

## Managing Risk and Internal Controls Sub-Com Board Meeting:

14 June 2017

### MINUTES

<b>Present:</b>		
Jerry Glazier (Chair)	Member Representative	JG
Geoff Ashton (Observer)	Independent Pension Specialist	GA
David Butcher (Phone)	Employer Representative	DB
Chris Jones	Employer Representative	CJ
Dave Wilkinson	Member Representative	DW
David Heslop	TP Client Director	DH
Chris Dixon	TP Head of Business Assurance	CD
Peter Springhall	DfE Senior Finance and Risk Manager	PS
Anna Alderson (Observer)	DfE Contract Manager	AA
Fiona Laundry	DfE TPSPB Secretariat	FL
<b>Apologies :</b>		
Lee Probert	Employer Representative	LP

	Item	Action
Agenda item 1	<p><b>Attendance / apologies</b></p> <ul style="list-style-type: none"> <li>• The Chair welcomed the Board and made a special welcome to Chris Jones on his first attendance to the sub-com meeting.</li> <li>• Apologies were accepted for Lee Probert.</li> <li>• Thanks were given to TP and DfE colleagues for arranging the meeting.</li> </ul>	
Agenda Item 2	<p><b>Actions from the previous meeting</b></p> <ul style="list-style-type: none"> <li>• DH advised that there are risks where some controls are in place but yet not complete.</li> </ul> <p>1.1 Potential Risks</p> <ul style="list-style-type: none"> <li>• DH assured the group that TP and HMRC have a good working relationship. TP are mindful that there could potentially be insufficient HMRC resources to respond to scheme queries within the set deadline. Measures are in place to mitigate this risk.</li> <li>• DH advised that a GMP Reconciliation Programme is set up with regular reporting. Stephen Baker is Resourcing Officer.</li> <li>• DH highlighted that transition arrangements from April 2016 are in place and will expire in December 2018. Policy decision is awaiting on post 2018 methodology which is currently at consultation stage.</li> <li>• DH assured the group that TP are looking ahead at potential risks which may arise in the future. Strategies and processes are being determined to mitigate these risks.</li> </ul> <p>1.2 Future Audit Methodology</p> <ul style="list-style-type: none"> <li>• PS advised that bulk data is ready to be shared with Deloitte for them to audit TP system calculations; however, Deloitte have not provided TP with assurances that security arrangements are in place between Deloitte and NAO</li> </ul>	

	<ul style="list-style-type: none"> <li>• PS advised that development of the Analytics tool for 2018 was still on hold as a result of NAO and Deloitte not having an agreed Security Management plan in place. The longer this position continued, the less likely it was that Deloitte would deliver both phase 1 and 2 of their plans for 2018. The fall back would be a delayed implementation and continuation of manual sampling techniques for 2018.</li> </ul> <p>1.3 Academisation</p> <ul style="list-style-type: none"> <li>• DH advised that regular communication with employers regarding contributions and teacher data requirements are in place. This gives TP assurance that the correct information is being received.</li> <li>• DH also confirmed that regular engagement and sharing of information between DfE departments (including EFA) and TP is a regular occurrence.</li> <li>• TP confirmed that call centre staff are fully trained and that there are processes in place to identify and contact new academies to offer guidance and reassurance on their responsibilities regarding contribution and data submission.</li> <li>• DH reported that no two employers use the same model when transitioning to an academy and that each model is complex which can be challenging for TP.</li> <li>• DH advised that further work is required to understand different administration models, Academisation movement and understanding payroll and software providers. The group requested an update on this at the next Sub-com meeting.</li> </ul> <p>2.1 Risks where controls are under review.</p> <ul style="list-style-type: none"> <li>• DH assured that TP is not infected or impacted by the recent global ransomware attack and that all software is up to date.</li> </ul> <p>2.2 Data centre capability.</p> <ul style="list-style-type: none"> <li>• A review is currently underway following the Outage issue at the Capita data centre. A review and Incident Report will be shared with the group at the next meeting. TP gave assurance that the group would be notified immediately should such incidents occur in the future.</li> <li>• Group agrees actions are closed from previous meeting.</li> <li>• The Chair thanked DH for the update and expressed gratitude to TP for the work undertaken.</li> </ul>	<p>AP01/140617</p> <p>AP02/140617</p>
<p>Agenda Item 3</p>	<p><b>Update on 2017 accounts production</b></p> <ul style="list-style-type: none"> <li>• PS advised that the 2017 accounts production is on track and that audit is due to finish on 23 June.</li> <li>• PS also advised that at present there have been no significant questions raised by Deloitte. TP are also comfortable with the audit position.</li> <li>• PS confirmed that NAO have not produced an interim management letter as no major issues were identified during the interim audit.</li> <li>• PS also advised that an audit report from NAO would be produced after 23 June.</li> <li>• PS notified the group that NAO management letter would need to be produced by 11<sup>th</sup> July as this is when the TPS</li> </ul>	

