



MidKent College

GOVERNING BODY RISK & AUDIT COMMITTEE

Minutes of the meeting of the Risk & Audit Committee held on Tuesday 15 June 2021 at 17.30 via Zoom. Closed Session held at 17.00.

Present:	Mr C Reynolds Mrs B Jossi Mr C Reeves Mrs C Richardson Mr J Williams	Chair
In attendance:	Ms C Burkin Mrs J Burtenshaw Mr S Cook Mr P Cox Mr L Glover Mr C Hare Ms G Harvey Ms L Keane Mr M Peat Mrs N Wakefield	Clerk to the Governing Body For item 6 only Principal/CEO MKCTS for item 5 and to observe Haines Watts for closed session only Executive Director of Employers & Corporate Services For item 7 only Scrutton Bland Internal Auditors Director of Finance & Estates Mazars External Auditor

1 Declarations of Interest

All members' interests are numbered and referenced on the Declaration of Interest log dated 9 June 2021. The register is kept by the Clerk.

2 Apologies for Absence

Apologies were received from Ms C Bushell, Mazars External Auditors, Miss B Jossi and Mr P Goddard, Scrutton Bland Internal Auditors.

3 Minutes of the meeting held on 2 February 2021

The minutes of the meeting held on 2 February, Paper GBR&A20/524, were accepted as a true record and electronically signed by the Chair.

4 Matters Arising and Outstanding Matters Report

There were no matters arising.

Members discussed Paper GBR&A20/525, the Outstanding Matters Report.

No 1. External Audit Planning Strategy – on agenda - **Complete**

No 2. Strategic Risk Register – on agenda – **Complete**.

No 3. Review Risk Appetite – Bring forward to discuss with Haines Watts – **ongoing**.

No 4. No longer required - **Complete**.

No 5. Health & Safety Annual Report – **Complete**. Changes to H&S in the College were noted and any risks to be reported to this Committee.

No 6. Health & Safety Policy – Addendum – agreed at Governing Body – **Complete**.

5 Strategic Risk Register – Paper GBR&A20/526

Simon Cook presented the Strategic Risk Register. He reminded members that following discussion at previous meetings, it was agreed that the Committee would only consider high strategic risks from across the Group. It was agreed the addition of the residual risk score would be useful to show the mitigation in place.

Action: S Cook

S Cook reported that the strategic risk register has been reviewed and whilst still incomplete in terms of the format, the risks have been evaluated. The format follows the operational risk register and will be completed prior to the next meeting.

Action: S Cook

Members noted there are currently six risks identified as high, with scores of 20 or higher. The subsidiary company has two risks in the high category, with benchmarking on the horizon in 2025, the focus is turning to ensuring that any revised process is followed and the company is well placed to continue with the contract. Secondly, attention is focussed on growing the business with the RSME and also with diversification of the income. The budget process highlights these risks and provides additional resource to mitigate the potential of failing to increase the income and profitability. It was agreed that Peter Cox will be invited to the Committee to update on this risk as required.

Action: Chair

Members were assured that the College continues to monitor all aspects of the performance to avoid interventions from outside agencies. In particular the Health & Safety Executive intervention and the risk is being mitigated by a change in the management structure to provide additional resource to reduce the risk and ensure compliance. Other interventions are currently a lower risk with the financial position of the college and the ESFA recent review confirms this position.

Business planning is focussing on the progression opportunities for students and providing a curriculum to support progression and growth, this is still a high risk until the students enrol and this is evidenced.

Risk 10 remains high as it describes the constant threat of potential disruption to business and with the current uncertainty of full release from lockdown this risk remains high. Open days and taster days as well as staff development days are under threat of cancellation due to this uncertainty which would affect enrolment.

Members were reminded that the full College Risk Register is available to review on a separate shelf in Board Intelligence and in future the MKCTS Risk Register will also be available in this way.

Members thanked Simon for the update and **accepted** the report.

6 Deep Dive – Apprenticeship – Paper GBR&A20/527

Jane Burtenshaw joined the meeting to present the deep dive. The report gave members some historical information regarding this area as well as plans for the future. J Burtenshaw gave members a detailed presentation (appendix A) regarding the risk and opportunities in this area. She reflected on the Internal Audit carried out and Governors were assured by the completion of all its recommendations, triangulated in item 8.

J Burtenshaw reported an improved picture regarding quality of the service and the key focus of employer relations. She noted that these need to be developed and maintained and moving forward the ambition is for measured growth of the provision whilst ensuring sustainability.

The Link Governor for Apprenticeships supported the report and noted to members the difficulties in managing such a complex area. She assured the Committee that growth is possible and will provide an improved product.

Members challenged the report in areas of skills agenda and student voice but were assured by the response and student engagement.

Members thanked J Burtenshaw for an honest and detailed report which showed how the outcomes for Apprentices has improved.

7 Information Security Report (GDPR) – paper GBR&A20/528

Georgia Harvey joined the meeting to present the report which provided an overview of the number of requests recently received and the number of identified data breaches. Members noted those of high risk and the mitigation taken.

