



MidKent College

GOVERNING BODY RISK & AUDIT COMMITTEE

Minutes of the meeting of the Risk & Audit Committee held on Tuesday 4 February 2020 at 10.00hrs in the Boardroom at the Medway Campus.

Present:	Mr C Reeves	Chairman
	Mr C Reynolds	
	Mrs C Richardson	Co-opted
In attendance:	Mr M Blanning	QTL Chairman
	Ms C Burkin	Clerk to the Governing Body
	Mr S Cook	Principal/CEO
	Mr P Goddard	Scrutton Bland Internal Auditors
	Mr C Hare	Exec Director of Employers & Corporate Services
	Mrs R Kay	Observer (SLT)
	Mr M Peat	Exec Director of Finance & Estates
	Mrs J Watt	Exec Director for Quality & Curriculum

Non-members attendance was agreed and recorded.

1 Declarations of Interest

Mr S Cook declared an interest as a Trustee of Rivermead Trust, a Board member of the Kent and Medway Economic Partnership and Chair of Medway Place Board, Trustee of Royal Engineers Vocational Education and Training Trust (REVETT) and a member of MKCTS Board. Mr M Peat declared an interest as Company Secretary of MKCTS and Lower Lines Trust. Mr C Reynolds declared an interest as a Trustee of the Sir John Hawkins Trust. Mr C Reeves declared an interest as a member of the F&GP Committee and Trustee for the Hackney Free and Parochial Schools Educational Trust. Mrs C Richardson, Co-opted Member, declared an interest as holding a share in Trinity People Limited and working for The Council for Licensed Conveyancers. Mr M Blanning declared an interest as the Chairman of the QTL Committee.

2 Apologies for Absence

Apologies were received from Ms C Bushell, Mazars External Auditor, Ms L Keane, Scrutton Bland Internal Auditors and Mrs N Wakefield, Mazars External Auditor.

The Chairman welcomed Clare Richardson to the Committee as a new Co-opted Member and she introduced herself. He also welcomed Ruth Kay as an observer and Michael Blanning and Jackie Watt who were attending for the Risk Register items.

3 Minutes of the meeting held on 19 November 2019

The minutes of the meeting held on 19 November 2019 Paper GBR&A19/475, were accepted as a true record and signed by the Chairman.

An amendment to the wording in item 4 regarding Regularity was requested and agreed.

4 Matters Arising and Outstanding Matters Report

There were no matters arising.

Members discussed Paper GBR&A19/476, the Outstanding Matters Report.

No 1. Membership – co-opted member recruited. Membership links with MKCTS Board will remain under review in light of the Group structure but it was agreed that no action is required at present. **Complete**

No 2. Deep Dive – C Reeves to discuss with Chairs of Committees – **Ongoing**

No 3. HE Risk Monitoring – to be fed back once other Committees have discussed – **Ongoing**.

No 4. Welfare Needs data – requested – **Outstanding**.

No 5. ESFA Learner Record Audit – bf for Deep Dive in June 2020 – **Ongoing**.

No 6. Compliance – Risk Register update under item 6 – There was some discussion regarding the wording of this item which will be amended in the minutes. **Complete**.

Action: Clerk/Chairman

Members discussed developing a register of compliance requests that will evidence the process and outcome and act as a log for R&A Committee assurance. P Goddard to forward an example to the Chairman for consideration. **Ongoing**.

Action: P Goddard

No 7. H&S Annual Report – noted for 2020 report – **Complete**.

No 8. H&S Policy – Published – **Complete**.

No 9. ICT Infrastructure Review – bf June 2020 – **Ongoing**.

No 10. Risk Management re IT – included in item 6 – **Complete**.

No 11. R&A Annual Report – approved by Governing Body – **Complete**.

No 12. Internal Audit Reports – reviewed Risk Register- item 6 – **Complete**.
No 13. Closed session – Comparison Audit plans – on agenda item 7 – **Complete**.

Members accepted the report and the recommended actions arising from it.

5 Information Security Report – Paper GBR&A19/477

Chris Hare updated members on the most recent developments in information security at the College. The report provided an insight into the current work being carried out with regards to Data Protection. Members were assured that the College is meeting its obligations under the Data Protection Act 2018.

The report provided an overview of the activities associated with information security and provided details on:

- Subject Access Requests – the volume and status of such requests being handled by the College.
- Data Breaches – the volume and impact of any data incidents occurring within the College.
- Training – update on the mandatory training for staff and training associated with the outcome of an incident. Members highlighted the 90% completion rate and challenged the shortfall. It was explained that some annual updates were outstanding due to long-term sickness and some new members of staff had yet to complete the training. Members requested data at the next meeting to gain assurance, regarding the shortfall including the overdue dates for the annual updates.

Action: C Hare June 2020

C Hare reported that the College has been successful in receiving the Cyber Essential Accreditation and aims to complete the Cyber Essential Plus by 2021/22. This accreditation will become a condition of funding in the future. ICT are conducting a gap analysis, the outcome of which may require some resources which will be reported to F&GP Committee.

Members also noted the subsidiary company does not currently have a separate DPO and this is being addressed.

Action: C Hare/M Garrod

6 Risk Management Report - Paper GBR&A19/478

Martin Peat presented the risk management report paper GBR&A19/478 which informed the Committee of the current status of risks assessed in the College and the mitigations to manage those risks.

He reported that the risk register had been reviewed in full and changes have been made to merge or remove risks where possible and remove risks that are no longer current. Each Executive member, in conjunction with their managers,

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is responsible for updating the risks under their management. The register has also been reviewed by the Chair of QTL Committee with the Exec Director of Curriculum and Quality which has resulted in a number of changes identified in the report and under item 7.

