

SOUTH EASTERN REGIONAL COLLEGE

Minutes of a Meeting of the Audit Committee of the Governing Body (the “Committee”)

held on Thursday 25TH April 2024 at 17:30, Lisburn Campus and via Microsoft Teams

Videoconference

1. Chairs Business

Attendance and apologies

Present: Mr Samuel Hagen, Mrs Carolyn King, Mr Darren Stewart, Miss Vikki Pinkerton

In attendance: Mr John Nugent (Chair of the Governing Body) Mr Tommy Martin (Chief Finance Officer) (the “CFO”) Mr Ken Webb (Principal), Mrs Claire Williamson (Secretary to the Governing Body), Mr Ian McCartney (RSM), Ms Belinda Tunnah (DfE), Mr Adam Jarman (NIAO Representative), Mr Andrew Emmett (Chief Technology Officer), Dr Michael Malone (Director of Curriculum & Information Services) Item 3B only

Apologies: Mr Mark Huddleston, Mr Michael McQuillan

In the Chair: Mr Hagen

b) Declarations of Conflict of Interests

The following conflicts were declared:

- The CFO declared his daughter is employed as a lecturer at the College.

No action was deemed necessary on any of the declarations made.

c) Minutes of the meeting held on 1st February 2024

Previously issued to all Members.

The minutes from the previous meeting were reviewed and members agreed they were a true and accurate reflection of the meeting.

Proposer: Carolyn King

Seconder: Darren Stewart

d) Action Points from the meeting held on 1st February 2024

Previously issued to all Members.

The Chair highlighted the actions were complete.

2) Correspondence

Papers previously issued to all Members.

a) ISA Enquiries

The Chair advised members that the correspondence at 002A.1 from NIAO was for noting.

3) Items for Information

Papers previously issued to all Members.

A) Strategic Risk Management Report

The CFO provided members with an overview of the current register provided at 004A.1 and highlighted there are currently 5 red and 2 amber risks. In summary the following points were highlighted:

- The CFO began by advising at the time of the risk management meeting there were 3 red and 3 amber risks and since then there have been some changes. He advised the red risk around industrial action had been downgraded as action short of strike had ceased and pay negotiations had been settled.
- The risk on financial viability is outdated and the pressure has been met with allocation received to cover the pay awards. In response to a question from the Chair the CFO confirmed that the College has not received a budget allocation for 24/25 and the Chair noted that with every spend the College are operating at risk.
- Moving onto the TAMs risk the CFO highlighted that frustratingly some of the discrepancies that been resolved previously have reappeared in the system and the team are falling back on manual workarounds again. He highlighted that while this is extremely burdensome on the team the manual workarounds are working well from an accuracy point of view.
- The Chair commented that the committee are assured that the College team are working well with the procedures but highlighted that there are concerns around the compliance process of TAMs and asked for a summary on the compliance audit for review.

Action: Summary of TAMs compliance audit requested by committee

Action: CFO to raise sharing of Risk Register at NIFON

b) Operational Risk Report

The Director of C&IS presented an overview of operational risks within his directorate, the following points were noted in discussion:

- The Director highlighted the risks around the recent industrial action including withholding student grades. The Chair of the GB noted that this work will be of benefit to the College having contingency plans in place is industrial action of this scale is used again.
- Moving on the Committee had a robust discussion around the new risk identified on Maintaining qualification availability and delivering qualification reform.
- The Director of C&IS advised that this risk is outside of our control and in simple terms it is a huge risk. He commented that awarding organisations will (if they haven't already) begin withdrawing from NI within the next year or 2. This means the College will be unable to enrol students on a recognised qualification.

Action: DfE to advise colleagues that the risk on Maintaining qualification availability and delivering qualification reform is escalating at speed and needs Departmental support to find a solution

c) IT Resilience Statement

The Chief Technology Officer talked to the written report provided at 003C and highlighted some of the key areas within the report. In response to a question from the GB Chair if some areas of the College are a higher risk than others in terms of IT, the CTO advised not if the College is working to cyber essentials.

Referring to the red risk on the strategic risk register the CTO advised that the risk around replacing older equipment is still real. He advised that despite the finance team providing funding to replace some of the equipment there are still 900 PCs that need replaced across the College, so far 635 have been replaced. He added that in order to manage this risk the IT budget needs to be significantly increased over the longer term.

4) Policies

Nothing to note.

5) Internal Audit

Papers previously issued to all Members.

a) Part time lecturer payments

Mr McCartney presented the report and advised that it Had received a satisfactory assurance rating. Members noted that 4 areas of good practice had been identified with no recommendations.

b) Progress report

Member noted the progress report.

c) Global Audit Standards

Members were asked to note the enclosed report for information.

At this juncture the CFO highlighted that the terms of reference that was in development for the TAMs review with RSM had not been agreed. He advised that the first draft had looked like a compliance review and given this work has already been undertaken by the Department he would ask RSM to re-exam the ToR to consider the TAMs system itself rather than the workarounds in place. The Chair agreed that the internal audit needs to have added value on top of the audit conducted by DfE.

Action: RSM to re-examine ToR for the upcoming TAMs review to ensure there is no duplication of work

6) Summary of Actions taken in Response to External & Internal Audit recommendations

Papers previously issued to all Members.

The CFO highlighted the papers at 006 and advised there is one recommendation ongoing in relation to the Conflicts of Interest policy which is now with the sector HR working group for approval. The priority 1 from 23/24 from the Safeguarding report will be implemented. when the follow up review is completed.

7) Fraud Update

Paper previously issued to all Members.

Members noted the Fraud report at 007 and the CFO highlighted that with respect to the previously reported case, the Department had asked the College to keep it open until the work with the Awarding Body's and disciplinary action had been completed. The CHRO is issuing the final report to the Department so this case can be closed.

8) Any other business

The Student Governor highlighted that a shortage of ADHA medication will impact on students taking exams this Summer and advised to mitigate the stress to students the Students Union plan to use resource rooms to assist students that need help.

Action: The Principal advised he will ask the Head of Learner Welfare to ensure students are aware of what support there is in terms of medical issues for exams.

The Chair referred to the work from the Governing Body and incoming reporting requirements on Sustainability and ESG. He highlighted that future audit would need to consider this work and requested if NIAO could advise the committee on these requirements as they develop.

Action: NIAO to consider and advice what else can be provided

The Chair declared the meeting closed at 7.00pm