

# AGENDA; AUDIT AND RISK ASSURANCE COMMITTEE

Tuesday 25 June 2024 at 5.30pm in Suite 2 of the Employer Hub

In Attendance: Marc Harvey (ICCA, Internal Audit Partner)  
Karen Musgrave (RSM, External Audit Partner)  
Melissa Drayson (External Board Reviewer, Rockborn)

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*Governors are reminded of the College's commitment to equality, diversity and inclusion and the need to consider these issues, along with health and safety, in all Committee business.*

**1. Welcome and Apologies for Absence**

**2. Declarations of Conflict of Interests**

*Governors must declare any interest in any agenda items, where there could be a conflict of interest. For any such declaration, they may be requested to withdraw from the meeting for the discussion/decision on that specific item and will not be eligible to vote on the matter under discussion.*

**3. Draft Minutes of the Audit and Risk Assurance Committee Meeting held on 12 March 2024** (Paper LMC/A/13/23 refers) *(for approval)*

**4. Matters Arising**

- **Committee Action Checklist** (Paper LMC/A/14/23 refers) *(for agreement)*

**5. Audit Reports:**

- **Internal Audit; 14-16 Provision** (Paper LMC/A/15/23 refers) *(for discussion)*
- **Internal Audit; Additional Learning Support and High Needs Students** (Paper LMC/A/16/23 refers) *(for discussion) (paper to follow)*
- **Education and Skills Funding Agency (ESFA) Tuition Fund Audit** (Paper LMC/A/17/23 refers) *(for discussion)*

**6. Internal Audit Annual Plan and Strategy 2024/25** (Paper LMC/A/18/23 refers) *(for recommendation) (paper to follow)*

**7. Financial Statements Audit and Regularity Audit Annual Plan 2024** (Paper LMC/A/19/23 refers) *(for recommendation)*

**8. Review of Completed Regularity Audit Questionnaire 2023/24** (Paper LMC/A/20/23 refers) *(for recommendation)*

**9. Report on Risk Management, including Review of College Risk Register and new College Opportunities Register** (Paper LMC/A/21/23 refers) *(for discussion)*

**10. Review of Agreed Actions on Audit Recommendations** (Paper LMC/A/22/23 refers) *(for discussion)*

**11. Any Other Business**

**12. Annual Committee Reflections against College Mission, Values and Strategic Objectives**

**13. Date and Time of Next Meeting**  
To be confirmed.

**14. Private Discussion between Governors and Auditors**

**15. Confidential Item for Corporation Members only under Section 43 of the Freedom of Information Act: Annual Performance Review of the Internal and External Audit Services** (Paper LMC/A/23/23 refers) *(for approval and recommendation)*

## **NON-CONFIDENTIAL MINUTES OF THE AUDIT AND RISK ASSURANCE COMMITTEE MEETING HELD ON 25 JUNE 2024**

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<b>Present:</b>	Steve Wood ( <i>Chair</i> ) )	
	Sarah-Jane Fletcher )	External Governors
	Gary White )	
<b>In attendance:</b>	Marc Harvey ®	Head of Internal Audit, ICCA ( <i>Internal Audit Services</i> )
	Lucy Woods	External Audit Manager, RSM ( <i>External Audit Services</i> )
	Melissa Drayson ®	External Board Reviewer, Rockborn
	Peter France	Vice-Principal Finance and Resources
	Oona Cushen	Governance Adviser and Clerk

® - joined remotely

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### **WELCOME AND APOLOGIES FOR ABSENCE**

A/23/083 The Chair welcomed Marc Harvey, Head of Internal Audit at ICCA, Lucy Woods, External Audit Manager at RSM and Melissa Drayson, External Board Reviewer from Rockborn, to the meeting. All present introduced themselves. There were no apologies for absence.

### **DECLARATIONS OF CONFLICT OF INTERESTS**

A/23/084 No declarations were made and the Governance Adviser confirmed that there were no known perceived or actual conflicts of interest.

