

**Minutes of the meeting of the SOUTH BANK COLLEGES AUDIT COMMITTEE
held on Tuesday 3 February 2026 4-6pm
Technopark 1B16**

Present

Steve Balmont (Chair)
John Cole
Lydia Song

In attendance

Anna Bazeos, Committee Secretary
Hannah Catchpool, RSM
Chris Knell, Vice Principal for Finance and Performance
Sarah Knight, KPMG
Fiona Morey, Executive Principal
Wijay Pitumpe Appuhamilage, Interim Executive Director of Finance
Jack Stapleton, KPMG

1. Chair's Business

The Chair welcomed members to the meeting and extended a special welcome to Wijay Pitumpe Appuhamilage, Interim Executive Director of Finance.

2. Declarations of Interest

The Chair declared that he had received hospitality in the form of a dinner from KPMG, SBC's internal auditors. The Committee noted the declaration and the secretary confirmed that it would also be recorded in the Gifts and Hospitality Register.

3. Minutes of previous meeting

The Committee approved the minutes of the previous meeting held on 2 December 2025 as a true and accurate record.

4. Matters arising

The Committee discussed matters arising and noted that a paper on the insurance renewal is being prepared. It will be circulated to the Audit Committee in June, ahead of the renewal deadline.

5. Vice Principal's Report

The Committee noted an update on year-end performance, management accounts, reserves strategy, and the annual review of value for money. It discussed the recommendation that the review and suggested actions be

considered with the permanent post holder to develop an action plan, with progress to be reported back regularly to the Committee.

[REDACTED]

The Committee discussed that providing additional granularity in the budget was unhelpful and emphasised the importance of focusing on the overall picture. It also noted the need for a consistent dataset to serve multiple audiences and that creating this dataset is currently a priority for the Executive.

The Committee noted that SBC accounts had been signed off and submitted to the DfE on 31 January. It noted that any feedback from the DfE would be communicated to the Committee via the Group CFO in due course.

Action – CK to develop an action plan with the Interim Director of Finance for the permanent post holder and report progress regularly to the Audit Committee.

[REDACTED]

The Committee requested that the Group Director of Estates attend the next meeting to discuss compliance and Phase Two project details. The Committee noted that a short paper from the Phase Two project group may be circulated or presented at the next board meeting.

Action – AB to invite Group Director of Estates to attend June Committee meeting.

6. Internal Audit Reports and Internal Audit Progress

The Committee noted progress on the 2025/26 Internal Audit Plan, with Fire Safety and Withdrawals and Interruptions reviews completed and draft reports issued for Access Management, Project Risk Management, and Core Financial Systems. The Committee noted three new actions added to the SBC tracker, three implemented, twenty-four not yet due, and none were overdue.

The Committee noted the fire safety audit, conducted at Group level across all three entities, and expressed concern that, while some actions were reported as complete at SBC, several had not been completed as described.

Members also raised concerns regarding oversight, noting that Mitie had taken over responsibility in September 2024 and was responsible for conducting the checks and associated maintenance at a cost to SBC. The Committee requested assurance and asked that the Group Director of Estates to attend a future meeting to provide this. The Committee further discussed the structure of responsibility between the Group and SBC and sought clarity on accountability where issues arise within SBC.

Action - FM to provide an organisational chart showing estates and facilities management responsibilities at the next meeting. FM to invite the Group Director of Estates to attend a future Committee meeting to discuss Mitie roles and responsibilities.

7. Final Audit Findings Report

The Committee reviewed the findings from the external audit and noted concerns regarding data preparation and quality control. It was noted that the final audit report had been presented, with no significant changes since submission to the Department for Education, and that a post-balance sheet update was the only outstanding item.

The Committee discussed the need to address audit findings ahead of the next audit cycle and noted that more robust data checks could have prevented certain issues. It was agreed that audit findings would be shared with the Quality Committee for further consideration.

Action – WPA and Claudia Forbes, MIS and Funding Director, to provide a paper on progress of audit findings for the June Audit Committee and the June Quality and Improvement Committee.

The Committee noted management's response to observations relating to cash postings, including confirmation that bank reconciliations would be completed and reported as soon as available. It was further noted that the posting and tracking of capital grants would be improved and that the depreciation policy would be reviewed to avoid future errors.

Action - CK to reflect the reconciliations when the management accounts are circulated.

The Committee noted that a management debrief on audit findings was scheduled for 19 February, with follow-up papers to be brought to the appropriate governance meetings.

8. iTrent and internal audit vacancy management update

The Committee noted the internal audit report on vacancy management and the associated assurance ratings. Progress on the implementation of the iTrent system and the transition from the existing Vacancy Control process was discussed.

The Committee noted that the new online requisition form is progressing as planned, with review, user acceptance testing, and a full rollout scheduled for the end of February. It also noted that job descriptions and evaluation records for SBC and SBA are being consolidated into a single database, expected to be fully operational by the end of March.

The Committee noted that the migration to the iTrent workflow is progressing as expected, with only a small number of outstanding approvals requiring manual entry at go-live, and that HR will continue to oversee the process to ensure continuity.

9. Risk Appetite Annual Review, Risk Horizon Scanning and Strategic Risk Registers

The Committee examined the risk register and noted alignment of key risks with the Group strategy, highlighting cyber, health and safety, and Estates-related risks. It also noted ongoing financial risks linked to negotiations on financial standing and regulation.

The Committee discussed that cyber risks were rated amber rather than red, which is unusual compared with sector norms, and agreed to reconsider the rating. Demographic challenges, particularly in the 16–18 age range peaking in 2030, were noted, with implications for workforce training and education funding. The Committee acknowledged the need to capture risks associated with digital technologies and AI and agreed to temporarily elevate MIS system risks to medium until fully resolved.

Action - FM and TH to amend the risk registers.

The Committee concluded that risk language should be aligned across Group entities for consistency, while allowing for entity-specific risks where appropriate, and recommended ongoing approval of the register with the updates as discussed.

10.

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

11. **Any other business**

The Committee thanked the outgoing Vice Principal for Finance and Performance, noting that this was his final meeting.

12. **Decant update**

The Committee noted the Decant Project update. Redevelopment of Block A is progressing well and remains on track to complete Estates and IT fit-out before half term. A forecast overspend of approximately £120k against the £1.25m budget was noted, with high site resourcing and milestone oversight in place to mitigate programme and cost risks.

The Committee noted governance arrangements, including Project Board oversight and a planned site walk by the Executive Principal and CFO, and concluded that appropriate controls are in place to safeguard delivery and the associated capital grant.

The Committee requested a copy of the decant summary entry on the risk register and an update on the Phase 2 project.

Action – FM to provide an update on the Phase 2 project either at the March Board of via email and update the decant summary entry on the risk register.

13. **Speak up Report**

The Committee noted the nil return report and discussed the limited use of the service. It agreed to revisit this issue at a future meeting.

14. **Anti-Fraud, Bribery and Corruption Report**

The Committee noted the nil return report.

Date of next meeting
Thursday 18 June 2026 at 4pm
Technopark 1B16

Confirmed as a true record



(Chair)