

**Minutes of the Audit and Risk Committee held on Monday 15<sup>th</sup> March 6:00 pm  
Virtual meeting**

**MINUTES**

**Present**

Judith Coplowe [Chair]  
Raj Kumar  
Andy Jennings  
Nichola Harrison

**In attendance**

Derek Sharp, Deputy Principal  
Michelle Dowse, Deputy Principal (for item 2.1 & 2.2)  
Mo Horan (for item 2.1)  
Corrin Hoyes (for item 4.2)  
David Long, Haines Watt

**Clerk**

Emily Baldwin

<b>Section 1: General</b>		
<b>1.1</b>	Apologies for absence	There were no apologies for absence.
<b>1.2</b>	Declaration of Interests	There were no declarations of interest.
<b>1.3</b>	Matters that are confidential	The internal and external auditors confirmed that there were no confidential matters that they needed to raise with Governors.  <i>D Sharp, M Howse and M Horan joined the meeting.</i>
<b>1.4</b>	Minutes of the meeting held on 7 <sup>th</sup> December 2020 and matters arising	The minutes were agreed to be a true record of the meeting.  It was noted there were no outstanding actions.
<b>Section 2: Focus on Employer Engagement</b>		
<b>2.1</b>	Risks and opportunities for employer engagement	E Baldwin introduced M Horan, Director of Employer Engagement, who had been invited to the meeting to talk about risks in her area. M Horan outlined the different ways in which the College engaged with employers. It currently worked with c1500 employers.  M Horan outlined 7 key risks associated with apprenticeships <ul style="list-style-type: none"> <li>- Apprenticeship success rates</li> <li>- Apprenticeship income targets</li> <li>- Increased number of competitors</li> <li>- Apprenticeship offer – move to standards and flexibility of start points</li> </ul>

- Communications and Customer Service
- Staff understanding employers
- COVID-19

Governors noted that the change in the College's Ofsted rating had had a negative impact on the College's ability to be a preferred apprenticeship supplier for some organisations.

Governors questioned how far the College had met apprenticeship income targets over the last three years. It was noted that apprenticeship targets had not been met in the previous year as a result of COVID. There had also been challenges in reaching the targets in the two previous years due to the impact of the apprenticeship levy. It was an important target for the College to monitor. R Kumar said that it would be useful to document how far we had fallen short of the target in previous years.

Governors asked for more information about the increased number of competitors in the area. They noted that although there were an estimated 400 competitors, many of these were national and/or specialist private providers. The College had an approximate 14% market share. The College did not cover all areas of apprenticeship delivery as it specialised in areas where it could provide a quality service.

Governors noted the improvement in employer satisfaction rates. They asked about different satisfaction rates across departments. M Horan said that it was monitored where there were issues with satisfaction rates and that it was usually linked to poor communication and staff turnover.

Governors asked about the particular risks associated with COVID-19 and the issues with work placements. There was a risk that there could be a clawback of funding if work placements could not be found, so other options had been put in place such as taster activities, employability development and online placements.

M Horan outlined a number of opportunities in employer engagement as a result of the development of a new employer engagement strategy, improved employer satisfaction rates and the new account management structure. She also explained the new concept of a College Business Centre which was set out in the FE White Paper. Investment in construction facilities at Huntingdon campus would also help support growth in that area.

Governors noted the improvements that had been made in employer engagement, and asked how this would continue to be monitored. It was noted that this would be through the existing committee structure, including the Commercial Strategy Committee and the Learning and Quality Committee. Financial targets were included in the budget which was discussed at Finance and Resources Committee. It was noted that setting an apprenticeship budget was complex as funding was contingent on recruitment, retention and completion.

Governors supported the College's approach to having a central point of contact for employers. They also noted the considerable work that had gone into moving more delivery in-house from subcontractors.

