

THE TRAFFORD COLLEGE GROUP

**Minutes of the Audit Committee Meeting
held at 6.00pm on Monday 4 April 2022 via Microsoft Teams**

Present:	Jed Hassid Ian Duncan Brian Bradley Heather Lang	(Chairperson)
In Attendance:	Natasha Bintley Anthony Gibbon-Lisle Yvette Hansbury-Robinson Kal Kay Karen Rae Susan Tindall Brian Welch Alison Duncalf	(Director of Finance) (Data Protection Officer/ELT Consultant) (AP - Student Experience and Support) (Chief Finance Officer) (Armstrong Watson) (Quality Consultant) (BDO) (Deputy Corporation Secretary)

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Prior to the commencement of the meeting the Chairperson welcomed Karen Rae, who represented the recently appointed Financial Statements and Regularity Auditors, Armstrong Watson.

The Chairperson also welcome also welcomed Yvette Hansbury-Robinson and Susan Tindall, who had been invited to the meeting to provide context on the internal audit reports.

AUD/01/22 Apologies for Absence

The Deputy Corporation Secretary (DCS) reported that apologies for absence had been received from Lina Tsui-Cheung, Carmen Gonzalez-Eslava and Michelle Leslie.

It was also advised that the CS had informed the DCS that he was unable to attend the meeting.

AUD/02/22 Declarations of Direct or Indirect Interest in any of the Meeting's Business Items

There were no declarations of either Direct or Indirect Interest in any of the meeting's business items.

AUD/03/22 Minutes of the Meeting held on 22 November 2021

The minutes of the meeting were approved and accepted as a correct account of the meetings proceedings.

Minute No**AUD/04/22 Matters Arising from the Minutes**

i) AUD/52/21 – Draft Report and Financial Statements and Letter of Representation for The Trafford College Group for the period ending 31 July 2021

The Chief Finance Officer (CFO) confirmed the satisfactory resolution of the issues in relation to Assessment of Going Concern, the potential option to tax liability and the position in relation to the Adult Education Budget (AEB) income.

ii) AUD/56/21 – Internal Audit Progress Report 2021/2022

The CFO confirmed that she had sought email approval from members with respect to revisions to the programme of internal audit work as previously approved. There was confirmation that the revised Internal Audit Plan had been circulated to members of the Committee via email on 29 November 2021 and that unanimous approval had been gained.

iii) There was confirmation that the following recommendations from the Committee to the Board of the Corporation had been duly approved:

- Report and Financial Statements and Letter of Representation for Cheadle and Marple Sixth Form College up to 3 May 2021
- Audit Completion Report and Letter of Representation for Cheadle and Marple Sixth Form College 2021
- Annual Report of the Cheadle and Marple Sixth Form College Audit Committee for the period ending 3 May 2022
- Report and Financial Statements and Letter of Representation for The Trafford College Group for the period ending 31 July 2021
- Audit Findings Report Year Ending 31 July 2021
- Self-Assessment of Compliance with Regularity and Propriety Requirements for The Trafford College Group and Cheadle and Marple Sixth Form College 2020/2021
- Annual Report of the Audit Committee for The Trafford College Group for the period ending 31 July 2021
- Value for Money Strategy 2021/2024

There were no further matters arising from the minutes that had not been actioned or were covered as part of the agenda for the meetings business items.

AUD/05/22 Appointment of Financial Statements and Regularity Auditors 2022-2027

The DCS advised the Committee that the Board of the Corporation had confirmed the appointment of Armstrong Watson as the Group's new Financial Statements and Regularity Auditors (FSRA) for the period 2022-2027, subject to an annual performance review.

There were no issues raised by members arising from the update and it was resolved that approval of the appointment be noted.

Minute No**AUD/06/22 Audit Committee Membership Arrangements**

The DCS advised the Committee that the Corporation Secretary had recently been notified of the resignation of a Co-opted member of the Committee and outlined the process that was taking place to secure a replacement.

The DCS further reported that the re-appointment of Ian Duncan as a Co-opted member, for one further year, has also been approved by the Board of the Corporation.

There were no issues raised by members from the update and it was resolved that the position in relation to the membership arrangements of the Committee be noted.

AUD/07/22 Data Protection Report April 2022

The Data Protection Officer (DPO) presented a report which provided members with an overview of the latest position regarding Data Protection and its effectiveness across the Group.

