



MidKent College

GOVERNING BODY

GROUP RISK & AUDIT COMMITTEE

Minutes of the meeting of the Group Risk & Audit Committee held on Tuesday 8 February 2022 at 17.30hrs via Zoom. A Closed Session took place at 17.00hrs.

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| Present: | Mr C Reeves Mrs C Richardson Mrs L Snedden | Chair |
| In attendance: | Ms C Burkin Mr M Cook Mr S Cook Mr M Garrod Mr L Glover Mr C Hare Mr M Peat M D Wood | Clerk to the Governing Body Observer Principal/CEO MKCTS for item 5 Haines Watts Executive Director of Employers & Corporate Services Executive Director of Finance & Estates Observer |

1 Declarations of Interest

All members' interests are numbered and referenced on the Declaration of Interest log dated 2 February 2022. The register is kept by the Clerk.

2 Apologies for Absence

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

Members noted the absence of Mr C Reynolds and agreed Mr C Reeves would Chair the meeting.

The Chair welcomed Mrs L Snedden as a new member of the Committee and noted Miss B Jossi had left the Committee. He also welcomed the observers and members agreed to their attendance.

Chair 

Date 14 June 2022

3 Minutes of the meeting held on 16 November 2021

The minutes of the meeting held on 16 November 2021, paper GBGR&A21/560, were considered and an amendment made to state under section 8 that *Members requested sight of the audit scopes in advance of the audits taking place*. With this amendment, the minutes were accepted and signed electronically by the Chair of this meeting.

Members agreed the Chair would circulate the audit briefs/scope to the Committee and other relevant Board members, when available.

Action: C Reeves

4 Matters Arising and Outstanding Matters Report

Members discussed Paper GBGR&A21/561, the Outstanding Matters Report.

- No 1. Review Risk Appetite - Haines Watts to include Risk Appetite within the Risk Management Audit and gain Governors views via a survey – **Complete.**
- No 2. Deep Dives – S Cook and C Reynolds have discussed and agreed the Strategic Risk Register will be used to identify risk that require a deep dive – **Complete.**
- No 3. Student recruitment, retention & attendance / HE – consider re-visiting this area with new auditors – included in the audit plan – **Complete.**
- No 4. Strategic Risk Management Report - Connections will be considered before each meeting. No subsequent change in this report required - **Complete.**

Members accepted the report.

5 Deep Dive – MKC Training Services (MKCTS) Business Growth – paper GBGR&A21/562

Mike Garrod, Managing Director of MKCTS joined the meeting to present this paper to explain the risks surrounding the growth of MKCTS business and appropriate mitigations in place.

Members were reminded of the Strategic Risks and Priorities for MKCTS. M Garrod explained the risks around growth within the RSME and other external factors. Members discussed and were assured by the mitigations in place. A change in personnel in the Royal Engineers was highlighted as a risk to future plans but assurance given that the long-term requirements of the RSME would not be impacted as career paths and training will still be required. Members noted the complex relationship with RSME and Babcock but recognised this is well managed.

M Garrod explained the long- and medium-term growth plans and opportunities. Members were assured that MKCTS has the capacity and succession planning in place to grow outside the limitations of the current location. They were pleased to learn the MKCTS brand is growing and is now more recognised.

M Garrod informed members of the growth plans and progress made in the civil space and the options available. Members challenged the overlap with College and subcontractor programmes but were assured that MKCTS has the capacity and is working to increase partnership working with the College and shared services.

Members noted the lessons learnt from previous proposed acquisitions and the continued aim to find additional income so as not to be reliant on the RSME contract for which benchmarking is set for 2026.

M Garrod assured members that there were no short-term transferable risks as MKCTS is a small company with a large long-term contract which is being fulfilled.

Members thanked M Garrod for the presentation and attending the meeting.

M Garrod left the meeting.

6 Strategic Risk Management Report – paper GBGR&A21/563

Simon Cook presented the report which summarised the current Strategic Risk Register, although there are no changes since the last report in November 2021. The sections of note are:

- Key existing controls in place (and gaps) for each risk
- Risks rank order (highest risk to lowest risk)
- Residual score columns to show what the risk score would be with the mitigations in place
- Risk appetite column

S Cook informed members of emerging risks, post Covid, which is covered under Risk 6 and will be updated in the next register. Members discussed other factors that may impact the register such as inspection outcomes and how these may change Risk 7 (quality of education). Amendments will be captured as required for the next meeting.

