

Pre-Meeting with Auditors

Governing Body members of the Audit & Risk Committee met with representatives from KPMG, DfE, and NIAO prior to the full committee meeting, at 5:15pm.

Minutes of the meeting of the Audit & Risk Committee held on 9 March 2017 at Farm Lodge, Ballymena commencing at 5.30pm.

Present: Dr D Lennox (Chair), Cllr Jim Brown, Mrs J Eve, Cllr B Hutchinson

In Attendance: Mr Chris Andrews (DfE), Dr S Brankin, Mr D Hewitt, Mr M Higgins,
Mr K Mooney (item 50.8 only), Mrs C O'Hagan (NIAO), Ms E Patton (KPMG),
Mr J Poole (KPMG), Prof T Scott.
Mrs C Robinson (Secretary)

With members agreement the New Build Project presentation was taken as first item of business. Dr Lennox advised that the report of the Gateway Review for the New Build project went directly to the SRO. However, following discussion at the last meeting the Committee had agreed it would be useful to have a presentation detailing progress. The Chair welcomed Mr Mooney (SIB Project Manager) to the meeting.

50.8 New Build Project

Mr Mooney outlined the six key stages of the Gateway process used on government funded projects to review progress against best practice and detailed the categories within the RAG system to describe the status of the project. He reported that the Gateway for NRC project had been commissioned by the SRO in November 2016 and had been carried out by three peer reviewers appointed by CPD. A Gateway 2 review had been applied as the business case had been approved by DFP in March 2016, and that review took place prior to commencing procurement of the design team. Mr Mooney advised that the Gateway review commenced early in the process and the College anticipated that two issues would be highlighted in the report; purchase of land and the building schedule of accommodation. He explained that the output was a confidential report confirming an overall amber status, with twelve recommendations and a timeline for completion. The status of the review and the recommendations, however, did not stop the project progressing. He reported that three recommendations had been classed as critical and these had been progressed, with the remaining nine to be addressed before the end March 2017.

Mr Mooney walked members through the action plan circulated, highlighting details on progress against each of the twelve recommendations. He highlighted that the three critical recommendations had, along with some of the other recommendations, already been completed and reported to the Project Board's December meeting. The team was ahead on all outstanding recommendations and Mr Mooney indicated that he was confident that all would be completed by the end of March deadline. Mr Mooney stated that the Department was content with the progress and confident that the project would proceed to the procurement stage.

Mr Mooney responded to Dr Lennox's query on the recommendation about the risk register stating that this had been addressed by developing an issues log which was linked to the corporate risk register and was now monitored regularly.

Members praised the progress made on the project. Cllr Brown congratulated the Principal and COO on their negotiations with the Church of Ireland in relation to the purchase of additional land and enquired about risk around the building costs.

Prof Scott advised that the gateway review was a safeguarding process which provided assurance. She further advised that Mr Mooney had been seconded from SIB to manage the project and ensure appropriate process/protocols were in place to manage the cost of the build. Regular updates were also provided to the Project Board. Prof Scott and Mr Mooney confirmed that the early gateway review had been timely and extremely helpful. Prof Scott also referred to additional oversight available through liaison with SIB professionals seconded to manage other College projects.

The Committee noted that Mr McCluggage represented the Governing Body on the Project Board

Dr Lennox commended work on the project noting that the Gateway provided the Committee and Governing Body with a helpful assurance.

50.1 Apologies

Apologies from Mr S Lavery and Prof M McKinney were noted.

50.2 Declaration of Interests

There were no declarations of interests.

50.3 Minutes of the Previous Meetings

(i) 9 November 2016

The minutes of the meeting held on the 9 November 2016 were agreed. The Committee noted that the action relating to the accounts had been completed.

(ii) 18 January 2017

The minutes of the meeting held on 18 January were agreed. All actions had been addressed.

50.4 Matters Arising

As noted in item 50.3.

50.5 Chairperson's Communications

Dr Lennox indicated he had nothing to report.

50.6 Correspondence

Members noted the documents relating to fraud and theft circulated for information and agreed it was useful to be aware of issues.

Dr Lennox referred to the comments made by the Comptroller & Auditor General in the RTTCWG and to Mr Lynn's letter advising of the review of the SIP by the NIAO prior to the audit of the 2016/17 accounts.

Ms O'Hagan outlined the stages involved in a marking study and advised that the review would commence week beginning 13 March 2017 with conclusion expected by early May.

Members noted the possibility of a delay if any complications arose, as the work was being fitted in around other scheduled NIAO work. Ms O'Hagan indicated that the report on the marking study was an internal report. She also noted that the final draft would be checked with management for factual accuracy prior to sharing with the C&AG.

Prof Scott thanked Ms O'Hagan for the additional points of clarification with regard to the process. She highlighted the recent volume of reporting and stressed the importance of a more focussed review of relevant documents on this occasion. Prof Scott spoke about the tribal recommendations and the process linking each of these to the SIP KPIs. The paper documenting the timeline for this process was referenced as a useful guide for the audit.

50.7 Internal Audit Review of SIP

Dr Lennox provided an overview of the context to the internal audit review and invited Ms Patton to present the report.

Mr Poole commenced by outlining the context of the report, the basis for the assignment along with the rationale for interpretations.

Ms Patton spoke to the report highlighting the scope and approach of the review; the outcome of the review of outstanding recommendations from 2015/16 and the findings of the consultation on the progress in the implementation of the SIP.

Ms Patton drew attention to the recommendations of the previous audit report and progress made by the College in addressing the recommendations. She advised on the interim arrangements in place with the Change Management Team. Within their findings, Ms Patton referred to the College and Department agreeing a protocol for the closure of issues that become business as usual, along with a mechanism to monitor operational effectiveness. Ms Patton also advised that some of the recommendations had been completed/superseded and in relation to the 18 actions reviewed, two actions had been identified as complete by management whilst Ms Patton noted a difference in the timing of the action being completed. The comments were noted.

Members discussed and agreed that, as the main issues had been covered, it was not necessary to consider each action individually. Members indicated that they were content with the report and expressed confidence in the work undertaken by management to progress the SIP. The differences of opinion were acknowledged.

Dr Lennox reported that he had attended a meeting of the SIP Committee convened the previous week at which it was an opportunity to review the draft report. The work undertaken to reach this stage had been recognised by the SIP Committee and issues around assurance had been noted.

Dr Lennox advised that the report did not provide for a formal management response within the body of the report. However, a response had been prepared by management to address the two of the 18 actions where a difference of opinion had been expressed in terms of timing.

Members took time to read the tabled management response which provided detail on the difference of opinion in respect to the timing of two actions. Following a brief discussion members supported the Chair's proposal that the document outlining management's comments would be appended to the Internal Audit Report.

Mr Andrews reported that from a Departmental perspective, he was content with the outcome of the review.

Members noted the large volume of material provided by management to Internal Audit and acknowledged the time officers spent preparing and supporting the review.

50.9 Any Other Business

Dr Lennox advised that Cllr Brown's term on the Governing Body was coming to an end at end March and that this was his last committee meeting. He expressed thanks on behalf of members for his long commitment to the Committee and wished him well.

Mr Andrews outlined the Department's position with regard to EA representatives noting that it was not possible to extend the appointments.

50.10 Date of Next Meeting

The next scheduled meeting of the Committee was confirmed as Wednesday 12 April 2017 at 5.15pm.

The meeting concluded at 7.15pm.

Dr D Lennox David Lennox
Chair

Date 3/5/17
3 May 2017

Mrs C Robinson Chaire Robinson
Secretary