kirstie Craig reported that there have been eight complaints received to date during 2025 – 2026, three of which were not upheld, two of which were upheld and one of which was upheld in part. A further two cases remain ongoing whilst the investigation is being undertaken.

Governors were informed that the College has no concerns around specific areas or trends in relation to the complaints it has received.

A training session has been delivered to all managers on complaint investigations and Kirstie Craig is working through the Complaints Policy and whether issues raised are concerns or complaints.

A Governor asked if compliments are recorded and that it would be useful to include them in this report for a more balanced view. Ruth Lucas reported that compliments were previously included in the report however there is no real consistency across the College as to what is classed as a compliment and how it is recorded. Compliments are included in the Principal's weekly update which is circulated to all Governors. It was agreed that a short reference to compliments received should be included in future reports.

A Governor asked what happens when a complaint is upheld. Kirstie Craig reported that the investigating officer submits their report which contains recommendations. These are followed up by a Vice-Principal and feedback is given to the complainant. The recommendations are followed through and corrective action taken where appropriate.

A Governor asked who investigates the complaints. Kirstie Craig reported that a senior manager is appointed who is neutral and can look at the complaint with a fresh pair of eyes.

The Audit Committee noted the Complaints Report.

13 Any Other Business

There were no items of any other business.

14 Dates of Future Meetings

Summer Term	Thursday 25 June 2026 *(including joint meeting with the Resources Committee)*	9.30am

Action Plan:

Action No.	Agenda Item	Action	By Whom	By When
001	6 – Internal Audit Tracker	Deanne Morgan to liaise with the Marketing Team to provide an update on audit recommendations which are not due yet.	Deanne Morgan	ASAP
002	6 – Internal Audit Tracker	Ruth Lucas to send Ian Tompkins the marketing internal audit report.	Ruth Lucas	03 March 2026
003	12 – Complaints Report	Compliments to be included in future reports.	Kirstie Craig	25 June 2026