Action: S Cook

Members asked the Internal Auditors if having two separate Risk Registers is usual and helpful. L Glover stated he had seen similar with other clients and it was positive for the Committee to focus on the Strategic Risk Register but not lose sight of the Operational Risk Register. It was noted this was presented

annually and will be seen at the next meeting. Members were assured that the registers will be subject to an internal audit under Risk Management.

Members thanked S Cook for the update.

7 Information Governance Security Report (GDPR) – paper GBGR&A21/564

Chris Hare presented the update to the Committee which aimed to provide Governors with an oversight of compliance with legal requests and an update on 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.

Members noted little activity since the last report and asked for assurance regarding the reporting process. C Hare explained the workforce report via a generic email address. He was pleased to report that a more aware workforce and additional cyber security has reduced the number of reported issues. Members noted some anomalies in the report data which C Hare will address and circulate to the Committee via the Clerk.

Action: C Hare

Data Protection Policy Review - The Policy was last approved by Governors in June 2020. It was re-written last year and therefore only minor changes have been made to the latest version. References to the Information Governance Manager to DPO have been updated. Members were assured that applicable sections have been signed off by HR and contractual obligations as a reason to share data have been added.

MKCTS Flexible Working Policy alongside the College's Homeworking Policy has been added as well as a section for Board Directors of the subsidiary company to sign off.

Members asked that the associated policies list was checked with the addition of Safeguarding. Once these amendments have been made and proofing completed, they were happy to approve the policy for **recommendation** to the Governing Body,

Action: C Hare/Chair

Members thanked C Hare for the update.

8 Internal Audit Reports – paper GBGR&A21/565

Lee Glover reported that as no audits have yet taken place there are no papers to present but he informed members that the following audit briefs have been approved for 2021/22:

- Risk Management (inc. Risk Appetite)
- Income & Debtors
- HR Health Check (focus on Recruitment)
- Budgetary Control
- Student Records (focus on Apprenticeships)
- Environmental Reporting
- Learner Voice
- Information Technology
- Follow Up

Members noted that the draft audit briefs for the majority of 2021/22 planned audits have been issued to management for review and input. These included Budgetary Control and Environmental Reporting. L Glover reported that Learner Voice has now been issued and the IT audit brief is currently being updated in light of management input.

Members challenged why the preferred area of focus for Student Records is Apprenticeships. L Glover stated that this was due to feedback received from management and therefore an updated Apprenticeships audit brief was issued.

Haines Watts noted that the College has volunteered to participate in trials of the new Ofsted Inspection process and therefore internal audit activity would be best timed from April onwards. A list of lead College contacts has been requested and the Internal Auditors will seek to arrange audits for earliest convenience for all areas where audit briefs are currently agreed. Members noted this delay and were concerned the reporting process may not fit with the committee's meeting schedule. They agreed to hold additional meetings if required.

As noted at the beginning of the meeting, the Chair will circulate the audit briefs/scope to the Committee and other relevant Board members.

Sector update

L Glover gave members an overview of the changes to the Post 16 Audit Code of Practice and members noted the changes in requirements. He assured the Committee that all the requirements are being covered by the work of the Committee and Internal Audit Strategy.

Members thanked L Glover for the update.

9 Any Other Business

Agenda for 14/6/21 – members agreed the agenda will be finalised by the Chair and Clerk.

Action: C Reynolds/Clerk

Deep Dive subjects for next meeting were proposed:

- Updated Risk No 6 – also to be included in Strategic Risk Register.
- Full operational risk register – noted on June agenda.
- Focus on subcontracting work and coordinate with the QTL Committee, which is looking at the quality of subcontractor provision which Committee should consider this work.

Action: S Cook/C Reynolds

Observer D Wood thanked the Committee for the opportunity to attend the meeting which had raised his awareness of the work of the Governing Body and its Committees.

The Chair urged Committee members to complete the ETF Modules regarding Risk to further their knowledge and understanding of the Committees work and purpose. The modules are: C9b; P4; P7b and P7c. He recommended that at least one module is completed by the next meeting.

Action: Members

10 Date of Next Meeting

The next meeting will be held on Tuesday 14 June 2022 at 5pm on zoom.

The meeting closed at 19.19