

NORTHERN REGIONAL COLLEGE

AUDIT & RISK COMMITTEE

Minutes of the unreserved business meeting of the Audit & Risk Committee held on 10 March 2021 on Microsoft Teams, commencing at 5.00pm.

Present: Dr P Graham, Mrs M Hamilton, Mr W Hutchinson, Mr W McCluggage (Chair), Mr T Montgomery

In Attendance: Ms K Beattie (NIAO), Mrs C Brown, Mr B Bryson, Mr D Conliffe (DfE), Mr M Higgins, Ms D Kerr (68.7), Mr S Laverty, Mr I McCartney (RSM NI), Mr B McGahan, Mr B O'Neill (NIAO), Prof T Scott, Ms J Small

Mrs K Wallace (Secretary)

68.1 Apologies/Welcome

There were no apologies.

The Chair welcomed Ms Karen Beattie who would be representing NIAO for the 2021 audit and Mr Barney Bryson, newly appointed Head of Quality & Change to the meeting.

68.2 Declaration of Interests

None.

68.3 Minutes of the Last Meeting

The minutes of the meeting held on 18 November 2021 were approved.

Proposed: Dr Graham Seconded: Mrs Hamilton

Dr Graham clarified for members that his endorsement of the online training recorded in the minutes was related to the general online training provided to governors by NRC and not the annual Effective Governance Training provided by the Department.

68.4 Matters Arising

Members noted that the Annual Report and the Audit & Risk Committee Annual Report had been adopted at the Governing Body meeting on 18 November. Presentation of the Raising Concerns Policy to the Governing Body had been deferred to the March meeting, following approval by this meeting of Committee. All other matters arising had been included as agenda items.

5.10pm Mr Hutchinson joined the meeting.

68.5 Chair's Communication

The letter from DfE on internal audit assurance requirement 2021/22 was considered and discussed. The Chair addressed a number of queries to Mr Conliffe in relation to inter alia the possibility of the Department funding the assignment and the benefit of coordinating the Terms of Reference for the additional, sector wide audit.

ACTION: Mr Conliffe would connect with Internal Audit on the scoping of a draft, sector wide Terms of Reference in the first instance, and follow up with engagement through NIFON.

68.6 Correspondence

One item of correspondence had been received and discussed under Chair's Communication: DfE Internal Audit requirement (date) was noted.

68.7 Information Governance

Ms Kerr presented the Information Governance incident log and members noted no further action to be taken, following a response from the Information Commissioner's Office.

Ms Kerr updated Committee on information governance activities for the 3-month period 1 November 2020 – 31 January 2021 and responded to members' questions on proposed spot checks on data retention and file storage, and rollout of the digital communications policy. Ms Small advised that communications on the new policy would go out to staff in the coming weeks.

Members noted nil return to the FOI and Raising Concerns registers.

5.35pm Mr Higgins joined the meeting.

The updated Raising Concerns Policy was discussed and it was agreed that reference to the NIAO at paragraph 5.3 of the policy should be removed.

ACTION: The Raising Concerns Policy would be presented to the Governing Body on 24 March for approval, subject to amendment as above.

6.00pm Ms Kerr left the meeting.

68.8 External Audit

Mr O'Neill presented the final Report to Those Charged with Governance (RTTCWG). He reported no significant change to the draft document presented at the last meeting, other than certification of accounts. Mr O'Neill confirmed information on the NILGOSC pension and impact to the College of the backdated PSNI pay ruling, which would continue to be treated as an expenditure provision.

Members noted that Ms Beattie would take over the 2020/21 audit and that assurance requirements on the additional payments to students might feed into the external audit for the coming year.

Mr Higgins reported Finance Directors would meet with NIAO in the next few weeks to discuss lessons learned from the 2019/20 audit on adherence to submission time frames, whilst noting that NRC had submitted well within date.

68.9 Internal Audit

The Chair commended Internal Audit for the user-friendly layout of standardised reports.

Mr McCartney took members through the Progress Report on delivery of the current year's plan and noted that Assignment Planning Sheets (APS) had now been agreed with Mr Laverty.

In relation to the New Build Project Board Governance audit, Mr McCartney noted satisfactory assurance with one Priority 3 action. The Chair agreed with the recommendation made, which would be taken forward by the New Building Project Board. Mr McCartney highlighted good

practice in the project and stated that the project appeared to have been managed very well to date.

Mr McCartney presented the FE Sector Benchmarking report and highlighted the disparity between assurance levels used in the Northern Ireland and Great Britain. Members advocated that the information provided could be used to review trends and direction of travel, rather than as comparators.

Mr McCartney noted members' comments on the desirability of peer review with colleges in Northern Ireland for benchmarking purposes and agreed to report back on areas of best practice across the sector.

It was proposed that NIFON might consider with the Department how good practice could be shared to inform benchmarking across the NI region.

68.10 Progress against Outstanding Audit Recommendations

Mr Laverty spoke to the report noting that all outstanding recommendations should be completed by May, leaving only recommendations for the current year to be taken forward.

The Chair noted the delay to the original completion date for implementation of a staff survey process; also, that a formal asset management process had not yet been implemented in the College. He did note, however, the contributing factors to delays in respect to activities prioritised due to the pandemic on both issues and assurances that they would be finalised by the end of March. The excellent work being carried out by the IT team on rolling out the large number of additional laptops to staff/students, was also recognised.

Members' comments in relation to the additional security measures in place for Apple products were noted and governors were advised that the issues did not apply to the laptops being provided by the College.

68.11 Risk Register

Mr Higgins took members through a summary risk log showing risk points presented over the previous 12 months, along with a detailed review of current risk.

The Chair highlighted the detriment to business process improvement in the College from extensive business improvement resources being allocated to work full time on the delayed LMS. Members were advised that this was a situation being experienced across the sector.

The Chair noted the usefulness of the risk log showing the annual cycle of activities and members noted that the Risk Register would be submitted annually to the March meeting of the Governing Body.

68.13 Registers

Committee noted nil returns to the Direct Awards Contracts (DAC) and Gifts & Hospitality registers until the end of January 2021.

68.14 Any Other Business

The Chair referred to an email circulated to a selection of staff by Internal Audit, including a questionnaire. Mr McCartney agreed that, in future, communications from Internal Auditors would be notified to the Chair in advance of distribution.

Mrs Hamilton reported on the launch of the Community Renewal Fund under Budget 2021, to be administered directly from Whitehall, and would send links to the Secretary for circulation. The Principal reported a large drop in Erasmus and external funding and members noted that the College's External Engagement Forum was now in operation and would carry out horizon scanning across a wide remit.

In relation to upcoming Governing Body vacancies, Mr Conliffe advised that the Department intended to offer an extension to members whose terms were due to expire over the summer, with new appointments to be made in September.

68.15 Date of Next Meeting

The next meeting would be held on 2 June 2021.

There being no other business, the meeting concluded at 6.28pm.

Mr W McCluggage



Chair

Date 2 June 2021

Mrs K Wallace



Secretary