



**MidKent College**

**GOVERNING BODY**

**GROUP RISK & AUDIT COMMITTEE**

Minutes of the meeting of the Group Risk & Audit Committee held on Tuesday 28 September 2021 at 17.30hrs via Zoom. A Closed Session will take place at 17.00hrs.

**Present:** Mr C Reynolds Chair  
Mrs B Jossi  
Mr C Reeves  
Mrs C Richardson  
Mr J Williams

**In attendance:** Ms C Burkin Clerk to the Governing Body  
Mr S Cook Principal/CEO  
Mr L Glover Haines Watts  
Mr P Goddard Scrutton Bland Internal Auditors  
Mr C Hare Executive Director of Employers & Corporate Services  
Mr M Peat Director of

**1 Declarations of Interest**

All members' interests are numbered and referenced on the Declaration of Interest log dated 28 September 2021. The register is kept by the Clerk.

**2 Apologies for Absence**

Ms C Bushell of Mazars External Auditor (Mazars were not required at this meeting), Ms L Keane of Scrutton Bland Internal Auditors and Mrs N Wakefield of Mazars External Auditor.

Chair

A handwritten signature in blue ink, appearing to read 'Reynolds'.

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### 3 Minutes of the meeting held on 15 June 2021

The minutes and confidential of the meeting held on 15 June 2021, paper GBGR&A20/540, were accepted as a true record and signed electronically by the Chair.

### 4 Matters Arising and Outstanding Matters Report

There were no matters arising.

Members discussed Paper GBGR&A21/541, the Outstanding Matters Report.

- No 1. Review Risk Appetite – Haines Watts to contact Governors - **Ongoing**.
- No 2. Strategic Risk Register – actions to be incorporated in the updated register – **ongoing**.
- No 3. Information Security Report – Policies agreed by the Governing Body – **Complete**.
- No 4. Internal Audit Reports – all presented at item 5 – **Complete**.
- No 5. Policies for Approval – all approved by the Governing Body – **Complete**.
- No 6. R&A Committee SAR & Draft Improvement Plan 2021/22 - approved by the Governing Body – **Complete**.
- No 7. Terms of Reference - approved by the Governing Body – **Complete**.
- No 8. Deep Dive topics – to be agreed – **ongoing**. **Chair and Principal to action**.

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

### 5 Internal Audit Report – paper GBGR&A21/542 – 546

Scrutton Bland introduced the following reports:

- 2020/21 Internal Audit Annual Report – P Goddard noted to members the summary of findings and low number of recommendations. The report was accepted.
- Student recruitment, retention & attendance – Strong Assurance – it was noted that management are updating processes. Members recognised that recruitment and retention is an ongoing challenge and noted some difficulties in gaining evidence. They agreed this area would need to be re-visited as this was a light touch audit due to the number of allocated days.  
**Action: M Peat to consider with Haines Watts**
- HE - Significant Assurance – it was recommended that a document of return dates is maintained to ensure deadlines are met. Members discussed the

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content of the report and the areas included. It was suggested that the quality of teaching and learning in HE could be a topic for a future audit.

**Action: Chair/Principal/M Peat/Haines Watts**

- Final Subcontracting Report - Significant Assurance – members noted the increase in some ESFA requirements and that the College is considering the future of such work.
- Final 2020/21 Risk and Assurance Progress Report – noted.

The Chair thanked Scrutton Bland for their service to the College and they left the meeting.

## **6 Strategic Risk Management Report**

Simon Cook presented the Strategic risk register, paper GBGR&A21/547 and highlighted the following points:

- 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 College continues to monitor all aspects of the performance to avoid interventions from outside agencies.
- Business planning focuses 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 describes the constant threat of potential disruption to business.

Members asked that this register is populated by the next meeting with particular evidence around the residual risks. They asked that the risks are ordered by score with the highest at the top and the lines between the risks are added to make it easier to read. Members also asked that the language used is consistent and clear.

**Action: S Cook**

Members thanks S Cook and looked forward to the update.

## **7 Internal Audit Strategy and Annual Plan 2021/22 – Paper GBGR&A21/548**

Lee Glover from Haines Watts presented the paper and highlighted that it is important that the Committee are comfortable with the proposed Strategy. Members considered and the following:

It was agreed that the Internal Audit Strategy appropriately covered the key risks. Members found it useful to have a three year plan which can be re-visited. The focus for discussion was for year one of the plan.

