REASEHEATH COLLEGE BOARD
AUDIT COMMITTEE MEETING
Minutes of the meeting held on 19 March 2026 10am via Teams

Present:	Gary Crowe (independent) Chair Ashley Austin (independent) Jan Chillery (independent) Peter Green (independent) Mike Gorton (independent)
In attendance:	Marcus Clinton (principal) Graeme Lavery (VP finance and resources) Claire Donaldson (RSM) David Hoose (Forvis Mazars) Rob Lawson, EBR reviewer (observer via Teams) Jackie Schillinger (head of governance)

Part A unless stated

item	Content
1.	**Audit Committee Opening items**
1.1	A short meeting was held before the main agenda items with auditors in the absence of college management, which allowed members to check any points of clarification directly with auditors and gain any assurance needed. No concerns were raised by auditors
1.2	There were no apologies for absence. The meeting was quorate and remained quorate throughout.
1.3	There were no declarations of interest made in relation to the agenda items.
1.4	RESOLVED: The minutes of meeting held on 5 December 2025 were approved as a correct record.
1.5	Matters arising and action log: Actions complete or otherwise covered in the meeting.
1.6	The committee cycle of business for 2025-26 was received for reference.
2.	**TOR 8 Committee effectiveness: Consider the development of members and put in place appropriate training to ensure their skills and knowledge are up to date**
2.1	Feedback from the recent AoC Audit Committee Masterclass attended by two committee members was shared and provided a good sense check of current practice. Good practice that the committee already follows includes that several audit committee members attend the internal audit planning meeting with management and auditors in April. Recommendations from the training course included developing the board assurance framework with more assurance detail including on legal and regulatory risk and reviewing how audit committee interacts with other committees, with the committee chair taking an action to raise the reason for the risk assurance reporting with committee chairs and ensuring committee CPD is considered each year at the annual committee self-evaluation in the summer term. ACTION.
2.2	The RSM sector update focused on qualification reform and new V levels. In summary the update noted that:

	• New Level 3 qualifications for vocational pathways • Sit alongside A Levels and T Levels • Eventually will replace existing qualifications such as BTEC • Will be equivalent to one A Level • 360 guided learning hours, studied over 2 years • Available from September 2027 in Digital, Education and Early Years, and Finance and Accounting. The sector impacts included: • Programme redesign and curriculum overhaul • Transition away from many existing Level 3 vocational qualifications • Capacity challenges during rollout • Closer alignment with labour-market needs • Employers gain more influence over qualification design • Simplified and clearer qualification routes • Clearer pathways into employment or higher study • Boost apprenticeships and technical education Discussion focused on the fact that there is still much consultation to take place because the practicality of this qualification reform is far from clear, and the land-based sector is lobbying strongly that there needs to be a sector-by-sector approach. In the meantime, the existing level 3 vocational qualifications will continue to be offered and the reform for the land-based curriculum areas is later in the programme and so about three years away. All agreed that this is a key risk area for the college to prepare for and needed to be prominent in its risk register and board assurance framework. An action was agreed to ensure time on the qualification reforms in strategy/development sessions in 2026-27. ACTION
2.3	A report on the changes to accounting standards by the vice principal finance and resources provided assurance on preparedness for upcoming accounting standards changes and managing any impacts.
2.4	RESOLVED: Recommendations from the reporting are to develop the board assurance framework with more assurance detail including on legal and regulatory risk, focus on qualification reform in Board strategy/development sessions in 2026-27 and that the Board can be confident on the college's preparedness for upcoming accounting standards changes and managing any impacts.
3.	**TOR 6 Audit Reports and Recommendation: Review reports and monitor implementation of recommendations to agreed timescales**
3.1	RESOLVED: The RSM internal audit benchmarking report is a useful tool especially in identifying high priority recommendation areas which will be used to check our assurance across all the areas raised for the strategic risk review in the summer term and in the internal audit plan meeting. ACTION
3.2	RESOLVED: The RSM internal audit progress report indicates that the internal audit plan for 2025-26 is on track.
3.3	RESOLVED: The RSM internal audit report on Child Protection Online Management System (CPOMS) provided substantial assurance that framework, control design and CPOMs system are all sound, with the staff survey responses confirming that Staff CPD on CPOMs is an ongoing piece of work, with an action recommended on this that will be checked in the follow up audit.
3.4	RESOLVED: The RSM internal audit report on IT Cybersecurity provided partial assurance, which is not unusual for the sector in this area, but with a number of actions needed to strengthen the control framework, which the committee challenged management on and received assurance that these are a high priority and the committee will expect to see these

