

MEETING OF THE AUDIT COMMITTEE OF THE GOVERNING BODY OF SOUTHERN REGIONAL COLLEGE HELD ON MONDAY 9 MARCH 2020 AT 18.30 IN THE BOARDROOM, PORTADOWN.

PRESENT:

Mr John Nugent (Chair)
Mr Aidan McCormick
Prof. Gregory O’Hare (Skype)
Dr Eileen Stewart
Mr Matthew Turner

IN ATTENDANCE:

Mr Brian Doran, Chief Executive
Mr Andrew Saunders, Governing Body Chairman
Mr Terry McGonigal, Director of Finance and Planning
Mrs Heather Sampson, Dept. for the Economy
Mr Chris McCavana, Grant Thornton
Mr Jason McCallion, Price Waterhouse Cooper
Miss Lindsay Armstrong, Secretary to the Governing Body

The scheduled meeting began at 18.28.

A01. APOLOGIES FOR ABSENCE

Apologies for absence were received from Mr Tomas Wilkinson and Mrs Kimberley Neill McCready.

A02. DECLARATION OF CONFLICT OF INTERESTS

The Chair reminded Members to declare at the commencement of the meeting any conflict of interests held in regard to any matter to be discussed. No interests were declared.

A03. MINUTES OF THE MEETING 12 NOVEMBER 2019

The minutes of the meeting of the Audit Committee held on the 12 November 2019 were verified for accuracy and approved on the proposal of Mr Turner and seconded by Mr McCormick, subject to the amendment of a grammatical error on page 5.

A04. MATTERS ARISING

Members noted that all outstanding actions have been completed.

A05. CHAIRMAN’S BUSINESS

Mr Nugent welcomed Mrs Sampson and Mr McCavana to the meeting.

A06. INTERNAL AUDIT REPORTS

- Curriculum Planning & Resourcing
- Fraud, Whistleblowing & Bribery
- Internal Audit Progress Report

Mr McCavana referred Members to the previously distributed audit reports and advised that the Curriculum Planning and Resourcing audit was completed in September 2019 and resulted in a clean audit with no recommendations raised. Mr McCavana advised that the Fraud, Whistleblowing and Bribery audit conducted in November 2019 yielded one level 3 recommendation and one advice note to management.

ACTION BY WHOM

Mr McGonigal stated that all audits have been completed aside from the sector wide review and advised that no specified need has been identified by the sector for a collective audit across the regional colleges.

Mr Saunders questioned if there was merit in commissioning an audit into the sector's contingency plans. Mr Doran advised that the internal contingency plan on pandemic has been updated and shared with the Department. He advised that the Critical Incident Management Team, comprising of the Executive, is meeting on a weekly basis and responding to Public Health Authority advice regarding covid 19 coronavirus.

Mr Doran advised that the CIMT are putting contingency plans in place should any of the college campuses be required to close.

Members recommended tabling the pandemic plan at the next full Governing Body meeting and considered it would be essential that a lessons learned review be undertaken in due course.

Mr McGonigal advised that the recommendations arising from the Fraud, Whistleblowing and Bribery audit concerned updating the policy to include the roles and responsibilities of the Director of Finance and Planning and the requirement for refresher training for staff. He stated that management has accepted these recommendations.

Members requested that Grant Thornton confirm as to the sample size of testing.

Members noted the report.

A07. CORPORATE RISK REGISTER

Mr Doran presented the Corporate Risk Register which was last reviewed on 2 March. He advised that the risk has been reduced in relation to Risk 1; the College does not receive sufficient funding to successfully deliver CDP targets and outcomes. Mr Doran cautioned that this does not reflect the financial position for 2020-21 which will carry significant risk for the next academic term.

Mr Doran informed that the residual risk remains unchanged in regard to Risk 2; College fails to deliver its College Estates Strategy. He advised Members that the judicial review process regarding the Craigavon Estates Project has concluded and the outcome is awaited. He informed that the College have sought CPD legal opinion regarding a dispute raised by WYG.

