

## **NORTHERN REGIONAL COLLEGE**

### **AUDIT & RISK COMMITTEE**

**Minutes of the unreserved business meeting of the Audit & Risk Committee held on 20 April 2020 via Microsoft Teams, commencing at 5.00pm.**

**Present:** Mrs I Allison, Dr K McCambridge, Mr W McCluggage (Chair)

**In Attendance:** Mr D Conliffe (DfE), Mr M Higgins, Mr S Lavery, Mr A McKibbin (GT), Mr K Mooney (64.7), Mr B O'Neill (NIAO - by telephone), Mr P O'Neill, Prof T Scott and Mrs K Wallace (Secretary)

#### **64.1 Apologies/Welcome**

Mrs Eve, Mr Hutchinson and Ms Small.

The Chair welcomed Mr Brian O'Neill to his first meeting.

#### **64.2 Declaration of Interests**

None.

#### **64.3 Minutes of the Last Meeting**

The minutes of the meeting held on the 27 February 2020 were approved subject to inclusion of an action requiring a draft records management policy to be presented to the June meeting.

Proposed: Dr McCambridge

Seconded: Mr McCluggage

#### **64.4 Matters Arising**

Members noted:

- Guidance on information relating to sensitivity of data had been included with the COVID-19 presentation.
- Final DfE Partnership Agreement document had been received and would be circulated to Committee.
- RTTCWG target date in Progress against Outstanding Recommendations had been amended.
- Risk Register included in agenda.

#### **64.5 Chair's Communication**

Referring to the College's business continuity plan during the Coronavirus crisis, the Chair commended the Senior Leadership Team and staff members for their exemplary actions to date.

The Chair advised that, as quorum for a reserved meeting would not be achievable, a communication from Grant Thornton provided for consideration on the reserved business agenda, would instead be dealt with at the end of the meeting.

#### **64.6 Correspondence**

Four pieces of correspondence were noted:

- Budget 2020/21 letter to ALBs - to be considered at Resources Committee along with options to submit a revised College Development Plan in June 2020.
- ALB Approval Process - members noted that the outlined guidance had been factored into College financial controls and procedures.
- Tribal Action Plan - members noted the deadline for returns had been extended to the end of June 2020.
- Corporate Governance return - suspension of all returns until further notice. Mr Conliffe noted the possibility of an assurance statement being requested within the next few weeks.

#### **64.7 New Build Update**

Mr Mooney took members through the New Build update and highlighted key issues including the most economically advantageous tender (MEAT), the decant project, review of the tender process for Ballymena new build and the Gateway review. Mr Mooney advised that the decant contractor was off-site for 3 weeks and it was hoped that the contractor could possibly be back on site during the first week in May. The temporary cessation would not impact on having the decant school available for August 2020. Mr Mooney referred to an extension within the Coleraine timeframe owing to an inability to remove an electricity sub-station from the existing Coleraine campus due to prioritisation of works by NIE during the Covid-19 outbreak, the impact would continue to be monitored.

Members noted that overall the 2 new build projects could be demonstrated as affordable and the decant work was within the overall time requirements to open on schedule.

The Chair commended Mr Mooney and his team for achieving green/amber risk on this complex project at the current stage.

Mr B O'Neill left the meeting at 5.37pm.

Members noted the project risk register which contained analysis of all potential risks to the project.

5.43pm Mrs Allison joined the meeting.

5.44pm The Chair thanked Mr Mooney, who left the meeting.

## **64.8 COVID-19**

Prof Scott spoke to her presentation on 'Covid-19 - contingency planning and maintaining operations' and highlighted key issues, in particular, the update of the Business Continuity Plan and mobilisation of the Contingency Planning Group, chaired by Mr Higgins. Prof Scott thanked Mr Higgins for his work on contingency operations and the extended work on internal control logs under the remit of Estates and IT.