The DPO provided the Committee with an overview relating to the following issues:

- Merger progress update
- Changes to Strategic Lead for Data Protection
- Subject Access Requests
- Data Breaches.

The DPO reported that the continued pattern of few and low-level data breaches suggested that the likelihood associated with this risk area continues to be low. There was recognition that further work was required to improve regular communications/reminders to staff to encourage reporting of any issues or near misses but it was added that robust plans were in place to ensure good levels of training and awareness were maintained across the Group.

Questions from members were invited.

- A member in reference to the review of the mandatory training module asked as to the timescales and planned roll out.

The DPO responded that training continued to be routinely delivered to new starters. The DPO stated that there were a number of different elements attached to platforms and the Group was actively looking at their synergy and commonality. Assurance was provided that there were no gaps or risk in relation to data protection and new starters joining the Group.

- The member asked a further question in relation to whether testing took place before sign off of the training.

The DPO confirmed that testing took place and further that follow up also took place in the context of the requirements of both the sector and the Group itself.

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- A member asked a question in relation to the path of the continued low level of data breaches and what it was thought the future profile would be.

The DPO responded that a high area of risk related to email attachments adding that the Group was undertaking a piece of work with another college around new Office 365 tools which should be able to reduce the risk further.

Another area of risk was highlighted to be the risk of the loss of data recorded on paper. The DPO added that reminders would continue to be sent to staff supplemented by refresher training with a focus on staff handling of data and near misses.

- The member asked as to whether those areas of the Group that were more involved with personal data received enhanced training.

The DPO confirmed that there was an enhanced focus on the training of these teams adding that there was also learning from other colleges which facilitated pre-emptive actions.

- A further question was asked by a member in terms of whether there were repeat offenders or offending teams.

The DPO reported that there was nothing to share in terms of repeat offending or the need to target specific work with a department.

There were no further questions or issues raised by members arising from the report and after due discussion and consideration it was resolved that the Data Protection Report April 2022 be received and noted.

AUD/08/22 Internal Audit Progress Report

The Internal auditors (IA) presented a report which advised the Committee on the performance to date against the Internal Audit Plan for 2021/2022.

The IA provided the Committee with a summary of the actions that had been completed to date which were as follows:

- the completed audit reports (Safeguarding and Quality Assurance Framework) which were on the agenda of the meeting
- the ongoing support being provided in respect of Risk Management
- the move of the Staff Utilisation work from February 2022 to March 2022 at the request of the Group's management
- the reallocation of audit work on Progression to Contingency
- and four audits yet to start in respect of Subcontracting; Health and Safety Framework; Learner Records - Apprenticeships; and Follow Up.

There were no issues raised by members arising from the report and it was resolved that it be noted.

Minute No**AUD/09/22 Internal Audit Visit 1 2021/2022**

The Committee received the IA's Internal Audit reports as follows:

- **Safeguarding**

The IA reported that the audit had been conducted in two parts and encompassed students and staffing. There was confirmation that levels of assurance of **substantial for design** and **moderate for operational effectiveness** had been awarded.

The IA advised that a number of examples of good practice had been identified during the audit including the following:

- an up-to-date policy and procedure which was consistent with statutory guidance
- the provision of an annual report to the Board of the Corporation supplemented by termly reports
- the production of monthly training reports by the Human Resources Department
- the training provided to both staff and students.

It was further advised that there was **one medium priority recommendation** in relation to staff training and its timely completion, plus the adoption of mechanisms to check the effectiveness of the training. A **low priority recommendation** was also made in relation to the Group's Safeguarding Policy and the capturing of arrangements in respect of the training provided to students.

Questions from members were invited.

- A question was asked by a member in relation to the new issues around mental health and whether this would fall under the auspices of Safeguarding and the remit of this audit.

The IA responded that mental health aspects came under the auspices of this audit area.

The Assistant Principal Student Experience and Support (APSES) added that the Group was due to launch a new Mental Health Policy and Strategy which had been written with reference to the Association of College's (AoC) strategy. The APSES also highlighted the increased number of student referrals in respect of mental health and suicide.

- The member further asked as to how the Group was mitigating and supporting students from this perspective.

The APSES responded that a number of initiatives had been adopted including the creation of an internal website which was updated with good practice; incorporating mental health within the tutorial programme enhanced by numerous guest speakers; posters placed in student areas including directions as to how students could access information and support using a QR code, telephone or email as a first point of contact; increased investment in support

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staff and Personal Support Mentors (PSMs); the relaunching of a Mental Health Charter which had also been publicised to parents and carers; and the training of student mentors.