### **DRAFT MINUTES OF THE AUDIT AND RISK ASSURANCE COMMITTEE MEETING HELD ON 12 MARCH 2024**

A/23/085 The Chair referred members to paper LMC/A/13/23 and advised that no amendments had been received.

**A/23/086 The minutes of the previous meeting held on 12 March 2024, paper LMC/A/13/23, were agreed as a true and accurate record.**

### **MATTERS ARISING**

#### Committee Action Checklist

A/23/087 The Governance Adviser referred members to paper LMC/A/14/23 and advised that all actions were completed.

**A/23/088 The Committee discussed and agreed the Committee Action Checklist; paper LMC/A/14/23.**

### **AUDIT REPORTS**

#### Internal Audit: 14-16 Provision

A/23/089 The Internal Auditor referred Governors to paper LMC/A/15/23 and advised that the audit was completed in late February 2024, with substantial assurance being provided. There is a good level of detail on the report and there was just one medium recommendation relating to application and compliance.

A/23/090 The College had provided the auditor access to the training database, which showed that 23 staff had not acknowledged that they had read and understood the Safeguarding Policy and 13 staff that had not acknowledged and understood the Staff Code of Conduct. The auditor also reviewed staff training requirements and there are a few statements detailed around the numbers of staff that have outstanding training on Prevent, General Data Protection Regulations (GDPR), safeguarding etc. Some of those were newer members of staff, but some had started in September 2023 so that is a considerable time to have completed the training. The recommendation was to strengthen the College's tracking system to tighten the training in place and to ensure that safeguarding arrangements are compliant. As noted in the management response, the College accepted the recommendation. A new induction process has been introduced that includes compulsory training within the first two weeks, alongside a new tracking system to follow up non-compliance. To date, there is no outstanding mandatory training outside of the induction process.

In response to Governors' scrutiny and challenge, the following points were highlighted:

A/23/091 The Committee was satisfied with the management response and took assurance that all concerns had been addressed. The Vice Principal Finance and Resources advised that the follow up audit next year will provide the internal auditor with the opportunity to check the actions have been fully implemented. The Vice Principal Finance and Resources did have staff that had outstanding training, and regular updates were provided to him to follow up with those staff to ensure the training happened. Any outstanding training is being followed up and addressed on a regular basis with managers. It was also noted that signing an acknowledgement is one thing, but reading and understanding is quite another.

**A/23/092 The Committee received and discussed the Internal Audit; 14-16 Provision Report, paper LMC/A/15/23.**

Internal Audit; Additional Learning Support and High Needs Students

A/23/093 The Internal Auditor referred Governors to paper LMC/A/16/23 and advised that this audit was undertaken in April 2024 and reasonable assurance had been provided. At the time of the audit, the Additional Learning Support Manager had only recently been appointed, but led on the audit. The timing of the review worked well, as it was a good audit for both the auditor and the new manager to thoroughly review practice. There were some recommendations, including one high recommendation, along with some advisory points as well.

A/23/094 Section 3.1 is an advisory note around staff development days, and to provide an opportunity for the Additional Learning Support Manager to deliver some focused training to the wider staff body. With the new appointment, this is an ideal opportunity for the new manager to share her knowledge, training and processed with all staff.

A/23/095 Section 3.2 is a medium recommendation around the assessment of individuals who have disclosed a learning need through their application. The College then undertakes a sifting exercise before inviting relevant learners to a meeting for further discussion around support available. From the discussions and evidence, there is not a strong system in place to track and record that process, including details on those that have been assessed but may not require support. There does need to be strong tracking that clearly evidences who has disclosed, the follow up and outcome, including who and why requires additional learning support.

