



## MidKent College

### GOVERNING BODY

### RISK & AUDIT COMMITTEE

Minutes of the meeting of the Risk & Audit Committee held on Tuesday 16 June 2020 at 10.00hrs via Zoom due to College closure (Covid 19).

|                       |                  |  |
|-----------------------|------------------|--|
| <b>Present:</b>       | Mr C Reynolds    | Chairman                                   |
|                       | Mr M Blanning    | QTL Chairman - Observer                    |
|                       | Mrs B Jossi      |  |
|                       | Mr C Reeves      |  |
|                       | Mrs C Richardson |  |
|                       | Mr J Williams    |  |
| <b>In attendance:</b> | Ms C Burkin      | Clerk to the Governing Body                |
|                       | Mr S Cook        | Principal/CEO                              |
|                       | Mr P Goddard     | Scrutton Bland Internal Auditors           |
|                       | Mr C Hare        | Exec Dir of Employers & Corporate Services |
|                       | Ms G Harvey      | Information Security Officer Item 7        |
|                       | Mr M Peat        | Director of Finance & Estates              |
|                       | Mrs A Tithecott  | Director of MIS/Exams Item 6               |
|                       | Mrs N Wakefield  | Mazars External Auditor                    |
|                       |                  |  |
|                       |                  |  |

#### 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 Trustee for the Hackney Free and Parochial Schools Educational Trust, Trustee of Hackney Lighthouse and Non-Exec Director of MKCTS. *Mrs C Richardson* declared an interest as holding a share in Trinity People Limited and working for The Council for Licensed Conveyancers. *Mr J Williams* declared an interest as the Director of Public Health a Medway Council, Kent & Medway Clinical Commissioning Group Governing Body and Chair of Medway Youth Justice Board.

## 2 Apologies for Absence

No apologies were received.

The Chairman welcomed new members Babs Jossi and James Williams.

## 3 Minutes of the meeting held on 4 February 2020

The minutes and confidential minutes of the meeting held on February 2020, Paper GBR&A19/484(a), were accepted as a true record and electronically signed by the Chairman.

Members noted they had held a zoom informal meeting on 11 June 2020 to discuss progress regarding Apprenticeships. The presentation used is noted as Appendix A.

## 4 Matters Arising and Outstanding Matters Report

There were no matters arising.

Members discussed Paper GBR&A19/485, the Outstanding Matters Report.

- No 1. Deep Dive – C Reeves to discuss with Chairs of Committees to ensure there is no overlap – **Complete**
- No 2. HE Risk Monitoring – to be fed back once other Committees have discussed. **Complete.**
- No 3. Welfare Needs data – permission to share data has not been given. AR to pursue – **Ongoing.**
- No 4. ESFA Learner Record Audit – on agenda – **Complete.**
- No 5. ICT Infrastructure Review – two apprentices have been appointed and further CPD has been purchased for the ICT Team – **Complete.**
- No 6. Compliance – an example of a register of compliance requests was sent for consideration. Chairman and Principal to discuss – **Ongoing.**
- No 7. Information Security Report - Members requested data at the next meeting to gain assurance, regarding the shortfall including the overdue dates for the annual updates – included on agenda – **Complete.**
- No 8. Subsidiary company DPO – noted – **Complete.**
- No 9. Risk Management Report - It was agreed that more context needs to be included in the register to evidence movement and impact. **Complete.**
- No 10. QTL Committee risk - It was agreed that until mitigation has had an impact the score should not alter but noted the positive direction of travel. **Complete.**
- No 11. Review of RR dates and language – **Complete.**
- No 12. RR - It was agreed that all funding agencies should be included in the register and the relevant risk be amended. **Complete.**
- No 13. Risk Appetite - The Chairman agreed to discuss this with the other Committee Chairman and suggest amendments accordingly. In complete – members agreed a review was required and suggested a presentation by the Internal Auditors to the next meeting with recommendations to Governing Body in October 2020. **Ongoing**

- No14. Proposed amendments to Risk Register from QTL Committee.  
**Complete.**
- No 15. Internal Audit Reports - Apprenticeships report published – **Complete.**
- No 16. Consideration of Internal Audit Coverage for 2020/21 – to be discussed outside the meeting. **Ongoing.**
- No 17. Deep Dive – **Complete.**

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

## 5 Risk Management Report

Martin Peat presented the risk management report paper GBR&A19/486 which included the Covid 19 Action Plan. He highlighted the following points which were discussed:

- Each Exec member, in conjunction with their managers is responsible for updating the risks under their management.
- Members noted that 24 risks were identified but none are currently critical or high.
- The risk register (RR) had been reviewed in full and changes have been made to actions, however, there had been no score changes since the last report, all changes are in shown in bold print on the individual risk. Members were concerned that the review of the risks had not resulted in any score changes and asked for assurance that the review was robust. They were concerned the impact of the risk was not reflected by the score and therefore may be appear inaccurate.
- Members were concerned that Covid 19 was not specified on the RR as it was included in the Business Continuity risk 19. It was agreed a reference would be added.

