



**MINUTES OF THE AUDIT COMMITTEE MEETING HELD ON 25 NOVEMBER 2025  
AT 9.30 AM, IN THE BOARD ROOM, THE ROUNDHOUSE, DCG**

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AT 9.30 AM, IN THE BOARD ROOM, THE ROUNDHOUSE, DCG AND REMOTELY**

Present: Andrew Dymond (Chair), Stuart Ellis, Rosslyn Green

In attendance: Jo Clifford (CFO), Cheryl Tacchi (DPO)  
Gareth Jones and Mark Matley (RSM – External Auditors)  
Graham Gillespie (Wbg – Internal Auditors)  
Rose Matthews (Clerk)

**PART ONE - GENERAL MINUTES**

**26/25-26 WELCOME, INTRODUCTIONS AND APOLOGIES FOR ABSENCE**

The Chair welcomed all to the meeting. Graham Gillespie (GG) of internal auditors, Wbg was introduced to the group.

Apologies for absence were received from Heather Kelly.

**27/25-26 DECLARATIONS OF INTEREST, CONFIRMATION OF ELIGIBILITY AND QUORUM**

All members were eligible and the meeting was confirmed to be quorate.

**28/25-26 FRAUD AND IRREGULARITY**

There were no instances of fraud or irregularity to report to date for the year.

**29/25-26 REVIEW NOVEL, CONTENTIOUS OR REPERCUSSIVE TRANSACTIONS**

No transactions to report.

**30/25-26 MINUTES OF THE PREVIOUS MEETING**

The minutes of the meeting held on 1 October 2025 were approved as a true and accurate record.

**RESOLVED: The minutes of the meeting held on 1 October 2025 were formally approved.**

**31/25-26 MATTERS ARISING**

07/25-26 The Director of IT circulated the JISC scope for the Cyber Security Audit in January 2026 via the Clerk.

Action

Date

13/25-26 Rosslyn Green had reviewed the Risk Management Policy and shared feedback with the Clerk. The CFO had updated the Policy which was approved by the Corporation in October.

**32/25-26 INTERNAL AUDIT: STAFF CYBER SECURITY AWARENESS**

GG presented the Internal Audit report on Staff Cyber Security Awareness.

The scope of the audit was to assess phishing simulations, follow-up procedures for those failing or not completing, participation in phishing campaigns, cyber security training and awareness raising and that senior management and relevant governance bodies were regularly informed of the outcomes of phishing campaigns and awareness activities.

GG outlined the College processes, discussions and testing. The report provided the highest level of assurance - an overall strong conclusion, with one low recommendation in relation to e-safety training. The Committee also took comfort with the internal auditors sharing the areas of best practice.

**The Chair thanked GG for the report and the sharing of best practice. He asked how the experience in the College had been so far.** GG said it had been good, the timing had worked well and the report had been issued in the timescale and from Wbg's perspective it had gone well. The DCG CFO echoed this.

**RESOLVED: The Committee accepted the report.**

**33/25-26 DATA PROTECTION ANNUAL REPORT**

The Data Protection Officer (DPO) shared the Data Protection Report, which summarised activities since the last meeting.

The DPO shared her report which covered the recent Cyber Security Awareness audit, an overview of the data protection group meeting, mandatory training compliance and updates on breach notifications and subject access requests.

She briefed Members on the Data Use and Access Act 2025, specifically in relation to requirements relevant for the College.

**The Chair praised the positive trajectory with regards to the training compliance.** The DPO pointed out since the report the training had shown a negative spike, however they try to make it as sophisticated as possible. The Committee discussed the possibility of some type of reward to recognise the positive outcomes.

**The Chair asked if the College had reached the cause in terms of the two breaches and were there any lessons to learn from them.** One had related to the parent portal access and had led to the tightening of security around access.

The Freedom of Information and the Data Protection Policies had undergone reviews with no changes to reflect other than reflecting the updated Data Use and Access Act.

**RESOLVED: The Committee accepted the Data Protection Annual Report and recommended the two policies to the Corporation for approval.**

**34/25-26 STRATEGIC RISK MANAGEMENT ANNUAL REPORT**

The CFO outlined the Risk Management Annual Report which provided the Committee which highlighted the actions around risk management and assurance activities over the past year.

The internal audit plan had been curtailed during the year, with the Corporation retendering and appointing new internal auditors, who have commenced working on the internal audit plan.

Assurances during the prior year related to activities wider than internal audit, such as the Ofsted Inspection, Landex Peer Review, DFE funding assurance on bursaries and LSIF grant reviews, amongst others.