- A/23/096 Section 3.3 is a medium recommendation mainly focused on initial assessment for apprentices. For those in receipt of additional learning support, there should be more frequent progress reviews and meetings to reflect and ensure that support is still at the right level and having an impact, or whether further adjustments need to be made. More frequent monthly report meetings are not currently happening within the Additional Learning Support programme.
- A/23/097 Section 3.4 is a low recommendation. From discussions, there is a lot of good communication taking place between staff, but there are no formal meeting with Programme Area Managers that would allow Additional Learning Support staff to contribute to a three-way meeting with curriculum and pastoral staff. This would provide a good opportunity for a more joined up approach that is formally recorded.
- A/23/098 Section 3.5 is a medium recommendation identified from the Individual Learning Return (funding submission) as there could be potential funding implications. From discussions and the evidence and databases reviewed, it would appear that not all enrolled adult students that disclosed a need and are being supported are reflected within the return. The numbers for which funding was being claimed appeared low for the number of learners actually being supported. The staff team felt that a lot more support was being provided to wider groups of adult provision, so this does need to be looked at, with better reconciliation between the funding being claimed and the actual support being provided. This may potentially lead to additional funding that can be claimed.
- A/23/099 Section 3.6 is an advisory note, noting that there are no formal written contracts held for Lancashire and Cumbria local authorities for the funding. The auditor would always advise that a formal contract is held to ensure that the College protects itself as best as possible, in case of any dispute.
- A/23/100 Section 3.7 is the high recommendation and has the potential for a detrimental funding implication. Sample testing looked at five adult and apprentice learners that the College was claiming Additional Learning Support funding for through the funding return. All five samples, however, did not have sufficient detail of recorded evidence of ongoing support to cover the monthly funding claims, which may mean that the requirements of funding may not be met, placing that funding at risk. This is a concern from an external audit perspective as it is a high risk area and is very much focused on. The College must have stronger evidence in place to support those funding claims. What had been provided, dated logs of attendance sessions, was basic and contained no detail of what support was happening and how this was impacting learner progress. There was no live support plan running alongside to show exactly where those individuals may still need further input, variances and changes to their programme that one would possibly expect throughout the year.

In response to Governors' scrutiny and challenge, the following points were highlighted:

- A/23/101 The report was very detailed and thorough, with a number of recommendations. From a management perspective, all the recommendations were acceptable and realistic, and the management response was as expected.
- A/23/102 Once the draft report was received, there had been a meeting with the Vice Principal Finance and Resources, Vice Principal Progress and Performance, the Additional Learning Support Manager and the auditor to review the recommendations in detail and to ensure they were fully understood. The reason for this audit was, in part, that there was a new manager in post and the area had not been reviewed for some time, so the number of recommendations raised were not a surprise to the College. The audit outcomes have provided the new manager with a clear focus and framework for action going forward and the management response against each recommendation is in the process of being implemented.

A/23/103 In terms of implementation, it would be useful for a target date for completion to be included, i.e. when will the new system be in place. The high recommendation in regard to the funding claim will be immediately addressed and staff will need to revisit those reviews to ensure all the evidence required is there and this can be managed retrospectively. Evidence will be required for the RSM external audit and/or an Education and Skills Funding Agency (ESFA) funding audit. It was emphasised that this was not about learners not receiving the additional learning support, but that all the evidence to satisfy a funding audit had not been captured in sufficient detail. Over the last few months, the CIS Data Manager has coded a tracking system within the new EBS software that will allow all learners to be separately tracked on the system to ensure all the evidence is held. The new system will allow the College to track all learners in receipt of additional learning support, from when they apply for support and throughout their course. The new system is not yet live, but the Additional Learning Support Manager has reviewed the system and is pleased with it, so this should go a long way to addressing some of the issues raised.

A/23/104 It was confirmed that all the recommendations will be transferred into the Review of Agreed Actions document for tracking and reporting back to the Committee.

**A/23/105 The Committee received and discussed the Internal Audit; Additional Learning Support and High Needs Students Report, paper LMC/A/16/23.**

#### Education and Skills Funding Agency (ESFA) Tuition Fund Audit

A/23/106 The Vice Principal Finance and Resources referred Governors to paper LMC/A/17/23 and advised that this was a Department for Education (DfE) audit, focused on the tuition fund only. This was an extra funding allocation that colleges received, following Covid, to help those students that had fallen behind in their studies to catch up, partly in maths and English but also on other elements of their study programmes. The Education and Skills Funding Agency (ESFA) sampled a number of colleges chosen at random. The audit was undertaken by a Department for Education (DfE) auditor and, overall, the College was very pleased with the outcome. It was quite an intense and, potentially, high risk audit. The initial guidance for use of the funds was basic, but further guidance was provided over the year. There was just one error identified, which resulted in the College having to reimburse £20 back into the fund. The College did dispute the error due to the way costs are divided and allocated to individual learners. One learner was found to be ineligible, but this would normally have resulted in the funds being reallocated amongst the other learners, but the College has repaid the funds.