	<p>Annual Report and Accounts would be presented to the DfE Audit and Risk Committee. No delay is expected due to Purdah.</p> <ul style="list-style-type: none"> <li>• PS advised that Nigel Johnston had replaced Janet Eilbeck on the Audit Risk Committee. PS and colleagues from TP have started sharing information with Nigel to brief him on the TPS</li> </ul>	
Agenda Item 4	<p><b>Review of Dashboard and Finance, Risk and Audit Report</b></p> <ul style="list-style-type: none"> <li>• PS advised that due to the bulk re-marriage declaration exercise arising to a close member overpayments have reduced from £16m to £13.3m.</li> <li>• The group are assured that debt is being repaid efficiently.</li> </ul>	
Agenda Item 5	<p><b>Feedback / questions on strategic risk register</b></p> <ul style="list-style-type: none"> <li>• PS focused on the Risk Register inviting the sub-committee to feedback and ask questions.</li> <li>• DH highlighted risk number 0402017 by confirming that the accreditation of core IT environment has now been resolved and was now flagged as green.</li> </ul>	
Agenda Item 6	<p><b>NAO report and end-year review of TP's Group International Audit (GIA) programme</b></p> <ul style="list-style-type: none"> <li>• CD introduced the assurance statement on audit review from the previous financial year stating that there are seven reports rated effective and no concerns raised.</li> </ul>	
Agenda Item 7	<p><b>Sub-Committee to determine how they could include the 6 strategic objectives from TP's strategy paper into their approach</b></p> <ul style="list-style-type: none"> <li>• DH advised that there are ongoing discussions about how to measure against the six objectives.</li> <li>• DB queried how the objectives will fit into the Managing and Risk Sub-Committee group.</li> <li>• The Chair agreed with DB and queried how processes would be built and agility to adapt to new situations and reflect expectations as well as needs.</li> <li>• DH advised that the approach will be reviewed periodically.</li> </ul>	AP03/140617
Agenda Item 8	<p><b>AOB : – System outage update</b></p> <ul style="list-style-type: none"> <li>• DH confirmed that TP executed the continuity plan and are reviewing lessons learned from the episode including communications and delivery of priority processes. TP are now implementing the recovery plan.</li> <li>• TP will incur significant financial penalties through the SLA regime, and this should provide an incentive to ensure swift resolution of any future incidents.</li> <li>• Capita were due to produce a major incident report by 16th June. DH explained this is still being worked on and will be submitted to the Department when Capita have finalised it.</li> <li>• A further update will be provided to the TPSPB in July.</li> </ul>	<p>AP04/140617</p> <p>AP05/140617</p>

Agenda 9	<p><b>Commercial update :</b>  <b>Procurement update:</b></p> <ul style="list-style-type: none"> <li>• No TP staff were present to ensure that TP is in the same position as other potential providers within the re-tendering process.</li> <li>• Peter Springhall updated the sub-committee on progress of the project; this update has been shared with sub-committee members by e-mail.</li> </ul>	
Next meeting	20 September, TP, Lingfield Point, Darlington – times to be confirmed	

Minutes agreed (Chair):



Date: 23 June 2017

Confirmed by circulation to sub-committee members on 23 June 2017