Minutes of the Audit Committee Meeting held on Thursday 5 March 2026 at 17.30pm, Jorvik Suite

Present:	Julia Histon (JH)	Chair
	James Farrar (JF)	Independent Governor
	Victoria Inness (VI)	Independent Governor
	Andrew Thomas (AT)	Independent Governor – joined remotely
	John Ennis (JE)	Co-opted Governor
In Attendance:	Ken Merry (KM)	Principal/CEO
	Philip Curtis (PC)	Chief Operating Officer
	Carolyn Barker (CB)	Director of Governance
	Marc Gillham (MG)	Director of MIS and IT
	Heidi Fraser-Krauss (HFK)	Independent Governor – Item 4
	Melissa Drayson (MD)	Rockborn Consultants – joined remotely
	Cameron Boyd (CBo)	Audit Manager, TIAA - joined remotely

1.	**Apologies for Absence / Declarations of Interest**	**Action**
1.1	The Chair welcomed everyone to the meeting and invited all present to introduce themselves. There were no apologies. Heidi Fraser-Krauss noted her declaration of interest in item 4. The Chair of the meeting was Julia Histon. Notice of the meeting was given at least 7 days in advance. The meeting was quorate.	
2.	**Minutes of Previous Meeting**	
2.1	The minutes of the meeting held on 10 November 2025 were reviewed and approved as an accurate record. ***The Committee resolved to approve the minutes.***	
3.	**Matters Arising**	
3.1	**Action Summary** The Committee noted that all actions from the previous meeting had been completed.	
3.2	**Any other matters** None.	
4.	**Line of Inquiry: Artificial Intelligence – Strategic Readiness and Risk Oversight**	
4.1	The Committee received an update on the College's preparedness to integrate Artificial Intelligence (AI) into its operations, building on the 2025 AI Deep Dive and the accompanying SWOT analysis, which highlighted developing strengths, long-standing weaknesses in IT infrastructure, ethical considerations, and emerging opportunities and threats relating to academic integrity, cybersecurity and accessibility.	

	It was noted that last year's deep dive was considered only by the Audit Committee, and the purpose of this session was to revisit progress, strengthen assurance, and clarify the respective governance roles across committees. The Committee also received a summary of the presentation delivered to the Q&C Committee in February 2026, which highlighted sector-wide rapid developments in generative AI and the need for consistent College-wide principles, training and oversight. The Chair opened the discussion by reminding members of the Committee's particular responsibilities for risk, controls and compliance and highlighted the importance of clarifying the roles across committees regarding oversight of AI developments, to ensure transparency, avoid duplication and support coherent governance. She emphasised the intention for this deep dive to draw on governors' experience, including expert input from HFK, and to help shape an appropriate assurance framework. The key themes from last year's session were briefly recapped. The Committee explored the key risks associated with AI, including network and cyber security vulnerabilities, plagiarism and academic integrity risks, data protection considerations, accessibility challenges, unconscious bias, inappropriate content generation, and the varying levels of maturity and confidence across staff and students. It was noted that students are already using AI extensively, highlighting the need for staff capability and confidence to keep pace. The Committee also discussed the importance of ensuring that all AI-related risks are fully identified and, alongside this, assessing staff skills and capabilities, noting that getting both elements right will significantly strengthen the College's overall approach. The Committee also reflected on the wider educational implications of AI, including what students now need to learn in an AI-enabled environment. HFK noted sector debates about how AI may change the skills students require. KM highlighted the potential value of allowing students to use AI tools to support creative processes, while emphasising that AI should not become a definitive source or replace independent thinking. He cautioned that over-reliance on AI could lead some students to view it as the easiest option, potentially limiting the development of originality, critical engagement and creative problem-solving. Members agreed that students need to understand AI as a tool rather than a substitute for learning. HFK shared insights from Jisc's national work on AI maturity across the sector, advising that institutions generally benefit more from clear guidance integrated into existing policies than from stand-alone AI policies. She also emphasised the importance of articulating a clear AI maturity position, developing an AI operational risk register (if appropriate), and ensuring staff understand when and how AI tools can be used safely, including where tools may impose age restrictions. The Chair invited reflections on the College's position within the wider sector, noting that some organisations are now at the forefront of AI adoption while others remain at early stages. She highlighted the value of understanding both where the College currently sits and where it aspires to be. HFK advised that a recognised sector AI maturity model is available and indicated that, based on current progress, the College is likely to fall within category 2 "experimenting and exploring" of that	

