



## MidKent College

### GOVERNING BODY

### RISK & AUDIT COMMITTEE

Minutes of the meeting of the Risk & Audit Committee held on Tuesday 29 September 2020 at 10.00 via Zoom due to Covid 19.

<b>Present:</b>	Mr C Reynolds Mr C Reeves Mrs C Richardson	Chairman
<b>In attendance:</b>	Ms C Burkin Mr M Cook Mr S Cook Mr P Goddard Mr C Hare  Ms G Harvey Ms L Keane Mr M Peat	Clerk to the Governing Body Observer Principal/CEO Scrutton Bland Internal Auditors Exec Dir of Employers & Corporate Services Information Security Officer for item 8 Scrutton Bland Internal Auditors Exec Director of Finance & Estates

#### 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.

#### 2 Apologies for Absence

Apologies were received from Mrs B Jossi, Mrs N Wakefield, Mazars External Auditor and Mr J Williams.

The Chair welcomed Martin Cook, incoming Chair of the Governing Body, as an observer to the meeting.

### 3 Minutes of the meeting held on 16 June 2020

The minutes of the meeting held on 16 June 2020 Paper GBR&A19/498 and the Closed Session were accepted as a true record and digitally signed by the Chairman. It was noted that Chris Hare was in attendance at the main meeting and the minutes amended accordingly.

Members agreed that future meetings will be held at 5pm.

### 4 Matters Arising and Outstanding Matters Report

Members discussed Paper GBR&A20/499, the Outstanding Matters Report.

No 1. Deep Dive – Welfare Needs. A Ritchie is still awaiting permission to share data. This action has been outstanding for a year and it is unlikely permission will be given, therefore members agreed to close the action unresolved. **Complete.**

No 2. Compliance – S Cook confirmed the team review deadlines at the monthly ILR meetings. Members received a schedule. **Complete.**

No 3. Risk Appetite review is on the agenda. **Complete.**

No 4. Consideration of Internal Audit Coverage for 2020/21 – on the agenda. **Complete.**

No 5. Risk Management Report – Covid 19 reference has been added to the Risk Register. The Executive Team requested a clear steer from the Committee on what needs to be adjusted to the RR. Discussed at the meeting and is still **outstanding.**

**Action: Clerk arrange meeting**

No 6. Freedom of Information Policy and Data Protection Policy – approved. **Complete.**

No 7. Internal Audit Reports completed until No 4. **Complete.**

No 8. External Audit Planning Strategy – due November 2020. **BF.**

No 9. Risk Policy 2020/21 – approved. **Complete.**

No10. R&A Committee Draft Improvement Plan 2020/21 – approved. **Complete.**

No 11. Terms of Reference – approved. **Complete.**

### 5 Risk Management Report

Martin Peat presented the full risk management report paper GBR&A20/500 which informed the Committee of the critical and high risks and also movements to the risk register since the last update.

Members discussed the various levels and changes to the risk register and the mitigating actions being taken to control, as far as is possible, the level of the

risks. They noted that all risks had been updated by the owners and were presented on a separate shelf in Board Intelligence for all Governors to review.

M Peat highlighted the following points:

- The report shows that there are currently three high risk and no critical risks on the register:
  - HE – enrolment number had improved since writing the report and therefore this is no longer a high risk.
  - GDPR – a number of near misses have affected the risk rating and will be explained under item 8.
  - 16-18 – meeting allocation remains a focus.
- The Covid outbreak has had a number of impacts on the risk register which are noted in the individual risks as well as the business continuity risk.

Members discussed how many of the risks are linked as they impact on each other and how this can be managed and recorded. They noted that narrative has been added to the register to assist with this but agreed a separate column would be useful to state linked risks. Members also discussed the key risks and how others are more operational but act as early indicators for higher risks.

**Action: M Peat to add**

They also discussed the inclusion of risks from MKCTS and how their full register comes to R&A Committee. There was some debate as to whether the Committee serves the Group and it was agreed this will form part of the wider discussions being held regarding the Group relationship.