In response to Governors' scrutiny and challenge, the following points were highlighted:

A/23/107 This was a very good audit and, if any significant errors had been identified, could have opened up other areas of concern, so the outcome is a good indication. Had the error rate been significantly higher, the auditor could have returned to look at further samples. Any further errors could have resulted in clawback of funding on a pro-rata basis, so the Vice Principal Finance and Resources was very pleased with the outcome. Considering the mitigation, even the error rate could be deemed to not be a genuine error as it would have changed the ratio, so Governors were also pleased with the outcome. The audit has acted as a reminder to the data team to double check claims, and staff did a great job in providing all the information to the Department for Education (DfE) on top of their normal workload. A lot of data was requested, and the contribution of the team should be formally recognised and commended.

**A/23/108 The Committee received and discussed the Education and Skills Funding Agency (ESFA) Tuition Fund Audit Report, paper LMC/A/17/23.**



## **INTERNAL AUDIT ANNUAL PLAN AND STRATEGY 2024/25**

A/23/109 The Internal Auditor referred Governors to paper LMC/A/18/23 and advised that this is the provisional plan for 2024/25, based on discussion with the Vice Principal Finance and Resources and Governance Adviser. The plan provides risk based coverage for the apprenticeship delivery model, and the English and Maths Strategy, as well as non-risk based coverage on health and safety, support staff benchmarking and the follow up audit. Timings for the audit are still to be confirmed and Governors should ensure that they are satisfied with the areas being proposed for 2024/25.

In response to Governors' scrutiny and challenge, the following points were highlighted:

A/23/110 The proposed areas for audit relate to some of the prior discussions held at Board and others were areas not necessarily covered previously. Governors agreed that the proposed plan would help Governors in their oversight and monitoring of performance.

A/23/111 Four days is standard for an audit assignment and, in practice, the number of hours are normally carried out over a longer period. The Internal Auditor confirmed that the allocation was sufficient from an audit perspective. Looking at section five of the plan, there has been good coverage in the past four years.

**A/23/112 The Committee discussed and agreed to recommend the Internal Audit Annual Plan and Strategy 2024/25, paper LMC/A/18/23, to the Corporation for approval.**

**Marc Harvey left the meeting.**

## **FINANCIAL STATEMENTS AUDIT AND REGULARITY AUDIT ANNUAL PLAN 2024**

A/23/113 The External Auditor referred Governors to paper LMC/A/19/23 and advised that the audit plan is presented to Governors every year, and provides an outline of the work required and dates etc. The introduction is standard, and the External Audit Manager, along with Karen Musgrave, External Audit Partner, will oversee the audit. The work will cover both the financial statements audit and the regularity opinion. It will be conducted as one audit, but two opinions will be included in the financial statements, which is no change from previous years. RSM does have a specialist team that undertake funding audits on behalf of the Department for Education (DfE) and, as in previous years, this team will undertake the funding work required as part of the audit. This was a new requirement introduced about two years ago. Sample testing will be undertaken across all income streams, and especially apprenticeships.

A/23/114 The External Auditor does receive the internal audit reports for review from a governance point of view, and any issues would be followed up as part of the planning work. There were changes last year to some of the regularity work, and this year's audit will be similar. From an audit perspective, it is good to have no major changes from the prior year.

A/23/115 A planning meeting will be held with the College to agree dates, but this will follow a similar pattern to previous years. Some of the funding work can be undertaken remotely. Dates will be agreed for paperwork to be provided, which is a separate piece of work before the main audit in person during September and October 2024. There is good continuity within the team, and the final report will be presented to the Audit and Risk Assurance Committee, as well as to the full Board. Feedback will then be provided to the finance team, and this is the same process as last year.