	framework. KM noted that the College's Brilliance Plan sets an ambition to become a digital leader, and that assessing the College's position on a maturity matrix would help benchmark progress against that goal. The Committee discussed how AI-related risks should feature within the College's existing risk management framework. It was agreed that some AI risks sit naturally within cyber security, but that a broader, more explicit articulation of College-wide AI risks is required, supported by the development of an overarching AI Risk Framework as set out in the covering report. KM provided an update on ongoing investment in digital infrastructure and replacement of ageing hardware, noting that improvements will be more visible by next year. He highlighted the opportunities to learn from other colleges further ahead in AI maturity and advised of emerging practice in assessment design and staff guidance. The Committee also considered the need for: • mapping AI risks across the operational risk register rather than adding to the strategic risk report; • clarifying committee roles in AI oversight (Audit, Q&C, F&GP); • presenting the College's AI maturity position through a recognised maturity matrix; • reviewing and embedding specific staff guidance on safe and effective AI use; • maintaining agility given the pace of sector-wide change; and • ensuring governors have the knowledge required to ask the right questions and provide proportionate assurance. It was agreed that an update on the College's AI maturity matrix will be brought to the first meeting of the next academic year, and that the outcomes of both the Q&C and Audit Committee AI discussions should be synthesised into a short briefing for the Board. HFK left the meeting.	PC CB
5.	**External Assurance – Internal Audit**	
5.1 & 5.2	**2024-2025 and 2025-26 Internal Audit Recommendations Implementation** The Committee received an update from PC on progress with the implementation of internal audit recommendations for 2024–25 and 2025–26. He reported that the majority of actions had now been completed, with only one partially completed item relating to curriculum planning from the 2024–25 cycle. The Chair invited questions from members. JE queried the status of the outstanding HR recruitment recommendation, noting it was the longest standing open action and that progress had been delayed. He asked when it would be taken forward. It was confirmed that this item is scheduled for consideration at the next People & Governance Committee meeting which had been rescheduled to the later date of 14 April. PC noted that for 2025–26, two internal audit reports had been issued to date (December 2025), and that there is one partially completed action	

	from the Cyber Security Maturity Assessment, with all other actions completed to date. On the Cyber Security Maturity Assessment, the Committee was reminded that this piece of work did not result in an audit opinion, as it was an advisory review aligned to the National Cyber Security Centre's 10 Steps framework. Instead, it provided a maturity score to support strengthening the College's approach. CBo referred members to page 52 of the meeting pack, noting that a similar maturity assessment was undertaken in 2021, and that the College has made significant progress since then. Only one remaining area, relating to role privileges and regular review of account access, was highlighted as requiring completion before full maturity can be achieved. He emphasised the positive progress and highlighted that good monitoring arrangements are in place. KM noted that the review was delivered by a specialist cyber security team over 10 days and expressed thanks to Alex Goodyear, Head of IT Systems and Services for his strong contribution. It was suggested that the Committee send Alex a note of thanks. The Chair asked why a maturity assessment was undertaken rather than a standard assurance audit. PC confirmed that, as an advisory piece, TIAA does not assign an audit opinion when assessing maturity against the NCSC framework. CBo concluded by confirming that the review provided reasonable assurance, identified good practice, and that one operational effectiveness recommendation had been included. He took the Committee through the details of these findings. ***The Committee noted the progress made in implementing Internal Audit recommendations for 2024–25 and 2025–26.***	
5.3 & 5.4	**Internal Audit Reports and Progress** The Committee received the internal audits for the following areas: • GDPR and Freedom of Information – Reasonable Assurance audit opinion was given. • Cyber Security Maturity Assessment – No audit opinion was given. The internal audits noted below were reported as not having been completed as yet: • Performance Management • Procurement • Health & Safety – Estates Compliance With regard to the GDPR and Freedom of Information recommendations, CBo provided an overview of the key observations arising from the internal audit work. He confirmed that the process flow chart referenced in the report related to the recommendation to update the Disposal of Equipment flowchart and supporting procedures, ensuring improved clarity around references to resale, donation, and circumstances where destruction is mandatory. This update was confirmed as completed in	