		<p>Governors thanked M Horan for her useful contribution to the meeting.</p> <p><i>M Horan left the meeting.</i></p>
<b>Section 3: Risk Management</b>		
3.1	Risk Register	<p>D Sharp introduced the latest version of the Risk Register.</p> <p>He drew attention to changes to the Risk Register, including the change of rating for English and Maths and for reputational risks.</p> <p>It was noted that the L&amp;Q Committee and F&amp;R Committee had proposed minor changes to the Risk Register. These included the introduction of a new safeguarding risk and a risk related to FE Commissioner financial benchmarks.</p> <p>Governors asked about the attendance risk which focused on monitoring of attendance. M Dowse outlined the range of measures that were in place to improve attendance in addition to improved monitoring.</p> <p>Governors asked for more information about risks with the College's international business. It was noted that the College had secured its Tier 4 International licence following the recent Ofsted monitoring visit.</p> <p>Governors noted the new tab for safeguarding risks and discussed whether governor safeguarding training should be added to the Risk Register. It was suggested that a governance tab be added that would be scrutinised by the Search and Governance Committee. The Clerk agreed to check on good practice for Governor DBS checks.</p> <p>D Sharp confirmed that in light of the risks around commercial and international income, he would be revising the budget for 2021/22. It was acknowledged that COVID had meant there had been a number of unusual risks.</p> <p>The Committee <b>approved</b> the Risk Register, subject to agreed amendments.</p> <p><i>M Dowse left the meeting</i></p>
<b>Section 4: Internal audit reports</b>		
4.1	Internal audits	<p>D Long introduced the findings of the internal audits:</p> <p><b>Pro Monitor</b> Substantial assurance had been provided. The system was well established and involved less manual input than previous system. There had been one recommendation regarding appropriate documentation of version control which had been accepted by management.</p> <p><b>IT resilience</b> Substantial assurance had been provided. IT systems across both sites were well managed with good resilience and intrusion protection procedures in place. There were two medium recommendations which had been accepted by management.</p>

		The Committee <b><u>received</u></b> the report.
4.2	GDPR report	<p>C Hoyes joined the meeting. C Hoyes introduced her GDPR monitoring report. The Data Protection Policy was included for Committee review. Minor changes were made in 2020 in relation to COVID-19. No further amendments were proposed.</p> <p>C Hoyes introduced the GDPR monitoring report. She updated the Committee on how the College had ensured it complied with all GDPR requirements.</p> <p>The College had seen a steady rise in the number of data subject requests. A number were for students to gather evidence in preparation for EHCP tribunals. The requests did require a substantial amount of work but the College had good processes to deal with the level of enquiries.</p> <p>The number of data breaches had risen. These were all minor breaches which did not require reporting to the ICO. The majority were the result of human error. The number of breaches may have risen due to the increase in home working.</p> <p>The College was looking at how it sent sensitive information to parents, and was looking at using the Pro Monitor system to enable this in a secure manner.</p> <p>The College had responded to the actions set out in the GDPR audit and explained how these had been addressed. The College had used available funding to upgrade its laptops to address some of the security issues inherent in older models.</p> <p>Governors noted that the number of cases seemed relatively small, but asked if there was any benchmark data for similar colleges. It was confirmed that there was no available data, but that the severity of cases was minimal. Governors also asked whether Ofsted would be inspecting the GDPR process, and it was noted that it was unlikely to be an area of focus but it was important that the College had appropriate policies which were communicated to staff and students.</p> <p>The Committee <b><u>recommended</u></b> the policy to Corporation for approval, with no new updates.</p>
4.3	Progress report on outstanding audit recommendations	<p>D Sharp introduced the report on outstanding audit recommendations.</p> <p>The Committee's gave permission to extend the deadline for completion for two actions.</p> <p>The Committee <b><u>received</u></b> the report.</p>
4.4	Internal audit plan and strategy 2020/21	<p>E Baldwin gave an update on progress for the internal audit plan for 2020/21. It was noted that the audit plan was on track. Governors noted the audit briefs for the next set of audits.</p> <p>The Committee <b><u>received</u></b> the report.</p>
<b>Section 5: Committee business</b>		

<b>5.1</b>	<b>Any other business</b>	There was no other business.
<b>5.2</b>	<b>Self-Assessment of Governors' Performance</b>	<p>In order to evaluate the meeting and identify any changes necessary to maintain the effectiveness of the Committee, the Chair asked how the meeting could be improved.</p> <p>Governors agreed it had been a useful and productive meeting.</p>

There was no other business and the meeting ended at 8:00pm.