A/23/116 The risks are similar to last year, and the auditor will categorise significant higher risks from initial discussions or from prior years. All material items in the funding and regularity audits would be highlighted to Governors. A review of management override is included in every audit, and the audit team will review risk based samples, review journal entries and review the estimates, e.g. on depreciation and pensions, to ensure that there has been no significant changes from rates.

- A/23/117 Income recognition relates more to the funding work around the complexities and detail of apprenticeships and the number of documents for compliance. As a result, this will always be a significant risk and is covered in all the audits completed by RSM. This is additional funding work that has to be completed. The audit team will conduct specific detailed testing on apprenticeships, 16-18 funding and funding for Additional Learning Support adults. Testing will also be completed across all income streams, in addition to the standard audit work undertaken prior to this extra audit requirement being introduced. Historically, there have not been any issues identified.
- A/23/118 The pension position will not be confirmed at the year-end, but there will be the usual work around assumptions, using different actuaries from different regions, as well as information provided by the audit technical team. The large pension deficit has come down, and last year, resulted in a surplus position. As the College does not have rights to any of that money, if the pension were to come back with a surplus, it would be accounted as a nil position as it was last year.
- A/23/119 An additional risk has been included this year, as the auditor was made aware in discussions that the College has a significant amount of capital work ongoing, and which will be ongoing at the year-end. The audit will look at the risks at the cut-off date if not complete, as well as around value. Testing will be undertaken around those risks and evidence, as well as fixed asset verification. Given the value of the works being undertaken, it is highly material and any risks around the year-end will be highlighted. All the audit outcomes will be reported in the annual findings report. Any other risks identified during the audit will be added as necessary in the findings report, along with the College's response, along with any adjustments and control recommendations.
- A/23/120 The regularity audit is standard across all colleges, and the report has highlighted the work and changes from previous years. The section on borrowing is not relevant for LMC. The audit will be very similar to that of last year, as there are only slight changes in the work required.
- A/23/121 The fees and provisional timelines for the interim testing, the onsite audit planning field work and detailed testing of the Individual Learner Return (funding submission) are to be formally agreed. The section on independence highlights the personal independence of Karen Musgrave as the Audit Partner signing off the accounts, and covers the usual checks from RSM in relation to pension and grant audits.
- A/23/122 There is much detail in the Emerging Issues briefing, but nothing significant that would impact the College at the moment. In circa two years' time, the changes in relation to any leases held, e.g. for printers, cars etc. that would be returned at the end of their lease, will impact how these are to be newly reported under balance sheet assets. Work is ongoing to align with that requirement and the main impact that will have.

In response to Governors' scrutiny and challenge, the following points were highlighted:

- A/23/123 The College accounts are being aligned to the new rules being introduced in around two years' time in relation to the slightly different reporting of leases, e.g. printers or items of small value that, potentially, the College would only have for a few years but not own at the end of the lease. These items would be reported as a charge and not assets. Buildings or land etc would be included as an asset but with depreciation. This change in reporting will not impact the College cash wise, as it more around accounting standards. Clarification is still being sought as to the effective date and whether items would need to be re-stated for the year before, but it is unlikely that this would be the case. The Vice Principal Finance and Resources advised that printers and cars are the only lease items at the moment, so this would not be material as it is low value. Although it will be more work, there are no concerns. The main changes are around income recognition but, given the funding type, there will be real impact for LMC.

