

## Audit & Risk Committee

Minutes of the meeting held at 10:00am on 18 March 2022 at Openshaw

Present: Paula Cole, Phil Lanigan (Chair) and Malcolm Sugden

In Attendance: Alison Close (CFO), Melisha Ebanks (Assistant Company Secretary and Legal Officer, Alex Hire (RSM), Jennifer Foote MBE (Company Secretary & General Counsel), Angela Hunter (MD Group Operations and Deputy CEO), Kate Mackenzie (Deputy Company Secretary and Solicitor), Sally Marchant (Group SHE and Risk Director), and Caroline Wilson (Senior Financial Accountant).

*No declarations of interest were received.*

### Part A

01/22	<p><b>Part A Minutes of the meeting held on 22 November 2021</b></p> <p>The Part A Minutes of the meeting held on 22 November 2021 were approved as accurate and signed by the Chair.</p>
02/22	<p><b>Internal Audit Reports (RSM)</b></p> <p><b>Internal Audit Progress Report</b></p> <p>In respect of the 2021-22 audit plan progress was shared and the Committee noted that the plan remained on track with no changes having arisen since the last meeting. The scope of the scheduled subcontracting audits for both LTE Group and TP would be determined by the value prior to completion. The Committee reflected that contingency had been built into the audit plan to allow for flexibility and agility for additional audit areas in recognition that ongoing developments around Covid-19 would likely continue to impact on all areas of the organisation's risk profile.</p> <p><b>Business Continuity Planning</b></p> <p>The Committee was presented with the Business Continuity Planning (BCP) report which concluded that 'reasonable' assurance could be taken that the controls upon which the organisation relied on to manage the risk were suitably designed, consistently applied and effective. The report and the Committee recognised the maturity of BCP's at business unit level with the next iteration to finalise and strengthen a central framework (which was a work in progress to date) to provide structure and oversight to the devolved BCP areas. Aligned to this, four management actions had been agreed comprising 3 'medium' and 1 'low' priority action.</p> <p>By way of context the MD Group Ops confirmed that a 'bottom up' approach to building up the health and safety and risk management framework had been adopted during the pandemic and the current position reflected progress up the review chain. The Committee fully appreciated this and was assured that the progress reflected the next steps towards the delivery of an enhanced assurance mechanism for the Group.</p>

### ***Student Mental Health and Wellbeing***

The Committee received the report on the student mental health and wellbeing framework in place in both The Manchester College and UCEN Manchester. The Committee could take assurance that established procedures were in place for the provision of mental health and wellbeing support to students including processes to signpost and raise awareness of the referral process and the provision of training for both staff on the importance of mental health and wellbeing. However, there were a number of exceptions in relation to the provision of support for transitioning students with a history of mental health and wellbeing issues which was met with concern by the Committee. It was recognised that this was partially due to the information provided by feeder schools and the limitations of the outgoing 'My Concern' platform (a new CPOMS system was currently being implemented). A total four areas had been noted where enhancements could be made to controls. One 'high' level priority action and three 'low level' priority actions relating to these matters were shared. Reasonable assurance could be taken with regard to the suitability of the design of the control framework and consistency of application of the controls.

The Committee probed the mechanism for gaining assurance around the impact of the action pertaining to support processes for transitioning students. The Committee was reminded that safeguarding was a standard report to all divisional boards. The Vice Principal, Student Support and Experience would be in attendance at the March Group Board to present the annual safeguarding report which provided an opportunity for further scrutiny. The Committee reflected that the sampling undertaken gave some cause for concern that the procedures in place were not capturing those students needing help and support. The planned follow up with further sample testing was scheduled for June 2022 and after some deliberation a firm steer was given that this review should be brought forward.

***RESOLVED*** that the Vice Principal, Student Support and Experience be asked to attend the next meet of the Committee to provide a report on the procedures in place for the capture of identified mental health issues in transitioning students, for assurance that the procedures were able to deliver the outcomes desired.

### ***Follow Up Part One Cyber Security Controls- Secure Remote Access***

The report on the above was presented and the Committee received assurance that all three management actions agreed as part of the initial review had been implemented.

Whilst not related to the specific content of the index report, cyber security was considered an area for continued focus in particular in light of the recent Russian military action in Ukraine. It was noted that cyber security assurance was progressing ancillary to the RSM audit plan. The Committee sought assurance that the Group's risk was adequately mitigated. The Group IT Director would be in attendance at the March LTE Group Board to provide further assurance in respect of the review of threats, actions and mitigations post conflict.

In respect of the supplementary cyber audit planned for April 2022 the tender process had commenced and returns had been received. Whilst this represented an increased cost it was deemed to represent value for money. The Chair of Audit had been sighted on the scope and the direction of travel was endorsed.

### ***Governance Arrangements – Baseline Review***

The report on the above was shared with the Committee. It was understood that the Group had an established governance framework in place, which incorporated the key requirements of the governance related aspects of the ESFA Post-16 Audit Code of Practice. Substantial assurance could be taken in regards to the suitability

	<p>of the design of the governance control framework and consistency of application of controls. One low' priority' management action had been agreed which related the use of an action tracker to monitor the completion of actions arising for board and committee meetings which was recognised in any event as something that management had been in the process of implementing.</p>
<b>03/22</b>	<p><b>Progress Against Internal Audit Recommendations</b></p> <p>The Senior Financial Accountant presented the Internal Audit Progress Report. Since the report in November 2021 there were ten actions with nine actions having been completed since the last report , including the Total People actions ( Minute Number. 33/21 refers) and ten actions having been added to the log. The Committee was informed that there were no 'high' level actions, seven 'medium' level actions, three 'low' level actions. Of the seven 'medium' level actions, three related to staff utilisation, three to performance management and one related to health and safety. Of the seven medium actions five of them have had their deadlines extended, four of which were paused due to Covid-19 but were now live again.</p> <p>In response to a query an action was taken to provide clarification on the exact action completion deadline for the staff utilisation item.</p>
<b>04/22</b>	<p><b>Mandatory Training</b></p> <p>The Committee was presented with an update on the status of mandatory training for assurance. It was noted that the data represented a much improved position. In response to a query regarding the completion rates for cyber security training, which were tracking lower than the other five mandatory modules, the nuances and work in train to transition cyber training to a more user friendly platform with enhanced granular functionality for tracking purposes and management information was detailed.</p>
	<p><b>RESOLVED</b> that as the items to be considered are deemed confidential, the Committee move into confidential session.</p>
	<p>-----</p> <p><b>Chair</b></p> <p><b>Date</b></p>