Prof Scott informed members that the DfE bid for additional resources to purchase IT equipment had not been successful and that provision of PCs to staff working at home had encountered difficulties. She reported on the continuity process, which had been managed from a risk perspective via daily meetings, and noted that the focus was now turning to planning for return to operations and moving back into the College, as soon as possible.

Members noted that remote operation for payments and salaries to staff, students and contractors had been successful and Prof Scott expressed thanks to the Department for providing cash funding. She alerted members to a number of potential liabilities, eg refunds being claimed by students for courses being delivered online, which some colleges had referred to the Department.

Members noted the next steps in the process and concerns around continuing uncertainty in relation to vocational qualifications, equality of estimation and appraisal by the two separate regulatory bodies, student access to internet and devices and timing for students finishing courses.

6.08pm Mr B O'Neill re-joined the meeting.

Mr Higgins reported on plans being considered to enable a return to College and noted that a risk assessment would be completed to ensure a safe and proper working environment was in place including access to necessary PPE.

Mr Higgins advised that a system of social distancing would be considered. He highlighted the importance of accessing PPE in the future but noted that the College could not currently compete against the NHS, which urgently needed essential supplies.

The Chair referred to the possibility of the College producing its own PPE.

**ACTION:** The opportunity to explore new learning to be considered at a Governing Body meeting.

Mr Lavery referred members to the finance control log, created to record evidence of systems put in place to respond to the changing working environment. He summarised the key purpose of the changes, which were working successfully. Members noted that this was a working document and would be updated as changes occurred.

Mr Lavery noted the Chair's suggestion for new methods of working to be extended/updated, where possible in order to facilitate the potential for extended remote working, eg use of electronic signatures on internal claims.

Reference was made to the need to ensure a clear audit trail of contractors' payments to staff on furlough, to ensure compliance with Covid-19 regulations. Mr Higgins confirmed that the College would seek to have internal audit carry out an inspection of same. Members noted that the Internal Auditors were currently working with the College to complete the audit programme, including IT security, and would complete the audit programme to ensure they were ready for the end of year assurance confirmation.

#### **64.9 External Audit**

Mr B O'Neill had no business to report. He advised the Committee on the new Director overseeing the audit and that he will be in attendance at future A&R Committee meetings.

#### **64.10 Risk Register**

Mr Higgins updated members on changes to the risk register at 31 March 2020, in particular in relation to increasing the risk rating for risk 1 and risk 2. Members noted that a Procurement Manager had now taken up position.

Prof Scott outlined concerns around the College's inability to recruit a Business Development Team due to reduced budget and the need to address this with the Department through an in-year funding bid. This was especially pertinent to the College's responsibility, as a publicly funded organisation, to work with the Department on addressing business needs, which would be substantial once the current lockdown situation was lifted.

The Chair advised that he was in communication with the Director of Further Education on the budget position.

#### **64.11 Any Other Business**

None.

#### **64.12 Date of Next Meeting**

The next meeting will be held on 4 June 2020.

The Chair sent his regards to Mr Taylor and the team at Grant Thornton.

6.37pm Mr McKibbin left the meeting.

#### **64.6 Chair's Communication**

The Chair referred members to the communication from Grant Thornton.

Mr Higgins reminded members that the Internal Audit contract held by Grant Thornton was due to end in June 2020 and that Mr Lavery was currently working with CPD on progressing a new contract. In the meantime, Mr Higgins had written to Grant Thornton to ask if they would be willing to consider an extension and a response had been received, which was summarised by Mr Higgins.

Mr Lavery outlined the sectoral requirements for an internal auditor and members noted scrutiny and assurance was also provided to Colleges through external inspections by eg ETi, the TfS process and the annual Accountability meeting.

Members noted that a meeting of NIFON was being held on 23 April and that any updates would be reported back to Committee. Members noted that the internal audit procurement will be processed to have in place for summer 2020.

There being no other business, the meeting concluded at 6.56pm.

Mr W McCluggage

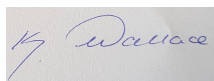
  
Chair

Date

04.06.2020

4 June 2020

Mrs K Wallace



Secretary