### **Action: M Peat**

- The management of the risks related to the Covid outbreak are separately reviewed using an action plan, which was also included in the papers. This is controlled and monitored by a Business Continuity Group which currently meets three times per week. C Reynolds has joined the Group to represent the Governing Body and gain assurance for the Board. He reported he had attended two meetings and was very pleased with the robust processes and discussions being made and taken by the Group. He was also assured by the content of the action plan. Members discussed at length, the best way to present the Covid action plan within the RR and how to best capture the progress being made. They agreed that the Covid action plan held the operational information and progress and any subsequent strategic change should be included in the RR. They noted that actions have been captured in the Governing Body minutes and updated received from Exec.
- The summary report included the potential impacts and mitigations related to the current situation. Members were assured by the mitigations in place. For example the quick mitigation put in place for subcontractors.
- The current financial impact of Covid 19 has been minimal and offset by the preparation of the College to re-open and be Covid safe. Funding is secure for 2019/20 and 2020/21 but there is a potential negative impact in 2021/22.

- HE – there is a risk regarding refunds but also an opportunity for the increase in need for local HE provision in the future.
- Committees will continue to monitor the risks relevant to their remit for the main RR and the Covid related risks.
- Risk 17, 16-18 – members discussed and agreed to remove this as it is a duplicate.

**Action: M Peat**

- Members asked for the RR to be further reviewed in the next quarter and circulated to members outside the meeting schedule due to the timescale of meetings.

**Action: M Peat**

- The Exec requested a clear steer from the Committee on what needs to be adjusted to the RR. It was agreed a discussion will take place outside the meeting.

**Action: Clerk/Committee**

Members thanked M Peat for the report and **accepted** the Risk Register

## 6 Deep Dive: Learner Records & Funding Streams

Angela Tithecott joined the meeting to present the deep dive and provide further information about Learner Records and Funding Streams. She took members through a presentation which highlighted the following points:

1. What is the ILR?
2. Who is included?
3. How is it created?
4. 16-19 Programmes
5. Apprenticeships
6. Adult Education Budget
7. Other funding streams
8. Recommendations

Members noted that the processes and controls are under continual review to ensure that they are fit for purpose and accurate. Data is regularly checked via various means. The actions taken since the last audit are being maintained.

Members discussed the requirements of different programmes and were assured that the ILR data is well managed.

Members thanked A Tithecott for the comprehensive update, which they felt had enhanced their knowledge of this complex area.

*A Tithecott and J Williams left the meeting.*

## 7 Information Security Report (GDPR)

Georgia Harvey joined the meeting to present the following papers (slides appendix B):

Freedom of Information Policy - Paper GBR&A19/494 – It was noted that this Policy was last approved by Governors in June 2019. The Policy had been amended from the previous version, although the underlying elements remain the same. Any new additions/changes that were more likely to have the greatest impact on the College, were highlighted in yellow for note. Members were assured that the Policy ensures the College demonstrates compliance with legislation and accepts its legal responsibilities under the Freedom of Information Act 2000. Members **approved** the policy for recommendation to the Governing Body.

**Action: C Reynolds**

Data Protection Policy - Paper GBR&A19/488 – It was noted that this Policy was last approved by Governors in June 2019. Last year it was identified that this Policy required a more detailed review and this has now been completely re-written. The Policy is vastly different to the version previously presented, although the underlying elements remain the same. Any additions or changes that are more likely to have the greatest impact on the College, were highlighted in yellow. This Policy has removed references to subsidiary companies. This is because this Policy has been written with specific reference to the College and the legal obligations it has as a public authority and as an educational provider (in particular our safeguarding obligations). These obligations do not extend to private limited companies and it would be unsuitable for this Policy to be mandated for use elsewhere. The Policy evidences that the College recognises its responsibilities under the General Data Protection Regulation (EU) 2016 and the Data Protection Act 2018 and complies with legislation. Members approved the policy for recommendation to the Governing Body.

**Action: C Reynolds**

Information Charter - Paper GBR&A19/488a – this is a newly introduced document that is referenced in the updated versions of the College's Data Protection and Freedom of Information Policies. It is written as a clear summary for public use. The Information Charter evidences that the College recognises its responsibilities under:

- the General Data Protection Regulation (EU) 2016;
- the Data Protection Act 2018;
- the Freedom of Information Act 2000; and
- Environmental Information Regulations 2004

Responsibility for updating this document will sit with the same post holder who maintain the College's Data Protection and Freedom of Information Policies:

- Executive Director for Employers and Corporate Services
- Information Security Officer

Data Protection Annual Report - Paper GBR&A19/488b - is a newly introduced document and will be presented to the Committee annually in June. The report evidences that the College recognises its responsibilities under the General

Data Protection Regulation (EU) 2016 and the Data Protection Act 2018 and seeks to provide assurances about how the College is fulfilling its data protection obligations.

