MK College Group

Building Fairer Futures.

MILTON KEYNES COLLEGE GROUP

AUDIT & RISK COMMITTEE
Part 2 Minutes of the meeting held on 27th March 2026
Teams
08:30 – 10:25

Committee Members	Attendance Record 2025-2026	Present at this meeting
Richard Bartlett-Rawlings (Chair) Ian Bickers Jasmine Fergusson Ajay Kabra Amit Nayyar	2 of 2 1 of 2 1 of 2 2 of 2 2 of 2	Richard Bartlett-Rawlings *sent apologies* *sent apologies* Ajay Kabra (in part) Amit Nayyar
Total percentage attendance this meeting	60%	3/5
Total percentage attendance year to date	80%	8/10

In attendance: Sally Alexander (CEO), Jason Mansell (COO), Karen Brown, Head of Governance, Sam Samuels, Governance Partner, Jon Wilson (Executive Head of IT) (in part), Alasdair McWilliams (Data Protection Officer) (in part)

Steven Connors, Validera (in part)

PART 1

Confidential (minuted separately)

PART 2

PROCEDURAL

2.1 Welcome and Apologies
Richard Bartlett-Rawlings welcomed everyone to the meeting. Ian Bickers, Jasmine Fergusson and Susan Akhtar had sent apologies.

2.3 Declaration of Interests
None previously declared

2.4 Minutes of the Last Meeting *(previously circulated as Confidential 2.3A, Paper 2.3B, Confidential 2.3C)*

The Committee approved the minutes of the previous meeting (21st November 2025)

Matters arising

Date raised	Action	Who	Status
21.11.25	1. Assurance on single point of failure / back up roles / documented decisions and processes	JM	**Complete**: included in Paper 3.4
	2. Complete the management response in the Buzzacott Post Audit Report (PAR)	SSA	**Complete** (as reported in Paper 3.3, Page 12)
	3. Report to the Board on key judgements and estimates (Financial Statements)	SSA	**Complete**: reported to Board 10.12.25 (Papers 2.5 and 2.5B)
	4. Discuss proposed judgements and estimates with FinG in June 2026.	SSA	**Complete:** added to FinG Business Plan to review in June 2026
	5. Buzzacott PAR – reissue Appendix 3	Buzzacott	**Complete**
	6. Financial Statements – add more in the notes about key estimates and judgements	SSA	**Complete** (Buzzacott provided the wording)
	7. Financial Statements – add a note to the foreword re the surplus.	JM / SSA	**Complete**
	8. Amend the Rep Letter to include more explanation of the accounting estimates including the prison redundancies	SSA	**Complete**
	9. Review the controls and update the SRR re Risks C and P	JM	**Complete**: reported in paper 3.4

3.0 2025/26 ASSURANCE

3.1 Internal Audit 2025/26 *(previously circulated as Paper 3.1)*

Steven Connors led on this item.

- Two audits have been completed since the last meeting, two are in progress and everything is on schedule to complete the planned work this year. Sub-contracting (6 days) has been added to the plan (which is a DfE requirement to enable the College to maintain the subcontracting standard).

- There is a positive approach to internal audit across the organisation and a genuine desire to accept recommendations and make improvements. In the audit plan next year, the College may wish to consider a review of succession planning and how good practice is carried forward. Jason Mansell drew attention to Annex 1 of Paper 3.4 which outlines how the Risk Management Group had discussed single point of failure and had not identified any significant risks.

3.1.1. Safeguarding

The audit focus was KCSIE (Keeping Children Safe in Education) including safer recruitment and the single central register.

The opinion given is ***'substantial assurance'*** (highest level) with one green (desirable) recommendation which was accepted by management.

The green recommendation relates to compliance with mandatory online training and reading Keeping Children Safe in Education (KCSIE), within the required time period.

Governors asked questions to which Jason Mansell responded:

Is there a specific category of staff who are non-compliant? Does the timing of the scheduled training coincide with a particular busy time for staff and if so, can this be revised?

This level of detail was not analysed. However, the Executive Director: People Services is carrying out a review of mandatory training to ascertain what is appropriate and when it is scheduled.

Governors endorsed a risk based approach to mandatory training.

Do staff receive reminders?

Yes. Non-compliance is monitored by the Risk Management Group and Line Managers are copied into reminders.