Members note there are currently 24 risks identified, none are currently critical or high. Each funding stream risk now has two elements 1) financial and 2) quality.

Members discussed the amended version and felt it was streamlined and sharper for the review but challenged that the merged risks had resulted in some critical risks being downgraded to medium. They were assured that mitigation had been put in place leading to the regrading but noted that this is not clear from the register content. It was agreed that more context needs to be included in the register to evidence movement and impact.

Action: Risk Owners

There was a robust discussion regarding the previously scored critical risk, noting that this was being monitored at the QTL Committee who will recommend appropriate adjustments following their scrutiny. It was agreed that until mitigation has had an impact the score should not alter but noted the positive direction of travel.

Action: J Watt to amend

Members also commented on the dates within the document and asked that these are reviewed and updated with context and evidence added as required around mitigation and controls. They also questioned the differences in the language used in the risk titles and asked that the Executive consider further review. The reporting column also needs to be reviewed with the removal of Remuneration Committee and Executive to ensure the correct Committees are reviewing the correct risks. It was reiterated that the final monitoring will always be a duty of the R&A Committee.

Action: M Peat to communicate to all Risk Owners

It was agreed that all funding agencies should be included in the register and the relevant risk amended.

Action: J Watt to amend

Members noted the current risk appetites affect the scoring and agreed that these need to be reviewed. The Chairman agreed to discuss this with the other Committee Chairmen and to suggest amendments accordingly.

Action: C Reeves

The Chairman thanked members for a robust and challenging discussion that has provided the Committee with assurance that the risk register is a live and valuable document. The Auditors commented positively on the depth of discussion. The observer highlighted the risks in her area and the context.

Members recognised their discussion had included horizon scanning to gain assurance that future possible risks are being considered.

7 Proposed amendments to Risk Register from QTL Committee – Paper GBR&A19/487

Michael Blanning and Jackie Watt reported that the QTL Committee had considered their risks and commented on each of the 10 items. The Committee had reviewed to remove duplication and tried to group risks together. Members noted that a balance must be maintained to ensure a robust register. They recommended:

Removing three:

- 29 Failure to provide high quality support to students
- 22 Poor students progress and destinations
- 17 Failure to provide outstanding provision for students with SEN

Keeping three

- 7 Failure to improve standards of Maths and English across the College
- 15 Poor improvements in student attendance and punctuality
- 28 Fraudulent claims for student achievements or falsification of records

Amending four:

- 13 Poor quality of the HE provision - Risk priority should be High. Re-word for consistency as “Failure to improve the quality of HE provision”
- 19 Poor quality teaching, learning and assessment - Re-word as “Failure to standardise the quality of TLA across different departments in the college”
- 24 Failure to improve achievement rates for apprenticeship provision Risk priority should be High.
- 31 Failure to comply with Office for Students regulations - Risk priority should be High.

It was noted that although some of the risks are monitored via the MLPS by the QTL Committee, they should not be removed from the register. The trigger points highlighted through this monitoring will then be reflected in the register and risk scoring.

R&A Members were assured and recognised how helpful the QTL Committee’s challenge, opinion and scrutiny had been in shaping the register. It was noted that all the suggested amendments must be evidenced with context and rationale. It was agreed the QTL Committee will revisit the list of their risks and come back with clear recommendations for the R&A Committee to consider.

Action: QTL Committee

The recommended amendments had already been made to the Risk Register regarding these risks and therefore amendments may be required following further review at QTL Committee.

Action: J Watt as required

Ruth Kay left the meeting on the request of the Chairman. She thanked members for the invitation and was pleased to note the depth of discussion and challenge of the Executive team.

8 Internal Audit Reports – Papers GBR&A19/480 – 482

Paul Goddard from Scrutton Bland introduced the assignment reports relating to the following:

- Safeguarding Audit – Strong assurance was given with one low risk recommendation which has been actioned. The Internal Audit found the College to be strong in this area which reflected their own experience of being in the College. The Committee thanked all staff involved.
- Apprenticeships – the committee received a draft of the report, which was split into two areas due to its complexity:
 - Development of standards received significant assurance.
 - ESFA funding compliance received limited assurance.

Members were very concerned by the assurance opinion for funding compliance. C Hare informed members that the external validation had been helpful and supportive – he felt further time was required to reflect on the report’s findings and recommendations and discuss them with the Internal Auditors before the report is complete. Members were pleased to be able to discuss the draft report at this meeting and recognised that a ‘high recommendation’ isn’t necessarily a criticism but, importantly, highlights issues that need to be addressed.

After a robust discussion, it was agreed that the Internal Auditors would present the final report at the June 2020 meeting, and the Executive will explain what it has done to address the recommendations. The Chairman requested a copy of the final report as soon as it is available, he said he will update the Governing Body Chairman and he will conduct a Link visit to the Apprenticeship area to gain further assurance.

Action: C Reeves Link visit
Action: BF final report June 2020

- Consideration of Internal Audit Coverage for 2020/21 – members noted the useful comparison and agreed to consider the suggested coverage for 2020/21. The final decision will be made at the June meeting. Members felt it had been helpful to compare with the sector and have an early opportunity to discuss the plan for 2020/21.

Action: BF June 2020

9 Any Other Business

It was agreed the Deep Dive for the June meeting would be Learner Records including all funding streams and Angela Tithecott would be invited to present. S Cook requested a clear brief be communicated to A Tithecott to ensure the correct information is communicated to the Committee.

Action: C Reeves/S Cook to agree brief

There were no other items.

10 Date of Next Meeting

The next meeting is scheduled for Tuesday 16 June 2020 at 10am at the Medway Campus. The Chairman asked for the opportunity to review this date and time due to prior commitments.

New date to be agreed.

Action: Chairman/Clerk

The meeting closed at 12.25