	completed by the summer term meeting and further work to check skills and capacity within the team and business continuity plans reported back to the committee.
3.5	RESOLVED: The audit recommendations tracking report from the vice principal finance and resources requested a further extension to an overdue action (to 31 July 2026) which following test and challenge was considered reasonable and approved.
4.	**TOR7 Counter fraud: oversee the corporation's policies on and processes around fraud, irregularity, impropriety and whistleblowing. TOR 8 Policies**
4.1	The vice principal finance and resources presented the annual counter fraud report to enable the committee to monitor the effectiveness of the counter-fraud arrangements. He reported that no fraud, suspected fraud, or financial irregularities were reported internally, no whistleblowing disclosures relating to fraud were received and no cases were referred to the Department for Education (DfE). Further, that external auditors raised no regularity concerns in the annual report. They confirmed no evidence of fraud or irregularity in audited financial statements. This included the regularity report, with the reporting confirming that the audit had found nothing during the audit work that suggested any non-conformance or irregularity. He highlighted to the committee that, based on evolving sector risks and DfE updates, key areas of focus for the counter fraud strategy are: • Cybersecurity in response to the internal audit management actions and the increasing risks in this area. • Expand fraud awareness and training to include "failure to prevent fraud" awareness. • Continue to review compliance across college process and procedures with "failure to prevent fraud" standards and update prevention procedures accordingly.
4.2	RESOLVED: The committee received the report for assurance and the policy updates to incorporate the 'failure to prevent fraud' offence into the policy framework and recommended an action before the next annual report to develop awareness, visibility and ease of raising concerns on the college intranet following its refresh that was taking place currently alongside the new website project.
4.3	RESOLVED: The committee recommends approval of the updated counter fraud strategy and policy framework, anti-bribery and corruption policy and fraud response plan, subject to incorporating some recommendations on wording.
4.4	RESOLVED: The committee received reporting that there had been no disclosures made under the Whistleblowing Policy in the 2024-25 academic year or to the date of the report, and approved the updated policy, having checked that it is based on a legally approved model policy, which had been amended to reflect the potential liability of the college following the 'failure to prevent fraud offence' in the Economic Crime and Corporate Transparency Act, with the further addition of clarification that sexual harassment is a protected disclosure from April 2026, and some other clarifications on wording.
5.	**TOR 3 Risk Management**
5.1	The committee considered assurance reporting on health and safety, safeguarding and legal and regulatory risk, and the reports from other committees on assurance levels for risk within committee remit. The committee also considered mapping of current risk categories against the Orange Book. It supported the current approach and made some recommendations on tightening up the assurance information on the legal and regulatory area and set out its expectations for content of the annual risk management report and risk review session at the summer board meeting.
5.2	RESOLVED: The committee reports to the Board on assurance levels across the strategic risks as:

	• SR1: Financial Management and Targets: Reasonable Assurance: within risk appetite tolerance (to be confirmed by the finance and general purposes committee when it meets on 23 March). • SR2: Financial Sustainability: Reasonable Assurance: within risk appetite tolerance (to be confirmed by the finance and general purposes committee when it meets on 23 March). • SR3: Quality and Student Outcomes: Substantial Assurance: HE and Apprenticeships within risk appetite. Reasonable Assurance: FE within risk appetite tolerance. • SR4: Strategy and Leadership: Substantial Assurance: within risk appetite tolerance • SR5: Curriculum Skills and Stakeholders: Reasonable Assurance: within risk appetite tolerance. • SR6: Infrastructure and Resources: Reasonable Assurance: within risk appetite tolerance (to be confirmed by the finance and general purposes committee when it meets on 23 March). • SR7: People: Reasonable Assurance: within risk appetite tolerance (to be confirmed by the finance and general purposes committee when it meets on 23 March) • SR 8 Safeguarding and Wellbeing: Reasonable Assurance: within risk appetite tolerance. • SR 9 Health and Safety: Partial Assurance: Reduced but still outside risk appetite tolerance, to be reviewed in March 2026 to confirm assurance level and that risk exposure reduced to within risk tolerance. • SR 10 Legal and Regulatory: Substantial Assurance: within risk appetite tolerance.
6.	**Closing items**
6.1	There was no other business reported to the meeting.
6.2	The committee considered it had covered its terms of reference and cycle of business for the meeting and had noted actions for the action log to review at its next meeting.
6.3	The date of the next meeting was confirmed as Thursday 9 July at 10am Committee Room

The meeting closed at 12pm

Confirmed as a correct record 9 July 2026 Gary Crowe, Chair