3.1.2. Bursary and Additional Learner Support (ALS)

The opinion given is ***'substantial assurance'*** (highest level) with one green (desirable) and two blue (best practice) recommendations which were accepted by management.

The green recommendation relates to reminding students of their responsibility to declare this financial support to the DWP (the documentation has since been updated).

The blue best practice recommendations relate to obtaining independent external advice on claiming ALS and reporting bursary information to governors.

Governors suggested that an EDI analysis of bursaries and financial support should be reviewed by the Head of People Development and EDI.

Action 1: Arv Kaushal by 19th June 2026

The Committee noted the report and approved the management responses

3.2 Internal Audit Satisfaction Questionnaires *(previously circulated as Paper 3.2)*

The Committee noted the positive scores

3.3 Progress in implementing recommendations from previous audit reports *(previously circulated as Paper 3.3)*

Jason Mansell updated the Committee on the continued good progress made in implementing previous audit recommendations. Since the last meeting, 10 audit recommendations have been actioned meaning there is only one recommendation outstanding from the 2024/25 external audit (which is not due until September) plus the two recommendations reported at 3.1 (one of which has already been completed).

Governors asked:

- ***The external audit recommendation is dependent on the implementation of the new finance system. How is the implementation progressing?***

  Jason replied that it is on track. There have been some minor challenges e.g. it does not accept alpha / numeric codes, but nothing of significance.

The Chair of the Finance Group added that at the last meeting, the Group had discussed and received assurance on the implementation and had requested an update at the next meeting.

Governors congratulated the College on the proactive implementation of audit recommendations.

The Committee reviewed the report and noted the good progress

3.4 Risk Management & Board Assurance *(previously circulated as Papers 3.4A, 3.4B and 3.4C)*

Jason Mansell led on this item

Strategic Risk Register (SRR) (Paper 3.4B)

- The SRR now has nineteen strategic risks of which two residual risks are red (high impact and / or likelihood), thirteen are amber (medium impact and / or likelihood) and four are green (low impact and / or likelihood).

- The red residual risks continue to be:
    1. Risk C - Harm to students, staff, and members of the wider college community – Safeguarding.
    2. Risk P - Data breach and / or cyber incident resulting in a fine, data losses and reputational damage.

- Two new strategic risks have been added since the last meeting:
    1. Risk R – Ineffective planning for growth in MK and the wider region
    2. Risk S – Failure to comply with the Economic Crime and Corporate Transparency Act (ECCTA)

- The SRR will be reviewed over the summer to align it to the new Strategic Plan when it is possible that some risks will be consolidated and key strategic risks will be separated from broader organisational risks.

Action 2: Jason Mansell by October 2026

Risk Management Group Minutes (Paper 3.4C)

Since papers were prepared for the A&R Committee meeting in November, the College's Risk Management Group (RMG) has met four times, and the minutes circulated (Paper 3.4C).

Monthly RMG meetings regularly include:
- a review of the Strategic Risk Register (SRR) (including emerging risks)
- Equality and Accessibility Impact Assessment (EAIA) of risks
- an update on policies, internal audit progress, implementation of audit recommendations

Other items have included:
- Action 1 from the last Audit & Risk meeting re single point of failure / back-up roles / documented decisions and processes. It was concluded that there were no single point of failure risks in relation to data protection, IT and Higher Education (HE) although there could be some short-term capacity challenges.
- Action 9 from the last Audit & Risk Committee meeting relating to Risks C (Safeguarding) and P (data breach / cyber incident). The controls and residual risk score were reviewed and the SRR updated to reflect this.
- The Anti-Fraud & Corruption Policy

- The impact of the ECCTA.
- The impact of the recent fatal incident at the Centre: MK and the use of stab vests.

Jon Wilson and Alasdair McWilliams were welcomed to the meeting

Cyber and Data Security

Jon Wilson and Alasdair McWilliams led on this item

- The College maintains ISO27001 (Information Security) and Cyber Essential Plus external accreditation across the organisation, including prisons; these certify good practice and provide external assurance however they do not cover all risks in full.

- To provide additional assurance and support continuous improvement, the College has also:
    - benchmarked its performance against other colleges and last year's performance using the Jisc[1] FE 2025 Cyber benchmarking tool
    - undertaken a self-assessment against the Jisc '16 key cyber security considerations' including 'Questions for Boards to ask'.
    - Jasmine Fergusson (member of this Committee) is the new Link Governor for cyber and data security.