- A/23/124 Governors found the Emerging Issues document to be very good, comprehensive and full of detail on the range of topics covered, and it was useful to contextualise the issues around Artificial Intelligence (AI) and mental health etc.
- A/23/125 The introduction of the new Crime Act, the new College financial handbook, changes to procurement and both the positive and negative impact of Artificial Intelligence (AI) are all topics that Governors should be aware of and be reviewing against the risk register. In regard to the impact of Artificial Intelligence (AI), colleges will need to be compliant with awarding organisation policy and these will depend on the qualifications being delivered. The awarding organisations are currently waiting for relevant guidance from the Office of Qualifications and Examinations Regulation (Ofqual). There is no technical reason as to why a learner could not use ChatGPT unless an awarding organisation or the regulator says not. Plagiarism rules already exist, so all tools will now be building in algorithms for Artificial Intelligence (AI) or generated content. It is about standards implementation and, outside of that, good practice for students. It was noted that there is a specific style of writing through ChatGPT, which can be picked up through reading. Plagiarism software will pick up that algorithm, and as the source is static, will identify it as plagiarism and fail students. It will come back to compliance with the rules.
- A/23/126 There are wider issues to be considered, e.g. in job applications. The challenge will be only use Artificial Intelligence (AI) for good reasons, although it does write more formally. The College should have a strategy or statement on the use of Artificial Intelligence (AI) clearly indicating that it will pro-actively seek out effective use of Artificial Intelligence (AI) in the workplace whilst mitigating any negative impact for end users. This can be a cautious but pro-active approach to use where it is effective and safe to do so. The senior team will look at issuing some guidance looking at both the positive and negative aspects. The response from Artificial Intelligence (AI) is not always contextualised, so it will be about enabling staff and students to use it as an enhancement of their own work, rather than it doing the work for them. For staff, plagiarised applications should be easily identified through the interview process.
- A/23/127 The Vice Principal Finance and Resources advised members that, last year, the College did purchase anti-plagiarism software, Turnitin, to check students' curriculum work. It is not used explicitly for job applications, as staff can generally 'feel' whether the application is genuine or not. The College has also purchased some licences for teaching staff to use Artificial Intelligence (AI) to develop lesson plans and those staff using them have found them very useful. The use of ChatGPT will change, as will the risks around compliance.
- A/23/128 The Committee discussed and agreed to recommend the Financial Statements Audit and Regularity Audit Annual Plan 2024, paper LMC/A/19/23, to the Corporation for approval. The Emerging Issues document will be issued to all Governors.**

### **REVIEW OF COMPLETED REGULARITY AUDIT QUESTIONNAIRE 2023/24**

- A/23/129 The Vice Principal Finance and Resources referred Governors to paper LMC/A/20/23 and advised that this questionnaire must be completed in advance of the regularity audit. As part of the year-end regularity audit, the auditors will essentially look at the funding received by the College, and whether it has been spent and accounted for in the way it was intended. The auditors will test against this self-assessment questionnaire to ensure that the College is doing what it says it is doing. The questionnaire is published by the Government and the responses have been completed by the Vice Principal Finance and Resources and the Governance Adviser. There were only minor changes from last year.
- A/23/130 The Committee discussed and agreed to recommend the Review of Completed Regularity Audit Questionnaire 2023/24, paper LMC/A/20/23, to the Corporation for approval.**



## **REPORT ON RISK MANAGEMENT, INCLUDING REVIEW OF COLLEGE RISK REGISTER AND NEW COLLEGE OPPORTUNITIES REGISTER**

A/23/131 The Vice Principal Finance and Resources referred Governors to paper LMC/A/21/23 and advised that the risk register was updated by the College Risk Management Group on 08 May 2024. The amendments and new risks from Committee and Board discussions have also been implemented. There were five significant risks. The risk relating to the appointment of Governors has been downgraded to contingency. The new opportunities register is a working document, but will provide Governors and the senior team with an overview of any bidding / funding opportunities.

In response to Governors' scrutiny and challenge, the following points were highlighted:

A/23/132 Oversight of bidding opportunities was mentioned at the recent Board meeting, and the new opportunities register will be a valuable tool.

A/23/133 The reclassification by the Office for National Statistics (ONS) remains significant, as this is largely out of the College's control, and the full transition to public sector requirements is not yet complete. There could still be changes to be introduced that may have serious implications in the future. The changes that have been introduced to date have had minimal impact. There is a potential change to the accounting date which would have a significant impact, and the Department for Education (DfE) may apply a similar policy to that currently in place for schools, in that any surpluses cannot be carried forward into the following year. The Association of Colleges (AoC) does not believe that this will be implemented in the immediate future. Education was largely missing from political party manifestos, and any new Government may change direction leading to an increase or decrease in risks. It is unlikely, though, that any changes relating to reclassification would change with a new Government.