**Action: M Cook**

It was agreed a meeting of the Exec team, C Reynolds, C Reeves, C Richardson and M Cook will be scheduled before the next Committee to give the Exec a steer on what needs to be adjusted in the register.

**Action: Clerk to arrange**

Members **noted** the report and thanked M Peat.

## 6 Review Risk Appetite

This item gave members an opportunity to discuss the current risk appetites which had not been reviewed since 2016. They noted the current appetites as set out in the Risk Policy 2020/21 which shows 17 risk appetites: seven neutral; three taking and seven adverse.

Members noted that as each Governing Body Committee reviews and reports regularly on their relevant risks, they should be included in any review. They strongly agreed that the appetite should align to the College Strategy and be sense checked with the Executive. Therefore, it was agreed the appetite should

be reviewed once the College Strategy and Group relationship is ratified at the Away Day in January 2021. This item will be brought forward to the R&A Committee meeting in February 2021.

**Action: Clerk note for GB Jan and R&A Feb 2021** ✓

## 7 Internal Audit Reports

Scrutton Bland introduced the internal audit papers:

- Subcontracting Report, paper GBR&A19/502 – received **significant** assurance with two low recommendations and value added points regarding the compliance with new regulations. Members had a discussion regarding the long term viability of the subcontractor and ongoing relationship. There were no concerns raised and members were able to triangulate the information with other sources.
- 2019/20 Internal Audit Annual Report, paper GBR&A19/503 – P Goddard presented the document which gave the Committee the **assurance** required. Most audits were completed before lockdown and subsequent College closure so little impact on the report.
- 2020/21 Internal Audit Strategy and Proposed Annual Plan, paper GBR&A19/504 – members noted the changes and discussed the proposed audits. The following was agreed:
  - HE
  - Student Recruitment, Retention and Attendance
  - Asset Management including IT – members noted the external IT JISC audit that had been carried out last year and the Cyber Essential accreditation received by the College. These gave assurance in the IT area and therefore a specific audit is not required. They also noted that F&GP Committee receive regular updates on IT.
  - T levels/Curriculum Planning
  - Apprenticeships – also agreed a Deep Dive after the Audit (Feb 2021 TBC)
  - Website – this should focus on compliance (2 days)

It was agreed that as GDPR remains a high risk area, it will also be the subject of a deep dive, rather than an audit, with members noting that they received an update on information security at each meeting.

- Audit Code of Practice Update (summary on page 4), paper GBR&A19/505 - P Goddard reminded members that the Code was published late in July 2020 with little changes. Members noted the changes on page 4 and agreed the Committee was still compliant. They noted however that they could improve the monitoring of Fraud and agreed to add it to the Committee agenda. They were reminded that Mazars complete a fraud register that would give the Committee assurance. M Peat agreed to share this with the Committee at the next meeting.

**Action: Clerk/ M Peat**

Members **noted** the report and thanked the Internal Auditors for the update.

*G Harvey joined the meeting.*

## **8 Information Security Report (GDPR) Paper GBR&A20/506**

G Harvey joined the meeting to present the update which provided Governors with an oversight of compliance with legal requests and the most recent developments in information security at the College.

The report also provided an overview of the number of requests recently received and the number of identified data breaches. She reported the detail of the requests and explained the timeline. Members were concerned about the number of hours but were assured by the explanation given.

Members were also concerned about the number of near misses and this was explored in discussion. It was highlighted that although the Staff mandatory training was at 96% further training is required to avoid the near misses. This is being taken forward by G Harvey and will include real life examples.

Members **noted** the report and thanked G Harvey for her attendance.

*G Harvey left the meeting.*

## **8 Any Other Business**

The Chair gave each member the opportunity to raise AOB. No other AOB.

The draft agenda for 17 November 2020 was agreed.

The Deep Dive topic for the next meeting will be GDPR and G Harvey will be invited to present at the meeting.

## **10 Date of Next Meeting**

The next meeting will be held on Tuesday 17 November 2020 at **10.00** via Zoom. This meeting will be followed by the Joint R&A and F&GP Committee.

The meetings for the remainder of the academic year will commence at 5pm.

**Action: Clerk** ✓

The meeting closed at 12.10