- Threat levels remain high especially ransomware. The College is investing in managing cyber risks and has a dedicated team (which is not standard practice across the sector).

Discussion minuted as confidential

Jon and Alasdair were thanked for attending and they left the meeting

Reserves Policy

Jason explained the context:

- The Reserves Policy is on the agenda at item 4.6 however governors had requested a discussion about the level of reserves.

- The Reserves Policy is a statutory requirement, mandated by the Charity Commission and the College Financial Handbook, but it also plays a critical role in maintaining financial resilience as it underpins long-term planning, enables investment in strategic priorities, and provides stability in the event of material changes to funding or operations. The AoC has highlighted that the next three years will be particularly challenging for the FE sector, with constrained funding growth and ongoing inflationary pressures.

- Locally, most neighbouring colleges report good or outstanding financial health and reserve levels vary significantly with the highest being over 140% of income. The College's Reserves Policy sets reserves at 35% of income (approximately £25m), with a minimum cash threshold of £10m. Given the uncertainty around future funding, capital investment, and in-year growth, maintaining reserves at least at this level is essential, with a longer-term ambition to increase them further.

---

[1] Joint Information Systems Committee

The Committee discussed:

- The College is now in a position of strong financial resilience, allowing for longer-term, more focused financial planning. The College has successfully rebuilt reserves and strengthened financial health and should now move beyond a general target to a more strategic approach i.e. explicitly setting a surplus target to fund known future priorities, such as estates investment.

- The Reserves Policy, (or an accompanying Reserves Strategy which is refreshed annually), should include the target level of reserves, the purpose for which reserves are being accumulated, and a forward-looking plan linking annual surpluses to planned future investment.

Action 3: Jason Mansell by December 2026

- The new Strategic Plan (due for Board approval June 2026) and Estates Strategy (due for Board approval in October 2026), will provide the framework to align reserves, surplus targets and capital investment decisions, enabling the Board to approve a clearer, planned reserves strategy.

- Due to timing, this approach may sit outside the 2026/27 budget setting process (which requires Board approval in July 2026) but can be considered once the Strategic Plan and Estates Strategy are agreed; the forthcoming ASE may be an opportunity to start the discussion.

- In the meantime, the Reserves Policy at item 4.6 can be approved.

Ajay Kabra left the meeting at 10:05

Funding Applications (Post 16 Capacity Fund and Construction Skills Capacity Fund)

Minuted as confidential

The Committee:
- ***recommended the Strategic Risk Register to the Board for approval***
- ***received assurance on cyber risk and requested this become a standing Board item***
- ***gave a strategic steer on a reserves strategy***

CONSENT AGENDA

The following items were approved by consent / without discussion:

4.1 Sub-Contracting *(previously circulated as Paper 4.1)*

The Committee received the assurance on sub-contracting

4.2 Anti-Fraud & Corruption *(previously circulated as Papers 4.2 and 4.2A)*
- ***Assurance Report***
- ***Anti-Fraud & Corruption Policy.***

The Committee received the assurance on anti-fraud and recommended the policy to the Board for approval

4.3 Data Security and GDPR *(previously circulated as Paper 4.3)*
(see also item 3.3)

The Committee received the assurance on data security and GDPR

4.4 Heath & Security Spring Term Report *(previously circulated as Paper 4.4)*

The Committee received the assurance on health & safety

4.5 Business Continuity Plan *(previously circulated as Paper 4.5)*

The Committee approved the Business Continuity Plan and recommended this to the Board for final approval

4.6 Reserves Policy *(previously circulated as Paper 4.6)*

(see also item 3.3)

The Committee approved the Reserves Policy and recommended this to the Board for final approval.

4.7 Information Security Policy *(previously circulated as Paper 4.6)*

(see also item 3.3)

The Committee approved the Information Security Policy and recommended this to the Board for final approval

ANY OTHER BUSINESS

5.1 A governor enquired about an incident at Sports Central this week when a member of the public (not a college student), collapsed and died while playing football. The CEO gave assurance that all procedures had been followed and staff were being supported. Condolences had been sent to the family.

NEXT MEETING: 19th June 2026

Steven Connors left the meeting

PART 3

Confidential (minuted separately)

Approved
Richard Bartlett-Rawlings
26th June 2026