The key risks remained the same but the risk rating fluctuated dependent upon the work undertaken to mitigate.

Based on the assurances in the report Management consider there has been sufficient work to provide an adequate level of assurance to the Audit Committee.

The Committee Chair acknowledged that all internal audit reports had provided robust assurance, which provided assurance to the Committee and the appointment of the new auditors evidenced the calibre of resource had not changed.

**RESOLVED: The Committee approved the Risk Management Annual Report.**

**35/25-26 STRATEGIC RISK MANAGEMENT REPORT**  
**• STRATEGIC RISK REGISTER**

The CFO presented the latest Strategic Risk Report and Risk Register.

There were 24 risks under review, with one change reported which related to a decrease in the risk around recruitment and retention of staff. It was noted there were

still issues in hard to recruit areas, but consistent pay awards had helped mitigate the risk. Members noted there had been a few leavers who had since returned.

In the current period, there were four high risks remaining following preventative controls. These were retention and recruitment of staff, key financial pressures and financial targets and cyber security.

**SE discussed the target dates for mitigation and said the overall position had not changed, nor had the dates and he recommended a review to ensure these were more current.**

**RG said she had struggled to read some of the mitigations and asked if the CFO could send an updated version.**

CFO

ASAP

The committee were appraised of current litigation, health and safety RIDDOR reportable incidents, alongside any significant safeguarding incidents and PREVENT referrals. There were no reported instances of significant fraud to report.

**RESOLVED: The Committee accepted the Strategic Risk Report and recommended this to the Corporation.**

**36/25-26 INTERNAL AND EXTERNAL RECOMMENDATIONS MONITORING REPORT**

The CFO presented the Internal and External Recommendations Monitoring Report which monitored key recommendations from prior audits.

The recommendations had been reviewed and progress made to complete actions.

Three of the overdue actions related to the OFS funding audits. Substantial progress had been made the documentation of procedures and roll out of training had not been completed and the deadline had been extended.

There are 12 recommendations on the 2025-26 tracker, which includes all assurance reports from 2024-25. 8 are fully complete with 4 not fully completed or overdue.

**The Chair pointed out the tracker had original dates and suggested it would be helpful to include the due date.**

Members were appraised of a full DFE funding audit, which was being undertaken by Validera on behalf of the DFE. Samples had been submitted and a run through of PD stats undertaken, with a week's turnaround indicated.

Members were alerted that this could align with the signing of the financial statements and may affect materiality if anything was flagged prior to the signing date.

**Members discussed with management how they felt about the funding audit process.**

**Members reflected that the key to the risks was to reach a level where they were comfortable with them. There may be an externally influenced risk they might have to accept and there is nothing that can be done to mitigate that down.**

**RESOLVED: The Committee accepted the Internal and External Recommendations Monitoring Report and acknowledged the potential risk in relation to the Financial Statements.**

### **37/25-26 AUDIT COMMITTEE ANNUAL REPORT**

The Chair presented the Audit Committee Annual Report.

The report provides the annual opinion of the Audit Committee on the Group's governance, risk management and control arrangements to the Corporation and evidences how the Corporation has discharged its duties. It's written in line with The Scope of Work of Audit Committees and the Internal Auditors in College Corporations and the Framework and Guide for External Auditors and Reporting Accountants of Colleges.

The Audit Committee had carefully considered the assurance plan for 2024-25 in light of the changes to internal audit services in the year and on this basis have been satisfied that work undertaken has been a suitable alternative to the internal audit plan, with wider assurance sought from a range of other providers, which has afforded Committee members with robust assurance during the year.

The report is submitted to the DFE as evidence the Corporation has fulfilled its statutory and regulatory responsibilities.

**RESOLVED: The Committee approved the annual report for presentation to the Corporation.**

### **38/25-26 POLICY REVIEW**

An internal review had taken place of the Data Protection Policy, Freedom of Information Policy and Counter Fraud and Irregularities Policy. There were no significant changes made and the Committee were asked to accept the updated policies.