- A member highlighted the number staff who had not completed their safeguarding training within the two-week window and asked if they had now all completed the training.

There was confirmation that all the outstanding staff had now completed their safeguarding training and further that all other outstanding completers of related training courses had also been progressed and completed.

There were no further issues raised by members arising from the report and after due discussion and consideration it was resolved that it be recommended to the Board of the Corporation for approval.

Action: Board of the Corporation

- **Quality Assurance Framework**

The IA advised that the purpose of the review was to provide assurance that appropriate arrangements were in place and operating effectively regarding the Quality Assurance Framework.

The IA further advised on the scope of their work and the identified areas of good practice that had been evidenced. The IA commented that it had been a very positive audit with only **one recommendation of low significance** and **two recommendations of medium significance** all of which had been agreed with Group management.

The recommendations were confirmed to be:

- lesson visits and the requirement to document all visits and support provided and for all visits rated as “below expectations” that a procedure is followed to support and revisits take place within the required timeframe (medium)
- Cheadle and Marple and the adoption of a robust process to monitor progress toward Ofsted’s recommendations, aligning them to the processes used across the wider Group (medium)
- complaints trend monitoring and the embedding of the analysis of trends across the Group and to ensure that these are reported to the relevant forums and further that the lessons learnt are considered and documented (low).

It was further advised that the level of assurance for **Design was Substantial– Green** and for **Operational Effectiveness it was Moderate.**

Questions from members were invited.

- A question was asked by member with respect to how consistency in quality was attained across the 5 campuses.

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The Quality Consultant (QC) responded that individuals from the Quality Team worked across the different campuses. It was further stated that the Curriculum Development Area Reviews (CDARs) were undertaken by teams that worked across campus.

- The member further asked whether external independent lesson observations took place.

The QC indicated that during the current academic year there had been no external input however the Quality Team included a number of new and interim appointments delivering a refreshed team and approach. It was further stated that best practice was shared to ensure a level of consistency as a team.

- The question was asked by a member as to when a visit from Ofsted took place would the response be comfortable and confident with no surprises.

The QC responded that an Interim Ofsted visit had taken place in February 2022 which had been preceded by Ofsted preparation meetings from which there were robust action plans.

- A further question was asked by a member around underperforming teachers and how they were managed.

The QC stated that where a teacher was performing below expectations a system was in place to alert staff and trigger support. There was confirmation that the Teaching and Learning Innovation Manager progressed the support accordingly, delivering weekly updates and monitoring the timescales of the improvement plan.

- A member highlighted the good processes in place as highlighted in the report and asked that in terms of outcomes whether they added value.

The QC responded that there were many parts to the learner journey and that there was a need to draw together the various threads. The QC added that a key area of focus was the 6 Progress Boards which took place on a half termly basis and which maintained an oversight of the impact and the progress being made. In addition, it was stated that alongside the Progress Boards there was also the CDAR process and the Quality Improvement Plan (QIP) which also tracked progress and impact.

There was recognition that from a governance perspective the QIP was a key document which also embraced self-assessment and a commitment to continual improvement.

There were no further questions or issues raised by members arising from the report and after due discussion and consideration it was resolved that it be recommended to the Board of the Corporation for approval.

Action: Board of the Corporation

Minute No**AUD/10/22 Office for Students Funding Audit 2022 and MIS Update - March 2022**

The ELT Consultant (ELTC) referred members to the previously circulated report and an overview of recent and current audit activity in relation to Management Information Services (MIS) and the actions being taken to address the risks identified.

The ELTC confirmed that the report had been co-authored with the recently appointed Assistant Principal Planning Funding and Performance (APPFP) who would be attending future meetings of the Committee to provide updates.

The ELTC reported that there had been a number of separate audit activities over the past 6 to 8 months that had identified areas of improvement and generated action plans within the MIS function.

There was confirmation that an Office for Students (OfS) funding audit had recently taken place in relation to the 2019/2020 dataset. It was reported that the OfS were able to offer limited assurance over the reporting of Higher Education (HE) students in 2019/2020.