Mr Doran informed that the risk remains unchanged in regard to Risk 3; absence of a joint 14-19 strategy and policy from DE and DfE, and advised Members that a college position paper has been developed and shared with DfE to help inform discussions.

Mr Doran advised that Risk 4; failure to deploy the new learner management system remains unchanged at medium/high rating. He informed that concerns had been raised between the tripartite working arrangement between Tribal and IT Assist at the STS Project Board.

Mr Doran advised that the residual risk remains high in regard to Risk 5; ineffective service provided by Property Services Division. He confirmed the appointment of a sector Project Manager and advised on ongoing difficulties regarding planned maintenance within the current arrangement.

Mr Doran advised that the residual risk was reduced at the January review on Risk 6; failure to maintain a positive reputation.

Mr Doran

Grant
Thornton

Mr Doran advised that the risk rating in regard to Risk 7; failure to provide a safe working environment, was unchanged at its review and informed Members of a new separate risk; impact of continued college services resulting from potential Coronavirus pandemic (Risk 15).

Mr Doran referred Members to Risk 8; an inability to recruit lecturing staff. He advised that a breakdown in TTD negotiations will not permit the college to address issues in the short term.

Mr Doran referred the Committee to new actions under Risk 9; failure to implement the new traineeship system.

Members reviewed Risk 10; potential data breach and were informed that GDPR training to staff is 99.9% complete.

Mr Doran advised that the risk remains unchanged in relation to Risk 11 and 12; leadership capacity and poor performance of essential skills curriculum and training provision in the School of Construction and Engineering.

Members noted that Risk 13 is to be removed following the restoration of a functioning Executive and associated Minister for the Economy.

Mr Doran advised on a reduction to Risk 14; uncertainty of EU exit arrangements.

Mr Doran referred to a new risk; potential industrial action taken by lecturer trade unions (Risk 16) and informed of a meeting of the Governing Body on 5 March to update Members.

The Committee noted the report.

A08. REPORT TO THOSE CHARGED WITH GOVERNANCE - FINAL

Mr McGonigal presented the Report to Those Charged with Governance. Members remarked on a very good overall report.

A09. DfE COMPLIANCE AUDITS

Mr McGonigal referred Members to the paper detailing a summary of DfE compliance audit for TfS and apprenticeships. The Committee noted the six audits yielded and overall financial error of 0.15%.

Members noted the report and sought clarification on the Department's position on funding of HLAs.

A10. POLICY REVIEW

- **Gifts & Hospitality**

Members noted curriculum changes to the Gifts and Hospitality policy and the creation of a procedural note.

- **Risk Management**

Members noted minor amendments to the Risk Management policy.

Both policies were approved on the proposal of Mr Turner and seconded by Dr Stewart.

A11. ANY OTHER BUSINESS

Mr Doran referred Members to the mid-year assurance statement and provided detail regarding the progression of post project evaluations.

Mrs
Sampson

Mr Doran confirmed that he has shared the Risk Assessment on the new Partnership Agreement with the Chair and Vice Chair, stated that it will be tabled at the next full meeting of the Governing Body and that the FE Director has confirmed her attendance.

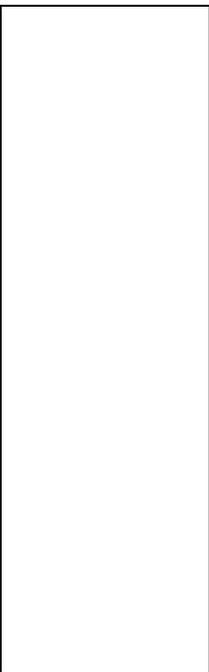
A12. DATE AND TIME OF NEXT MEETING

The next Audit Committee meeting will take place on Tuesday 12 May 2020 at 18.30 in the Portadown Campus.

The meeting concluded at 19.25.

CHAIR

DATE



Note: On Wednesday 11 March Mr Cavana provided detail on the fraud and whistleblowing sample size and detail on the cases reviewed.