She also presented the following papers:

- a. Data Protection Annual Report – this was presented for information with no action required. This is the first annual data protection report to be presented to Governors; which seeks to provide assurances about how the College is fulfilling its data protection obligations.
- b. Data Protection Policy 2021/22 was presented for **approval**. This Policy evidences that the College recognises its responsibilities under the UK GDPR (United Kingdom General Data Protection Regulation) and the Data Protection Act 2018. This policy was re-written last year so only minor changes have been made as follows:
 - References updated to reflect changes in legislation – the General Data Protection Regulation (EU) 2016 has been replaced by the UK GDPR (United Kingdom General Data Protection Regulation).
 - References to Recitals under the General Data Protection Regulation (EU) 2016 have been removed as these have not been amended by Brexit legislation. As a result, the Recitals should be used as a guide for interpretation only.
 - References to data sharing and privacy shield have been updated to reflect current requirements post Brexit.
 - The timeline for responses to law enforcement requests has been removed as the 72 hours response time is not always practical, nor feasible. It has been replaced with ‘as soon as possible’.
 - The Policy does not refer 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
- c. Information Charter was introduced in 2020 to support the College’s Data Protection and Freedom of Information Policies and evidences that the College recognises its responsibilities under:
 - the United Kingdom General Data Protection Regulation (UK GDPR);
 - the Data Protection Act 2018;
 - the Freedom of Information Act 2000; and
 - Environmental Information Regulations 2004

The only change to the content is updated references to current legislation post Brexit.

Members thanked G Harvey for the comprehensive updates. They **noted** the changes and **approved** the Policy for recommendation to the Governing Body.

Action: Chair

8 Internal Audit Reports

Scrutton Bland reported that the assignment reports provide assurances over the areas audited, as per the agreed Internal Audit Plan. They presented:

Apprenticeship GBR&A20/529 follow up on previous recommendations and reported good progress with all recommendations having been implemented.

Curriculum Planning & T-Level Preparedness - GBR&A20/530 – this received a significant assurance opinion with one low recommendation and a best practice point.

Follow up on previous recommendations - GBR&A20/531 – the report noted reasonable progress with four of the twelve recommendations implemented, three partly implemented, two not implemented, one superseded and two unable to be concluded.

Progress report - GBR&A20/53 - confirms the agreed fieldwork dates for each assignment report. It highlighted two outstanding audits: HE; Student Recruitment, Retention and Attendance. These will be reported to the next meeting.

Action: Scrutton Bland September 2021

Members thanked Scrutton Bland and **accepted** the reports.

9 External Audit Planning Strategy – Paper GBR&A20/533

Mazars updated the Committee on the audit plan for the year ended 31 July 2021 for consideration.

The paper included:

- Engagement and Responsibilities Summary
- The Audit Engagement Team
- Audit Scope, approach and timeline
- Significant risks and key judgement areas
- Fees for audit and other services
- Mazars commitment to independence
- Materiality and misstatements
- The document summaries the audit approach to end of year July 2021
- Any significant risks will be highlighted

It was noted that this plan is not finalised and amendments will need to be made. It was also noted that with changes to the ESFA guidance, additional work will have to be undertaken and this will increase the fee.

Members thanked Mazars and **accepted** the plan.

10 Policies for Approval

Risk Policy 2021/22 - GBR&A20/534 – this is presented to confirm it is fit for purpose. Members were asked to approve the Policy in principle and consider a review by the incoming Internal Auditors for their opinion in particular the risk appetite and the change to the strategic review rather than the operational risk register. Members **agreed** that this will be brought forward for review 2021/22.

Action: M Peat/Haines Watts

Freedom of Information Policy 2021-2024 - GBR&A20/535 - This Policy was discussed under item 7 with the author present and evidences that the College recognises its responsibilities under the Freedom of Information Act 2000. It ensured the College's compliance with legislation and demonstrates that the College accepts its legal responsibilities. Given that the legislation behind freedom of information requests is well established and no changes are planned, it is recommended that the review period is extended from one year to three years. One addition has been made to the policy under responding to FOI page 5. The Committee **approved** the Policy for recommendation to the Governing Body

Action: Chair

11 R&A Committee Self-Assessment 2020/21 – Paper GBR&A20/536

The Chair thanked members for completing the SAR questionnaire. The results showed that members 'strongly agree' or 'agree' with all the criteria on the self-assessment. The comments made reflected the challenges faced by the Committee during the pandemic and also suggested some improvements which were considered for the improvement plan.

R&A Committee Draft Improvement Plan 2021/22 – Paper GBR&A20/537

The current improvement plan was presented for amendment. Members agreed the plan as drafted for **recommendation** to the Governing Body.

Action: Chair

12 Review of Committee Terms of Reference – Paper GBR&A20/538

The Chair introduced the Terms of Reference for discussion. Minor changes had been suggested to bring them in line with other Committees and title changes.

Members **agreed** the changes for **recommendation** to the Governing Body.

Action: Chair

13 Any Other Business

- Agenda for next meeting – **agreed** with review nearer the meeting date.

- Deep Dive subject for next meeting – members agreed that with the changes to Health & Safety a Deep Dive would be useful later in 2021/22. S Cook and C Reynolds agreed to discuss other options out of Committee and bring back ideas.

Action: C Reynolds/S Cook

- Post 16 Audit Code of Practice – paper GBR&A20/539 listed the changes to the Code, highlighting Governance and other changes. The Committee were assured that all changes have been actions and are reflecting in the new Terms of Reference. Members **noted** the report.

14 Date of Next Meeting

The next meeting will be held on Tuesday 28 September 2021 via Zoom.

Clerk to send invitations to all Committee meeting in 2021/22.

Action: Clerk

The meeting closed at 19.20