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Members felt that the Internal Audit Strategy reflected the Committee's expectation of keys areas requiring review over the period with the Strategic Risk Register used to monitor the controls.

The College will discuss the level of audit resource with Haines Watts and report back to the Committee. It was noted that some of the suggested areas have already been the topic of other external review such as IT/Cyber Essentials and therefore the scope of some audits may change. Such reports and background context will be shared with Haines Watts.

**Action: M Peat**

Suggested Audits:

- Income Debt (not controls)
- Risk Management
- Subcontracting – this may be removed, to be confirmed.
- Student Voice (priority)
- HR – focus on recruitment and retention of staff
- IT – to be discussed outside of Committee to see if value can be added to the existing external assurance gained.
- Share Service to be considered
- MKCTS to be considered

The College agreed to amend the audit plan in discussion with Haines Watts out of Committee and the resource be allocated and scope agreed.

**Action: M Peat/C Reynolds/L Glover**

It was also agreed that Haines Watts would undertake a review of the Governing Body's risk appetite by liaising with all Governors remotely. This will be reported back to the Committee and recommendations then made to the Governing Body.

**Action: Haines Watts**

Haines Watts will also provide a sector update at each meeting to help Governors keep informed of sector changes.

**Action: Haines Watts**

Members thanks L Glover for the strategy and looked forward to working with Haines Watts.

## **8 Deep Dive - External Intervention from Regulatory Agencies - Paper GBGR&A21/549**

Simon Cook introduced the paper which identified and summarised the key organisations that have a responsibility to regulate aspects of the College's work. These were split into three broad categories: education regulation;

financial regulation and general business regulation although it was recognised there is some overlap.

The report provided Governors with background and summarised the three categories with details of how the risks of intervention are mitigated. S Cook summarised the risks and mitigations and emphasised that this risk covers significant areas of the College's work. It was noted that some of the returns are published and could therefore have implications for external scrutiny.

Members discussed the type of regulatory agencies to further their understanding and were reassured by the positive relationship the College has with them to ensure a sensible approach.

Members thanked S Cook and the Executive for the paper.

## **9 Lighthouse Review - Paper GBGR&A21/550**

M Peat introduced the summary of the Health and Safety review conducted by Lighthouse Training who prepared a report on the status of the College health and safety for the Health & Safety Committee (H&S) to review.

This Committee had requested the actions from the report were made clear to enable the current level of risk to be assessed. Members considered the actions listed on the report and noted progress, deadlines and persons responsible. An action plan is to be created and reported to the next H&S Committee to ensure all actions are followed up in a timely manner and provide a level of assurance regarding compliance.

The staffing changes in the Health and Safety department are complete with the new administration roles with a responsibility to follow up actions and record progress.

Members accepted the report with no concerns raised.

## **10 Information Security Report (GDPR) Paper GBGR&A21/551**

C Hare introduce the report which provided Governors with an oversight of compliance with legal requests and provided an update on the most recent developments in information security at the College. He reported there were no Freedom of Information requests (FIOs) in action.

He informed members of the change in structure and introduction of an Information Governance Department across the Group as a shared service led by G Harvey.

Members thanked the author for a good report and were assured that the new shared services is adequately resourced.

**11 Health & Safety Policy for approval - Paper GBGR&A21/552**

The Chair presented the Policy for approval noting that it had been fully scrutinised by the Health and Safety Committee. Members were also informed that the Policy will need to be amended to reflect the changes to the H&S team in the College.

Members **approved** the policy for recommendation to the Governing Body.

**12 Any Other Business**

Draft agenda for 16 November 2021 was considered. It was agreed there would not be a Deep Dive item for next meeting to allow extra time to scrutinise the Strategic Risk Register.

C Reynolds and S Cook to consider future Deep Dive topics.

**Action: C Reynolds/S Cook**

**13 Date of Next Meeting**

The next meeting will be held on Tuesday 16 November 2021 on Zoom immediately preceded by the Joint meeting with the F&GP Committee.

The meeting closed at 19.21