MINUTES OF A MEETING OF THE AUDIT AND RISK COMMITTEE OF THE GOVERNING BODY OF SOUTHERN REGIONAL COLLEGE HELD ON TUESDAY 09 JUNE 2026 AT 17:30 IN CONFERENCE SUITE PORTADOWN CAMPUS OR VIA TEAMS

MEMBERS PRESENT:
Mrs Hilary Singleton, Chair
Mrs Geraldine Campbell
Mrs Patricia McCaffrey (Teams)
Mr Andrew Sloan
Mrs Sharon O'Hare (Teams)

IN ATTENDANCE:
Dr Thomas Moore, Governing Body Chair (Teams)
Mrs Lee Campbell, Principal/Chief Executive & Accounting Officer
Mrs Michelle Khan Assistant Director of Finance
Mrs Pauline Wilson, Dept. for the Economy (DfE) (Teams)
Mr Tomas Wilkinson, NI Audit Office
Mr David Archibald Henderson Loggie (Teams)
Mrs Fiona Cullen,NIAO
Mr Conor Shields, NIAO
Ms Libby Shackels Director of Curriculum

The meeting commenced at 17.30

Mrs Singleton welcomed everyone to the meeting.

ACTION by whom

A01. WELCOME AND APOLOGIES FOR ABSENCE

Apologies were made for Ms Cullan and Mr Shields.

A02. DECLARATION OF CONFLICT OF INTERESTS

The Chair reminded Members to declare at the commencement of the meeting any conflict of interests held regarding any matters to be discussed. There were no declarations of conflict of interests.

A03. MINUTES OF THE MEETING HELD ON 18 NOVEMBER 2025 AND 09 MARCH 2026

The minutes of the meetings of the Audit and Risk Committee (ARC) for 18 November 2025 and 09 March 2026.

Both sets of minutes were approved as an accurate record proposed by Mr Sloan and seconded by Mrs G Campbell.

A04. MATTERS ARISING

Mrs Singleton took members through each of the action points.

- Members to be updated on current climate change guidance/best practice, College actions, and any associated risks.

The adaptation report was submitted on 27 March 2026 with the deadline being 31 March 2026. A verbal update will continue to be provided to members of this committee. An annual sustainability report will also continue to be presented to the Governing Body. Action closed.

- Members to undertake Raising Concerns training.
  Once training has been fully approved staff and members of the Governing Body will be able to complete this training. This action remains open until the training course has been issued.

- Management to update ARC on the Risk and Control Environment encompassing services outsourced to external providers.
  This date for completion has now been extended to September 2026 when an update will be provided to the Committee.

- A sector AI framework to be shared with the ARC members.
  This date has now been extended by one year to June 2027 to allow the sector framework to be drawn up and agreed.

Members were reminded to flag any issues around the Horizon scanning risks throughout the course of the meeting. Action closed as addressed in standing CRR update.

A05. CHAIR'S BUSINESS

Mrs Singleton highlighted the NIAO Raising Concerns Good Practice guidance, issued in March 2026 which is a follow on from the previous 2020 guide.

Mrs Foster

Mrs Foster to upload this to the SharePoint folder for members to view.

Mrs Singleton also reminded members of the SRC Celebration of Success event happening tomorrow night in Canal Court Newry. If they wish to attend to let Mrs Foster know.

A06. INTERNAL AUDIT ANNUAL REPORT

Members noted the Internal Audit Annual Report 2025-2026 presented by Mr Archibald. All internal audit reports had an assurance rating of either 'good' or 'satisfactory.' The internal audit opinion confirmed that the college has adequate and effective arrangements for risk management, control and governance in place. No downward trends were identified in relation to risk management, control or governance.

A07. INTERNAL AUDIT REPORT 2025-2026

a) **CURRICULUM PLANNING & QUALITY OF LEARNING AND TEACHING-GOOD**
b) **MANDATORY DFE REVIEW – ASSURANCES ON COLLEGE PERFORMANCE DATA-GOOD**

c) **PAYROLL-SATISFACTORY**
d) **SPACE MANAGEMENT / ROOM UTILISATION- business process review**
e) **FOLLOW UP REVIEWS**

Mr Archibald took members through each report in detail outlining the rating the College received in each area audited. Members thanked Mr Archibald for the reports and commented positively on their content, layout and level of detail. Mr Archibald, in turn, recorded his appreciation of the College staff for their excellent communication and support throughout the process, noting that the level of cooperation had been very good.

Members noted that the travel policy relating to the payroll audit is due to be updated across the Sector, with CEF currently reviewing this matter. — Mrs L Campbell/Mrs Khan

It was also discussed that the College had previously received an 'overall' internal audit rating, and this may be required for the Governance Annual Assurance Statement.

Mrs L Campbell will check the guidance to determine whether an overall internal audit rating is required for the Statement. Mrs Khan will also raise this matter with NIFON. An update will be brought back to the Audit and Risk Committee (ARC) meeting in October.

Mrs Singleton and Dr Moore requested the Curriculum Planning internal audit be sent to the Chair of the Education Committee.

A08 External Audit Strategy 2025-2026

Mr Wilkinson took members through the report noting materiality level, significant audit risks, the proposed audit approach and timetable and changes to financial reporting guidance. The Further Education College Accounts Direction published by the Department on 27 February 2026 outlined a change in year end from 31 July to 31 March for the period ending 31 March 2026, resulting in an 8-month period of account.