	December 2025, with the revised version now available on the Estates SharePoint page for staff. He outlined that the higher-risk areas identified within the review related principally to governor training, noting that current arrangements would benefit from being more clearly tailored to individual governor roles. The associated recommendation was to develop a structured training needs analysis for specific governance roles to ensure appropriate coverage. CBo also briefly highlighted observations concerning the use of smart technology located near workstations, which had been flagged as an observation that the college should consider for attention. Overall, he emphasised that the review presented a very positive outcome, with good controls and processes evident. The Chair invited questions or comments. She referred to the section of the report outlining the number of data breaches and Subject Access Requests (SARs) and asked whether the level reported should be considered high. The Committee discussed the volume and increasing complexity of cases, noting in particular the growing use of AI tools to generate detailed correspondence submitted to the College, often in the context of complaints. It was highlighted that many cases involved parents or students, which, together with the more complex nature of the submissions, contributed to the overall numbers. ***The Committee noted the update.*** CBo left the meeting at 18.43.	
6.	**Internal Assurance – College Assurances**	
6.1	**Strategic Risk Monitoring** KM presented the updated Strategic Risk Register, noting that while there had been adjustments to the narrative since the previous review, the quarter-to-quarter risk ratings remained unchanged, with the exception of Core Purpose, which had moved to a residual score of 4, now in line with the target risk level. Minor improvements had also been made to the layout, including the introduction of numbered risks and a summary page at the end of the document. During discussion, KM highlighted that although cyber security remained a key focus area, the register would benefit from increased emphasis on AI-related risks, given the evolving technological landscape. The Committee considered the ongoing inclusion of the Financial Sustainability risk. KM explained that the College's financial position was currently very strong, supported by recent financial statements, positive cashflow forecasts, robust student recruitment, and anticipated allocations for 2025/26. The Chair queried whether it was appropriate to remove the risk prior to year end. KM advised that upcoming allocations were expected to be favourable and recommended retaining the risk for the time being. Committee members agreed, noting they would be inclined to keep the risk on the register until year-end data was confirmed. PC observed that even if the risk were removed, it would still be possible to omit it from the dashboard. Following discussion, the Committee agreed to retain the Financial Sustainability risk. The Chair reflected that removing the risk would reduce the Strategic Risk Register to only three active risks, which she felt might appear too	KM

	low. KM noted that SLT had discussed the matter more broadly and were considering ways to share the operational risk register with the Committee to provide governors with greater visibility of the issues actively monitored at an operational level. This would offer additional assurance on emerging risks and the areas occupying SLT attention. JF raised concerns regarding 16–18 devolution policy risk, particularly in the context of forthcoming introduction of T Levels and V Levels highlighted by KM. It was confirmed that devolution developments were being closely monitored and that, while previously a more significant concern, the risk level had reduced. KM also confirmed his involvement in external groups to maintain up-to-date understanding. JE queried issues relating to the recruitment and retention of staff in specialist areas. KM explained that this was being addressed through the College's three-year workforce planning process, led by the Deputy Principal/CEO, and therefore did not currently feature as a strategic risk. ***Following discussion, the Committee resolved to note the Strategic Risk Register.***	KM
7.	**Policy and other matters**	
7.1	**Other Matters**	
	Additional Services from Audit Providers There were no additional services highlighted.	
7.2	**Business Continuity Plan** The Committee received the updated Business Continuity Plan (BCP), presented as a recommendation for approval following prior review by SLT and the Finance & General Purposes Committee. PC confirmed that the Plan had been reviewed by staff and emphasised that it will require ongoing review, noting that business continuity arrangements must remain adaptable as circumstances and risks evolve. He also highlighted that, alongside the formal BCP, a working group has been developing a practical flowchart and clear action steps for staff to follow in the event of an incident, to support rapid response and operational clarity. JE queried the responsiveness of the Plan to environmental incidents, such as flooding. He noted that the current version did not appear to fully address such scenarios. PC confirmed that heavy rainfall and potential flooding had recently been discussed internally, and that the College would review and respond to emerging conditions as part of its operational procedures. KM added that the College had previously experienced a flooding incident requiring rapid action, which underlined the need for flexible, situation-specific responses. PC observed that staff had learnt extensively from working through recent exercises, strengthening the College's preparedness. JF suggested that the BCP could be more concise, focusing on core principles and the College's overall emergency response approach, with detailed operational processes held separately. The Chair raised two specific points for improvement: 1. Bomb threat procedures – she referred to the section on page 9, noting that the identified areas were all situated within the main building. PC clarified that, due to strong relationships with external	

	partners, alternative locations could be coordinated if needed. She suggested explicitly identifying designated off-site locations within the plan. 2. Electric vehicle fire scenario – she referenced an example where a plugged-in electric vehicle had caught fire, leading to evacuation and presenting an explosive risk. The scenario prompted reflection on the safe exit routes from the College car park. KM supported this point, sharing an example of a past incident where a vehicle fire obstructed the normal exit route, underscoring the importance of planning for such eventualities. The Committee noted the report and provided comments as requested, with the expectation that the plan would proceed to the Board for approval following incorporation of any Committee feedback.	PC PC
	Summary Matters	
8.	**Key meeting outcomes and/or actions**	
8.1	**Matters for report to the Governing Body (if any)** • Deep dive session summary to Board • Business Continuity Plan	
9.	**Any Other Business**	
	The Chair noted that this meeting marked John Ennis' final meeting of the Audit Committee, as his full term of office concludes following the meeting. On behalf of the Committee and the College, she expressed her sincere thanks to John for his valuable contribution, insightful questioning, and constructive challenge, all of which had strengthened the Committee's work during his tenure. The Chair also informed members that she is to stand down as she approaches the end of her first term of office, and that the governor recruitment campaign has now commenced, with the announcement already circulated.	
10.	**Date of Next Meeting –** Thursday 26 June 2026	