Members noted that significant issues had been identified in respect of the data quality, indicating substantial weaknesses in the systems and processes used by the Group, leading to inaccurate and incorrect reporting. There was confirmation that the leadership of the MIS Department and Group were aware of the issues and that they were working closely with the OfS to agree actions for 2021/2022 and into the future.

Questions from members were invited.

- A question was asked by a member in relation to the outcome of the audit and whether the Group was likely to incur any financial clawback.

The ELTC responded that there would be no clawback from a financial perspective associated with the errors as identified in the OfS report. The ELTC further highlighted the supportive approach of the OfS in terms of supporting the resolution of the issues identified.

- Reference was made by a member to the categorization of the Group by the OfS as red and asked in reality what this meant.

The ELTC stated that this categorisation meant there would be continued scrutiny and support from the OfS on an annual basis until an assessment of green had been attained by the Group. The ELTC added that it was not anticipated that the Group would be in a position to be considered for a green rating until the 2021/2022 audit took place. Emphasis was placed on the OfS as a supportive and collaborative organisation.

- A further question was asked by a member in relation to the impending Greater Manchester Combined Authority (GMCA) review of the 2021/2022 adult funded enrolment dataset and what could be expected.

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The ELTC responded that the GMCA would be conducting an in-year review of the current years provision and that it would be advisory in nature. There was confirmation that there would be an opportunity to address any shortfalls in the current academic year. It was added that the GMCA were seeking continued assurance in respect of the overall framework.

- The Financial Statements Auditor (FSA) asked as to when a report could be expected from the GMCA following their review in April 2022.

The ELTC indicated that the audit would be conducted by the GMCA's Contract Team and that the focus was upon support and monitoring as opposed to a funding assurance audit.

- The FSA asked a further question in relation to the scenario of an external audit and as to how extra internal monitoring had taken place.

The ELTC responded that there had been substantial changes to the MIS team this year and that moving forward this would be a particular focus of the new Assistant Principal. It was reiterated that there was recognition of the need for robust controls to be in place. The ELT Consultant undertook to discuss the matter further with the FSA outside of the meeting.

Action: ELT Consultant/Financial Statements Auditor

- A member, in relation to the breadth of the MIS processes, asked to how the recommendations were managed.

The ELTC confirmed that the MIS Department was working to a single annual development plan with the Group's audit tracker commitments also forming a single MIS plan. It was stated that the plans were owned by the Assistant Principal and 4 managers on the MIS Department who fed into the audit tracker. The ELTC added that due to the shortages in the team there had been a focus on reducing risk and not signing off until remedial actions had been properly embedded.

Members noted that further reporting in respect of the timeliness of the progress against the OfS actions would be provided under agenda item 12 (Audit Tracker and Management Actions Arising from Audit Reports).

There were no further questions or issues raised by members and following due consideration it was resolved that:

- **the MIS Audit update report be received and noted;**
- **the Office for Students Audit Report for the review of aspects of the 2019/2020 ILR Higher Education Student Data be received and noted; and**
- **the Action Plan arising from the Office for Students 2019/2020 be received and noted.**

Minute No**AUD/11/22 Board Assurance and Risk Management Framework 2020/2021- Update April 2021**

The Chief Finance Officer (CFO) presented a report, which updated the Committee in respect of the Board Assurance and Risk Management Framework (BARMF) and confirmed that the report provided members with a summary of the proposed changes to risk scores considered by the Risk Management Group at its most recent meeting.

The CFO went through in detail the changes in scores which related to the strategic risks and advised the Committee that there were 11 risks identified to have a net risk score of excess of 15. There was confirmation that 6 of these risks had been mitigated to a net risk score lower than 15.

The 5 remaining risks with a score of 15 and above were confirmed to be:

- Failure to understand and respond to the changing support needs of the students following the disruption to learning caused by the pandemic leads to reduced student performance, lower retention, financial pressure and reputational damage (SP1/3)
- Inability to recruit, retain and develop the right staff and leaders with the right skills, knowledge and experience resulting in a reduction in quality, performance and growth (SP2/2)
- Failure to successfully bid for capital funds to redevelop the Cheadle site (SE1/2)
- Failure to recognise/prevent/manage a major safeguarding incident due to poor protocol or non-compliance leads to a safeguarding incident impacting on students and reputation. Failure to respond to increased focus on sexual harassment in the school, college sector and wider environment (OTH1/1)
- Inability to adequately prepare for an Ofsted inspection can impact on quality of provision, which in turn can impact capital and revenue funding, directly or through declining student numbers (OTH1/8).

