

MINUTES OF THE MEETING OF THE AUDIT COMMITTEE

Held on Friday 8th March 2024 9.15 am in the Skills Park

Present: Simon Enoch (Chair), Sean Ahearne, Mark Brunt, Asa'ah Nkohkwo.

In Attendance: Chris Muller (Corporation Chair), Angela Green, Julie Kapsalis (CEO/Principal), Sarah Watson (Chief Operating Officer), Chris Mason (Director of Finance), Mik Meoli (Director of IT and Data Services), Susanne Wicks (Head of Governance).

Mike Cheetham (Internal Auditor, RSM).

1	Welcome and Apologies for Absence
	No apologies for absence were received.
2	Declarations of Interest
	The CEO/Principal declared that she is an unremunerated Director of Nescot Enterprises Ltd. (NEL).
3	Minutes of the Previous Meeting and Matters Arising
a	The minutes of the meeting held on 24 th November 2023 were agreed as an accurate record.
b	<u>Matters Arising</u> There were no matters arising not covered by the agenda items.
4	Cyber Position
	<p>The Director of IT and Data Services delivered a comprehensive presentation updating the Committee on the College's current cyber position and welcomed comments and questions from the Committee.</p> <p>The presentation covered:</p> <ul style="list-style-type: none"> • Background • The current cyber landscape • The College's current position; strengths and weaknesses • Cyber policies and procedures • Staff training and awareness • Risk management approach. <p>The Committee noted that the College was the victim of a cyber-attack five years ago, and since then a range of measures have been taken to improve cyber security and vulnerability to attack.</p> <p>SE welcomed the plan to carry out phishing tests and recommended that some thought be given what sanctions may be imposed on any member of staff who continually fails the tests, particularly in the light of the Director of IT and Data Services' comment that phishing attempts present one of the greatest risks to the College's IT security. The Chief Operating Officer</p>

advised that, those staff who did not complete the mandatory cyber security training earlier this year, were eventually blocked from accessing their IT account, and the same approach may be taken again. MB asked how staff report phishing attempts and the Director of IT and Data Services explained that there are a range of ways they can do so.

The Director of IT and Data Services advised that the Cyber Essentials certificate has expired and although he welcomed the process, he explained that it was largely a self-assessment exercise, and expressed the view that more useful feedback would be gained from regular PEN tests, which he planned to programme annually. CM supported the introduction of PEN testing and suggested that the outcome reports be presented to this Committee.

SE asked if there were plans in place to achieve Cyber Essentials Plus certification and the Director of IT and Data Services advised this was not his intention, unless it becomes an ESFA condition of funding, for the reasons already given.

AN asked how some of the work being demonstrated at last week's Institute of Technology (IoT) launch tied into the College's approach to cyber security, and the Director of IT and Data Services described his aim is to ensure that the whole College is protected, including the IoT. To that end, some specific arrangements have been made to accommodate the teaching and learning to take place in the IoT. The CEO/Principal outlined her ambition to recruit a cyber security apprentice who would learn in the IoT and work in the IT Team, once numbers have increased.

CM sought reassurance that the security of the College's IT systems does not rely solely on the Director of IT and Data Services, and he confirmed that whilst he leads the Team, there is sufficient knowledge and expertise to step in to cover his absence, even if unplanned.

The Director of IT and Data Services acknowledged that Nescot has more IT policies than average but noted the benefits in having clear definitions and processes in place. He explained that the Disaster Recovery Plan feeds into the strategic Emergency Plan. The CEO/Principal set out plans to test the Plan, which may include input from the Police and a local school.

SE welcomed the work that has been done and echoed CM's comments about PEN testing. The Chief Operating Officer confirmed that it would take place, and outlined Nescot's aim, through the IoT, to become a centre of excellence. AG agreed that the update shows that the College is moving in the right direction, but asked how the Committee can be reassured that the measures are having a positive impact. The Director of IT and Data Services reiterated his willingness to share the outcome of PEN testing.

The Committee agreed, given the scale of the risks to the College, that cyber security should be a standing item on their agenda, with the Director of IT and Data Services to present an update report, including progress on current and planned actions, including costings. MC supported this decision, agreeing that it is a very significant risk across most sectors.

	<p>Action: Head of Governance to invite the Director of IT and Data Services to future meetings, and to update the Terms of Reference and Cycle of Business appropriately.</p>
5	<p>Internal Audit Reports</p> <p>Part of the discussion of this item is contained within a confidential minute.</p> <p>The Committee welcomed the update and noted that next year’s internal audit plan would be approved at their summer term meeting.</p> <p>The Chief Operating Officer reassured the Committee that she maintains a log of all recommendations emerging from audits to ensure that they are tracked appropriate and fed into the strategic risk register.</p> <p>Action: Chief Operating Officer to consider how the audit recommendation tracker can be shared with RSM and tie in with the follow-up schedule.</p>
6	<p>Risk Management and Assurance Framework</p> <p>The Chief Operating Officer presented her report. She reassured the Committee that the risk register is reviewed regularly by the Risk Management Action Group which meets termly, the College Leadership Team (CLT) which meets monthly and through the new matrix meeting structure implemented in September 2023 to ensure effective implementation and risk reduction.</p> <p>The Committee noted that the number of risks has increased from 12 to 17, although the level of risk has remained broadly the same.</p> <p>The Chief Operating Officer referred to the Director of IT and Data Services’ approach to identifying and managing risk within his service area, which is good practice and which will be adopted across the College.</p> <p>In terms of high net risks, the CEO/Director expressed the view that recruitment has improved slightly, with some progress made, particularly in Construction. AN asked about the use of agency staff and the CEO/Principal explained that agency staff are mainly deployed to cover teaching roles, with specialist agencies used where appropriate. She reassured the Committee that positive relationships have been developed with agencies so that they understand the specific needs of the College.</p> <p>SE asked about the new medium net risk “<i>poor student and apprenticeship achievement rates</i>” and the Chief Operating Officer advised that this relates both to the Learner Numbers audit and staffing issues.</p> <p>SE welcomed the shorter and more concise format of the risk register.</p>
7	<p>Health & Safety Report</p> <p>The Chief Operating Officer introduced the report and welcomed comments and questions.</p> <p>SE commended the drop in numbers of indoor vaping incidents and the CEO/Principal attributed this to increased challenge from staff, as well as frequent and regular walkarounds by senior colleagues during break and lunchtime.</p>

	<p>The Chief Operating Officer set out some examples of dangerous driving observed on campus and described the efforts made to address parking in unauthorised areas.</p> <p>CM asked about the threshold for including Student Behavioural issues in the report and the Chief Operating Officer gave some examples of what might be included. She and the CEO/Principal also gave details of the offensive weapon incident recorded last term.</p> <p>Report received.</p>
8	Any Other Business
	No matters were discussed.
9	Date & Time of the Next Meeting
	Friday 14 th June 2024 at 9.00 am
10	Confidential Items
	The Committee moved into private session to discuss items on the confidential agenda.

The meeting closed at: 11.15 am.

Decisions:

- The Committee approved the minutes of the meeting held on 24th November 2023.

Actions:

- Head of Governance to invite the Director of IT and Data Services to future meetings, and to update the Terms of Reference and Cycle of Business appropriately.
- Chief Operating Officer to consider how the audit recommendation tracker can be shared with RSM and tie in with the follow-up schedule.