Members thanked G Harvey for the comprehensive presentation and asked how phishing emails are managed and were assured these are picked up by ICT processes and would be dealt with as a general breach. This is covered in risk 21. Members were further assured that the College is well protected as part of the JICS network. The College also has achieved Cyber essentials where high protection is key.

**Recommendations to the Governing Body:**

- Freedom of Information Policy – approved.
- Data Protection Policy – approved.

Members thanks G Harvey for the detailed papers and **agreed** to recommend the policies for approval at Governing Body.

**Action: C Reynolds**

**8 Internal Audit Reports – Papers GBR&A19/489 – 491a**

Paul Goddard introduce the following reports for discussion:

Staff Recruitment & Pay Costs - GBR&A19/489. This report received a 'Significant' assurance opinion and had one low risk recommendation. It reported good practice for support and challenge with a weekly Establishment meeting to review posts. Members note a clean report and confirmed that Equal Pay was not part of the Audit.

Complaints Handling FE & HE - GBR&A19/490. This report received a 'Strong' assurance opinion with no recommendations required. The revised and complex complaints process was tested and found to be robust. No concerns were raised. Members congratulated the team involved.

Follow up on previous recommendations - GBR&A19/491- this reported good progress with 14/22 implemented, 3/22 partly tested and 5 unable to test due to College closure. No concerns had been flagged by the Auditors.

Progress Report - GBR&A19/491a – one Audit remains incomplete due to the College closure. Curriculum Planning & Business Development.

Internal Audits for 2020/21 – Members agreed to discuss this proposal during the summer period and bring forward a plan for agreement in September 2020. M Peat agreed to circulate a draft plan for discussion via a Zoom call.

**Action: M Peat/Clerk**

Members thanked Scrutton Bland for the reports.

**9 External Audit Planning Strategy**

Nicola Wakefield from Mazars, introduced the strategy for discussion.

Members noted the early draft report regarding the current position. The Strategy will be reviewed in October 2020.

**Action: Mazars/M Peat**

It is envisaged that the Audit will take place via a mixture of remote and on site meetings, as the College re-opens. Due to the Covid pandemic and its impact on the College, going concern will be a particular area of focus. OfS regularity also requires additional focus and extra work. The increase in demands and regularity across the sector is reflected in the fees.

Members thanks N Wakefield for the update.

## 10 Policies for Approval:

Martin Peat introduced the Risk Policy 2020/21 paper GBR&A19/493, for approval. It has been noted previously in the meeting that the Governing Body had not reviewed the Risk Appetite for some time. It was agreed that the Internal Auditors would be invited to present a session to Governors to review the current risk appetite at the next Committee meeting and/or at subsequent Board.

**Action: Clerk BF Sept 2020**

Members **agreed** to recommend the Policy for approval at Governing Body in July 2020 with the current risk appetite and further review in September.

**Action: C Reynolds**

Freedom of Information Policy paper GBR&A19/494 had been **approved** for recommendation to the Governing Body, within the discussion under item 7.

**Action: C Reynolds**

## 11 R&A Committee Self-Assessment 2019/20 – summary of results.

Members noted the results of the SAR which inform the Improvement plan.

Five responses were received with all respondents scoring 1 (Strongly agree) more frequently than the other scores. There were only 4 scores of 3 (disagree) and no scores of 4 (strongly disagree). The summary highlighted the comments of any scores of 3 (disagree).

### **R&A Committee Draft Improvement Plan 2020/21**

Members noted that the strengths and improvements in the 2019/20 plan have been broadly met. They agreed the draft plan with the following additions:

Strength - good communication with other Committees to avoid overlap.

Improvement – Covid 19 – concern that the Committees business as usual will be effected due to the impact of Covid-19. This is mitigated by regular formal and informal communication between members and the use of remote applications.

Improvement – review of Risk Appetite is due and will form part of the training for new members.

Improvement – strengthen the membership.

Improvement – MKCTS risk register to be reported to the Committee.

Members asked for the amendments to be made and circulated. The amended Improvement Plan will be recommended to the Governing Body.

**Action: Clerk/C Reynolds**

## 12 Review of Committee Terms of Reference

Members were reminded that it is good practice to review the Terms of Reference annually to ensure the Committee continue to meet their duties. As guidance now allows the inclusion of Staff Governors on the Committee membership, this amendment was noted and included as tracked changes. The review was made with reference to the latest Post 16 Audit Code of Practice 2018-2019.

Members agreed the amendment and asked that the following are also included:

- Remove reference to SFA
- Add reference to OfS regularity

Once amended the Committee will **recommend** to the Governing Body.

**Action: Clerk/C Reynolds**

## 13 Any Other Business

There was no AOB.

## 14 Dates for 2020/21

The following dates were agreed:

- 29 September 2020
- 17 November 2020 (Joint meeting time TBA)
- 2 February 2021
- 15 June 2021

Members agreed a new time of 5pm for the meetings.

The meeting closed at 12.35