**RESOLVED: The Committee accepted the Data Protection Policy, Freedom of Information Policy and**

**Counter Fraud and Irregularities Policy, all of which had been reviewed internally.**

*Internal and External Auditors left the meeting ahead of the Confidential Session.*

*Internal and External Auditors joined and Management left for the Private Session.*

**Corporation members joined the meeting to receive the presentation from the External Auditors.**

Present: Andrew Dymond (Chair), Stuart Ellis (remote), Rosslyn Green

In attendance: Jo Clifford (CFO), Cheryl Tacchi (DPO)  
Gareth Jones and Mark Matley (RSM – External Auditors)  
Graham Gillespie (Wbg – Internal Auditors)  
Rose Matthews (Clerk)

**46/25-26 2024-25**

- FINANCIAL STATEMENTS AND EXTERNAL AUDIT –**
- **AUDIT COMPLETION REPORT/ MANAGEMENT LETTER**
  - **DCG REPRESENTATIONS LETTER**
  - **DCG GROUP ACCOUNTS**
  - **MBS REPRESENTATION LETTER**
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  - **DCG SERVICES ACCOUNTS**
  - **REGULARITY LETTER OF REPRESENTATION**
  - **REGULARITY SELF-ASSESSMENT**

Gareth Jones, of External Auditors, RSM, presented the Audit Findings Report which at this stage provided an unmodified opinion.

Work was substantially complete, subject to the successful resolution of some small items, which had progressed since circulation of the report.

The basis for materiality had not changed since the presentation of the audit plan.

The most significant adjustment related to the dilapidations provision with regards to the Johnson Building, with further details included in the report.

The funding assurance team had commenced in the summer and whilst there were some control recommendations there was nothing significant noted in terms of differences in funding and they had enough assurance to sign off the financial statements. However, a risk was flagged in relation to the DFE official funding audit, which had already commenced. Although the audit was planned to conclude in March, samples had been requested with a week's turnaround proposed which

coincided with the Corporation meeting, should anything adverse be identified that may affect the signing off.

GJ pointed out that in terms of the defined benefit pension scheme some assumptions around the actuary report could swing the value.

MM said there were no going concern issues.

Mackworth had been prepared on a non-going concern basis. DCG Services was dependent on the contract with the College, but a notice of termination was included in the contract and the auditors were satisfied with the accounts to sign off.

It was noted the CFO was seeking specialist advice in terms of the monies held by MBS, but MBS Directors had agreed to wind up the company by 31/07/26.

In relation to the regularity audit, there were a couple of recommendations in relation to severance payments under the normal route and a recommendation has been made in this regard for the future, which was outlined in the report. The auditors were happy this was contractual.

**SE questioned the cash position and that some of it sat in the residual of the grant. He asked which was the capital amount.** That was not included in the report and would sit in the balance sheet. **SE asked at what point do the College finish paying off the loan and clearing it.** The CFO explained she did commit to presenting a report to FRC on the loan and options around that. She pointed out that any future borrowing would need DFE approval – which was unlikely. There was debate around paying off the loan or keeping the cash should it be required for future projects and upgrading the estate.

**Discussions related to Lennartz and the Committee Chair asked if the auditors were aware of any other colleges not recognising Lennartz in their accounts.**

GJ confirmed DCG were in the same position as other colleges.

There were no specific representations made in the Representations Letter for the Financial Statements and Regularity, but the auditors will want some representation there has been no adverse findings from the DFE funding audit at the point of signing.

**The Committee Chair asked in the auditors experience of other boards does DCG still remain in the top quartile.** It was confirmed they remained in a similar place based on the level of control recommendations which were low.

**The Chair of FRC asked what would happen if there was something material in the funding audit post**

**signing and could/should governors have known about that prior to signing.** GJ discussed this with members and said there were alternatives such as deferring timelines for submission of the accounts. He said there could be nothing material coming up before sign off unless the College could demonstrate it was something that could not have been foreseen. The CFO confirmed the College were doing its own testing as it was compiling its files and had a duty to make any concerns know. She said it was unlikely at the point of signing the accounts due to the timelines.

The Committee Chair asked for the CFO's views on the dilapidations provision and this was discussed with the Committee.

The Regularity Self-Assessment had been reviewed at the previous meeting, updated and was presented for recommendation.

**RESOLVED: The Audit Committee accepted the Audit Completions Report, recommended the Group and Subsidiary Accounts, Representations Letters, Regularity Letter of Representation and Regularity Self-Assessment for approval by the Corporation at its meeting on 11 December 2025.**

Final element was the Emerging Issues Report which provided a useful summary of what was happening in the sector. Attention was drawn to the funding rule changes, new Ofsted Inspection Framework and cyber security risks, the fraud awareness good practice guide and changes to the College Financial Handbook.

**RESOLVED: THE COMMITTEE ACCEPTED THE EMERGING ISSUES REPORT.**

*The meeting concluded at 11.30 am.*