

NORTHERN REGIONAL COLLEGE

AUDIT & RISK COMMITTEE

Minutes of the unreserved business meeting of the Audit & Risk Committee held on 9 March 2022 on Microsoft Teams, commencing at 5.02pm.

Present: Mrs L Crilly, Dr P Graham, Mrs P Martin, Mr W McCluggage (Chair), Mr D Small

In Attendance: Mr P Barr (NIAO), Mrs C Brown, Ms K Craig, Mr M Higgins, Ms D Kerr, Mr S Laverty, Mr I McCartney (RSM NI), Dr L Monteith, Ms H Sampson (DfE), Ms J Small

Mrs K Wallace (Secretary)

72.1 Apologies

Apologies were noted for Ms Beattie, Mr Conliffe and Mr Hutchinson.

The Chair welcomed Ms Craig and the new members to Committee, and introductions were made by all.

72.2 Declaration of Interests

Mr McCluggage's appointment to the NI Fraud Forum as Chair was recorded.

72.3 Minutes of the Last Meeting

The minutes of the meeting held on 17 November 2021 were approved.

Proposed: Mr McCluggage Seconded: Dr Graham

72.4 Matters Arising

- Committee heard that, having been agreed by the Governing Body on 22 February 2022, it was proposed to undertake an external competition to appoint an independent financial specialist to the Audit & Risk Committee. Members noted that this was within Committee's Terms of Reference and had been given approval by DfE.

The Chair, Mrs Crilly and Mr Murphy volunteered as panel members for the recruitment exercise.

Action: The Chair would draft invitation to tender details, which would be circulated to Panel members before being advertised.

- The countering fraud checklist would be addressed later in the agenda.
- Health & wellbeing update was included on the agenda.
- Members noted an update on digital tools, systems and supports. Principals would discuss FE Colleges' ability to trade, with the Department. These issues would also be considered at the College's strategy day on 11 March. Members noted that IP policies had been drawn up by the College.

72.5 Chair's Communication / Correspondence

Committee noted the NIAO Fraud Risk Guide and commented on the very useful case studies contained therein. Mr Laverty stated that aspects of the guide and checklist would be built into the College's anti-fraud policy.

A proposal to move the starting time for meetings to 4.00pm was agreed. It was also agreed that members preferred virtual meetings but a meeting would take place on-campus at least annually.

Action: Future meetings of the Audit & Risk Committee would be scheduled for a 4.00pm start, with one annual face-to-face meeting.

Consideration was given to the Terms of Reference, which had been updated to reflect current membership, and several small amendments were proposed. It was noted that the TOR was presented annually for approval and/or when any changes were required, eg membership.

Action: The revised Committee Terms of Reference would be presented at the GB meeting on 23 March.

72.6 Information Governance Reports

Consideration was given to the report for 1 September 2021 – 31 January 2022 and the link to a 'near miss' report was noted.

The Principal and Ms Kerr outlined methods being used to encourage staff to complete mandatory annual training and adhere to guidelines. Members were advised of trends in information requests, which were addressed within College procedures.

The minimal numbers of contraventions was commended, along with the willingness of staff to report breaches.

Action: The Chair will consider the potential for an Internal Audit review of Information Governance over the coming months, with Ms Kerr.

5.58pm Ms Kerr left the meeting.

72.7 Internal Audit

The following Internal Audit reports were noted:

- Complaints: Satisfactory assurance with no issues. Members noted there were no changes to the final version of this draft report.
- Teacher assessed grading (TAGs): Limited assurance with 4 medium and 4 low priority actions. The Principal and senior managers noted their disappointment with the results and advised that an action plan was now in place to address the findings by June 2022 and apply lessons learned to future programmes.

The Chair expressed disappointment at this result, which he noted was due to issues of process and record keeping. Dr Monteith confirmed that evidence on all mitigating actions would be provided.

Action: TAG report to be shared with the Education Committee before presentation at the GB meeting on 23 March.

- Safeguarding: Satisfactory assurance with 1 low priority finding, applicable at sector wide level. Dr Monteith welcomed the result and recommendation from this audit.

6.20pm Dr Monteith left the meeting.

- Progress report: Mr McCartney advised on completed and outstanding audits. He noted that a review of the College's management system would be carried out at the end of March, as part of a sector wide exercise. The remaining 2 outstanding audits would be completed by June 2022, with the annual assurance statement to be presented in September 2022.

The Chair commented that a review of the LMS would be useful to the sector.

- NRC Outstanding Audit Issues at 31 January 2022: Ms Craig took members through this report. She advised that the Internal Audit recommendations considered earlier would be included on the tracker spreadsheet after the meeting, having been approved by Committee.

The Chair emphasised the importance of progressing the Business Continuity and Disaster Recovery recommendations as soon as possible. He congratulated the Internal Auditors and the finance team on the significant reduction in outstanding risk.

72.8 External Audit

Mr Barr presented the final Report to Those Charged with Governance (RTTCWG) and confirmed that the two recommendations contained in the report had been accepted and implemented.

For the benefit of new members, the Chair outlined the sequence of reporting for the RTTCWG. He expressed satisfaction at the outcome of the audit and the continued positive relationship between the College and the NIAO.

The Principal explained the Departmental guidance on production of College accounts and the impact on financial adjustments, treatment on which had been agreed with the NIAO. Mrs Crilly made Committee aware that she was involved in the matter that led to an adjustment within public sector accounts.

The Chair commented on an increase to the estimated NIAO fee for the audit, and members noted Mr Barr's explanation that this reflected additional work carried out.

72.9 Risk Register

Consideration was given to the Risk Register at January 2022 and a number of recommendations put forward by Mr Laverty were noted. The Chair debated the status on several risks and noted SLT explanations of same. He would speak with the New Build Project Director on further reducing the risk status on the new build project and feed back through the project board. The Principal referred to reconsidering risk 9, as approval to proceed with a pay award for lecturers had only been received.

Action: Mrs Brown would review actions and risk status relating to Risk 2.

Risks classified as amber would be considered at the next meeting of Committee on 1 June.

The Risk Register would be recommended to the Governing Body.

Members expressed approval of the heatmap used for reporting on the register.

72.10 Registers

Committee noted the contents of the reports Gifts & Hospitality and Theft reports. The Chair noted and commended the Principal's social engagement on behalf of the College.

Mr Laverty highlighted that management and control reminders would be issued to all levels of staff in relation to fraud.

72.11 Health & Wellbeing Update

The update on activities from November 2021 to February 2022 was noted. Updates would be a standing Committee agenda item going forward.

72.12 Any Other Business

Members considered and debated the amount of reports and paperwork provided to Committee at each meeting, with differing opinions noted in relation to need for detail. The Principal highlighted the degree of reports from the external audit bodies but would ensure executive summaries of internal reports would be provided where possible.

Action: Members were asked to provide their views on reduction of Committee paperwork to the Chair, for review at the June meeting.

72.13 Date of Next Meeting

The next meeting would be held on 1 June 2022.

The Chair thanked members for their attendance and contribution to the meeting.

There being no other business, the meeting concluded at 7.07pm.

Mr W McCluggage



Chair

Date 1 June 2022

Mrs K Wallace



Secretary