Members were further referred to the appended full Framework, the Summary Framework and the visual heat map.

Questions from members were invited.

- Clarity was sought from a member in relation to the Summary Framework and the omission of some of the strategic priorities and enablers.

The CFO confirmed that as the risk lowered the relevant strategic priorities and enablers had “dropped off”. The CFO added that this information could be re-incorporated within the one-page summary if members would find that helpful.

Action: Chief Finance Officer

- A member commented on the issues around student behaviour and its increase.

The CFO responded that incidents varied some of which had resulted in an increase to referrals to the Safeguarding Team whilst other incidents were lower level. There was confirmation that a lot of work had been taking place with

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students in relation to the values of the Group in part as a response to the post Covid impact on young people and delays to their emotional development.

- A further question was asked by a member in relation to the application of security arrangements.

The CFO responded that there had been a small number of high-level incidents which had been addressed and procedures reinforced. Assurance was provided that significant effort had been directed to this area and there had been no further incidents.

- A member highlighted the commitment within the strategic priorities to transformational relationships with employers and asked what the Group was doing that differed from other colleges.

The CFO outlined the responsive relationships with employers and highlighted areas where the Group was undertaking a bespoke offer which included the work that took place with Manchester Airport. There was confirmation that the employer responsive team was also being strengthened.

A member highlighted areas of potential opportunity and undertook to progress the matter outside the meeting.

Action: Chairperson/Brian Bradley

There were no further questions or issues raised by members arising from the report and it was resolved that the report be noted with appropriate reporting to the Board of the Corporation.

AUD/12/22 Audit Tacker- Management actions arising from Audit Reports – March 2022

The CFO referred members to the previously circulated report and an update on outstanding audit recommendations with a view to providing assurance that previously agreed recommendations were being implemented within appropriate timescales.

The CFO confirmed that from the previous meeting 48 recommendations had been brought forward from the last report and 19 new recommendations had been added (9 from the OfS audit, 2 from the external audit of the financial statements and 8 from the internal audit reports considered earlier in the agenda).

It was reported that the recommendations had been reviewed and the following was highlighted:

- 18 actions had been completed, a completion rate of 27%
- with the exception of 4 recommendations all of the other remaining recommendations (45) fall within the remit of the new Assistant Principal Planning, Funding and Performance (APPFP).

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The CFO suggested that consistent with the earlier reporting under agenda item 10 and the significant number of actions apportioned to the MIS department that it was proposed that the APPFP initially focus on those recommendations classified as being a high (red) risk.

Questions from members were invited.

- Members highlighted the high number of recommendations falling within the remit of the newly appointed APPFP with completion dates of April and May 2022 and suggested this presented a significant challenge.

The CFO responded that the Group had had 4 MIS Directors over the past 2 years and there was recognition that the APPFP had only been in post for 2 months. It was stated that in the immediate future the ELT Consultant would remain in post to support a structured and extended handover.

The CFO further reported that there continued to be resource issues within the MIS department, which sector-wide was a difficult area to recruit to, and that there was a need to balance the demands placed upon it. Assurance was provided that prioritisation and risk assessment was actively taking place in relation to the demands on the department, and that the risk assessment process was mitigating the risk in the current academic year with a view to adopting a more structured approach for 2022/2023.

Action: Assistant Principal Planning, Funding and Performance

- A comment was made that whilst there was not a wish to unduly add to the work load of the APPFP it would be helpful to have some form of summary as a means of providing assurance i.e. where an issue had come from, where it was going and the actions to be taken.

The CFO concurred with this proposal and undertook to progress the provision of a summary report with the APPFP.

Action: Chief Finance Officer/Assistant Principal Planning, Funding and Performance

There were no further questions or issues raised by members and following due consideration it was resolved that:

- **the status of the remaining open recommendations be noted;**
- **the closure of the completed 9 low rated recommendations be authorised for removal from the tracker; and**
- **the 9 recommendations (medium and high) highlighted in grey as complete on the tracker no longer be monitored or updated pending their removal from the tracker post the follow up work of the Internal Auditor.**

AUD/13/22 Any Other Business

There were no further matters raised by members under any other business.

Minute No**AUD/14/22 Date of Next Meeting**

It was agreed that the next meeting would be held at 6.00pm on Monday 27 June 2022.

The meeting closed at 7.16pm.