A/23/134 Funding remains a significant risk as, whilst the College is ahead on 16-18 funding, it has experienced a significant income shortfall on apprenticeships and adults, with these areas under-performing against budget. Projects remain a significant risk in terms of how much new funding is project based, as opposed to mainstream funding. Each project funding will have separate rules, audit requirements and potentially external assurance, which would be additional work for RSM. Much project administration is extra bureaucracy, time-consuming and a distraction for teams, including the senior team.

A/23/135 Changes to curriculum remains a significant risk. There was a number of qualifications being defunded as a result of changes in T Levels, and where qualifications are defunded, the College will need to find suitable alternative as there is a real risk to some of the College's provision. For example, the qualification offered by Lancaster Training Services (LTS) was defunded, but an alternative was funded. If there had been no suitable alternative, that provision would have been lost. The defunding of Level 3 qualifications has now paused until the outcome of the General Election is known. Although maths and English achievement is better than average, this remains an area of risk as the national rates are so low. Maths and English will remain a continuous focus for the College to try and further improve outcomes, as this is a big priority for the Government. In addition, the requirements for maths and English are changing again, with all 16-18 learners to receive a minimum of four hours delivery, an increase of two hours, from next year.

A/23/136 There is new funding associated with the requirement to deliver all maths and English face-to-face, but this is already the case at LMC, so there will not be a significant operational impact as there is no online delivery for these subjects.

- A/23/137 The Risk Management Group meets termly and has met to review both the main and devolved risk registers. There were no major changes, or any risks identified as close to be regraded to significant.
- A/23/138 There is a new risk register for capital works, as requested by Governors. The work on the T Level project has recently commenced and the team has found asbestos, so already there is a risk to cost and timescales.
- A/23/139 The Committee received and discussed the Report on Risk Management, including the College Risk Register and the new College Opportunities Register, paper LMC/A/21/23, which will be presented to the Corporation.**

#### **REVIEW OF AGREED ACTIONS ON AUDIT RECOMMENDATIONS**

- A/23/140 The Vice Principal Finance and Resources referred Governors to paper LMC/A/22/23 and advised that this is the document referred to earlier in the meeting and all recommendations arising from any internal audit, the year-end accounts audit or any other external audits are logged and tracked for implementation. The recommendations from the audit reports presented at this meeting will be added to the report for monitoring by the Committee at each meeting. All recommendations from the internal audits will be checked for implementation as part of the internal audit follow-up work next year.
- A/23/141 The Committee received and discussed the Review of Agreed Actions on Audit Recommendations; paper LMC/A/22/23.**

#### **ANY OTHER BUSINESS**

- A/23/142 There were no other items of business raised.

#### **ANNUAL COMMITTEE REFLECTIONS AGAINST COLLEGE MISSION, VALUES AND STRATEGIC OBJECTIVES**

- A/23/143 The Chair asked Governors to reflect individually on whether the business decisions and recommendations made throughout the year support the College mission, values and strategic objectives. Any comments following those reflections can be provided to either the Chair of the Audit and Risk Assurance Committee or the Governance Adviser.

#### **DATE AND TIME OF NEXT MEETING**

- A/23/144 Provisionally, Tuesday 10 December 2024 at 5.30pm.

#### **PRIVATE DISCUSSION BETWEEN GOVERNORS AND AUDITORS**

- A/23/145 This item is a confidential item for Corporation members only, under Section 41 of the Freedom of Information Act. Paragraphs A/23/146 to A/23/148 are therefore, minuted separately.

#### **ANNUAL PERFORMANCE REVIEW OF THE INTERNAL AND EXTERNAL AUDIT SERVICES**

- A/23/149 This item is a confidential item for Corporation members only, under Section 43 of the Freedom of Information Act. Paragraphs A/23/150 to A/23/152 are therefore, minuted separately.

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The Committee agrees that these non-confidential minutes are an accurate record of the meeting.

**APPROVED ON: 26 November 2024**