Members were given the opportunity to ask questions. Members noted this report.

Ms Shackels joined the meeting at 18.50

A09 Inquiries of those charged with Governance.

Mrs Singleton explained that this document comes to her from NIAO for completion prior to the commencement of external audit field work. Member were content to note the responses provided.

Mrs L Campbell commented that a new ISA Inquiries of management document has been issued to her. She will populate this and submit same to NIAO. — Mrs L Campbell

A10. Corporate Risk Register

- **Students Numbers**

Mrs L Campbell took members through each risk on the risk register, highlighting any changes to the risk residual ratings and giving members the opportunity to ask questions.

Mrs L Campbell noted that, in respect of finance risk 1 the residual risk rating had increased and currently sits above the current agreed risk appetite. She explained that no budget has yet been issued but that she has received a 'contingency envelope' from the Department.

Mrs L Campbell explained that two risks now sit with a residual risk rating of medium/high, namely finance risks 1 and 5 in respect of sustainable student numbers.

In respect of Cyber/IT risk 2 members noted that the College has recently been re-accredited for Cyber Essentials Plus. It was agreed that this should be noted as an additional control with the wording of the control including CE+.

Risk 14 relates to the potential failure to successfully administer and deliver externally funded programmes and projects. Mrs L Campbell provided members with an update, advising that the restructuring of the team was approved in January 2026 and that implementation is ongoing. Appropriate controls are in place to mitigate the risk and ensure there is no adverse impact on the College.

Mrs L Campbell referred members to the horizon scanning update and noted the risk relating to the replacement HR Payroll System, to be considered as part of the Finance System Project and estimated to go live in 2029, will need to be added to the corporate risk register so it can be monitored more closely.

Mrs Shackels, Director of Curriculum attended this section of the meeting to answer members' questions around Risk 5 regarding the ability of the College to maintain sustainable student numbers.

Members had put written questions in advance of the meeting to Ms Shackels which she addressed through the course of the item. These included:

- How can we best create pathways for students which ensure we have a 'captive audience'?
- Is there an increasing trend towards students wishing to retain part-time jobs and study part-time?
- What current and likely future trends regarding enrolments and retention issues can you detect from data and stats available to you?

Mrs L Campbell reassured members student retention and enrolments are a key focus of the College's Education Committee.

Ms Shackels assured members that student retention and performance are monitored through a robust College-wide process, with each Head of Faculty maintaining responsibility through their own faculty risk registers.
Members were advised that all data must be verifiable and is subject to rigorous quality assurance processes. Data recorded within the EBS system is cleansed and verified by the Management Information Systems (MIS) team before being submitted to the Department, which receives live updates. In addition, three formal statistical returns are submitted annually in November, March, and July.
Curriculum teams review and challenge the data with MIS, with findings informing data performance meetings and directorate meetings. Key Performance Indicators (KPIs), including retention measures, are closely monitored. For Further Education (FE), retention rates are a key focus, while Higher Education (HE) performance is measured through attrition rates.

Members noted that both internal and external reports are used to assess performance, including outcomes from inspections and reviews. The College also analyses student

lifecycle data, including applications, withdrawals, and non-completions, to identify trends and areas for improvement.
Ms Shackels highlighted that the College's planning processes are robust and aligned with the Minister's priorities. Faculty Development Plans are linked to workforce planning, business cases, and budget clinics.

Ms Shackels highlighted the importance of the student voice. This is done via the Student Governor and student surveys.

Six weekly data performance meetings take place with Ms Shackels and the Heads of Faculty. This includes a drill-down of data including analysis of key trends and issues to provide the Principal/CEO and the Education Committee with assurance.

Ms Shackels reassured members that enrolment for 2026-2027 is currently stable.

Members thanked Ms Shackels for attending this evening's meeting.

Ms Shackels left the meeting at 19.43

A11. Contracts Management (Direct Award Contracts)

There have been no direct award contracts since the last meeting.

A12. DfE Compliance Audits

Nothing to note.

A13. Climate Change Update

Nothing to note.

A14 DAO Correspondence

a) **DAO (DoF) 02/26 Use and Approval of Confidentiality Clauses/Agreements**
b) **DAO (DoF) 03/26 - Northern Ireland Sustainability Reporting Guidance for NICS Departments 2025-26**
c) **DfE Raising Concerns Flowchart**
d) **DfE Fraud Allegations Flowchart**
e) **FE Accounts Direction 2025-2026**

Members noted the correspondence.

Mrs L Campbell informed members that cover sheets will now accompany each agenda item going forward. These will provide a summary of the paper, highlight key issues for consideration, and identify any decisions, actions or recommendations required from members.
Mrs Singleton requested that any future cover notes in respect of DAO's, NIAO or DOF or DFE guidance include details of any consequential actions required on behalf of the College.

A15- ANY OTHER BUSINESS

Mrs Singleton thanked Mrs Wilson for her attendance at the Audit and Risk Committee meetings and extended her best wishes for her retirement.
Mrs Singleton thanked everyone for attending the meeting.

A16 REVIEW OF MEETING

The next meeting of the Audit and Risk Committee is scheduled to take place on 20 October 2026 at 17.30 Hybrid Meeting either in the Portadown campus or via TEAMs.

The meeting concluded at 19.52

[redacted]

CHAIR

3.11.2026

DATE