

SOUTH WEST COLLEGE GOVERNING BODY

Minutes of a meeting of the **Audit & Risk Committee**
held on Wednesday 8 November 2023 at 3:30 pm
via Microsoft Teams

PRESENT:	Ms Siobhan Breen Mrs Maria Curran Mr Brian Ingram Ms Alana Jones Campbell Mr Patrick McKeown
IN ATTENDANCE:	Mr Patrick Barr, NI Audit Office Mr David Conliffe, DfE Mrs Joanne Lucas, Risk & Compliance Officer Ms Celine McCartan, Chief Executive Mr Ian McCartney, RSM Mrs Fiona McCauley, Secretary to the Governing Body Mrs Sharon McGrath, Director of Corporate Services Mr Brian McIllduff, Head of Quality & Student Engagement (<i>item 8.0 only</i>) Mr Pdraig McNamee, Director of Curriculum Mr Sean O'Donnell, Head of Finance Ms Sharon Pritchard, Student Engagement & Support Manager (<i>item 8.0 only</i>)
APOLOGIES:	Mrs Libby Armstrong

1.0 APOLOGIES

An apology was tendered on behalf of Mrs Libby Armstrong.

2.0 CONFLICT OF INTEREST DECLARATIONS

No conflict of interest declarations were made at this juncture. At a later point in the meeting Ms Jones Campbell declared her professional relationship with Inspire as an Associate Coach.

3.0 MATTERS ARISING FROM MINUTES OF PREVIOUS MEETING

PREVIOUSLY ISSUED to all members:

- Paper 03 Minutes of the Audit & Risk Committee meeting held on Wednesday 27 September 2023.

There were no matters arising from the minutes.

4.0 EXTERNAL AUDIT

Mr Barr explained that the new audit of the College's financial statements to 31 March 2023 had resulted in a delay in the commencement of the statutory audit of the College's Annual Report & Financial Statements for the year to 31 July 2023, and advised that the draft Report to Those Charged with Governance was not available for the

Committee's review at this meeting as a result. He added that the audit fieldwork is now substantially complete with no issues identified and that sectoral differences in the treatment of disclosures may need to be addressed.

The Committee Chair welcomed the early indications of an unqualified audit opinion in relation to the 2022/23 Annual Report & Financial Statements.

Following a discussion on the need for the Committee to review the Annual Report & Financial Statements and the Report to Those Charged with Governance in advance of their submission to the Governing Body, it was agreed to convene a special committee meeting in late November 2023 with a view to recommending the former to the Governing Body for approval.

AGREED: to convene a special meeting of the Audit & Risk Committee to consider the 2022/23 Annual Report & Financial Statements and the Report to Those Charged with Governance.

5.0 INTERNAL AUDIT

PREVIOUSLY ISSUED to all members:

- Paper 05.01 Report on Progress of the 2023/24 Internal Audit Plan
- Paper 05.02 RSM Emerging Risk Radar.

With reference to paper 05.01, Mr McCartney highlighted the forthcoming commencement of internal audit reviews of Quality Management and Safeguarding and the postponement of the review of Health & Safety. He also drew attention to the RSM Report on Emerging Risks.

6.0 REPORT ON FRAUD AND RAISING A CONCERN

PREVIOUSLY ISSUED to all members:

- Paper 06 Report on Fraud and Raising a Concern.

Mrs Lucas reported on the assurance provided by senior managers that no fraud, bribery or corruption have been identified since the last committee meeting.

She then updated the meeting on the progress of the concerns previously reported, confirming that three of the four have been closed and that one is closed subject to the Governing Body's approval of the Freedom to Speak Up: Raising a Concern Policy. She outlined the nature of an additional concern recently received and undertook to report the outcome of the investigation underway in relation to this concern.

In response to a question on the scope for future anomalies in managers' teaching hours, Mrs Lucas commented on the need for continued monitoring of this area.

7.0 GOVERNANCE REPORT

PREVIOUSLY ISSUED to all members:

- Paper 07 Governance Report
- Paper 07.01 2023/24 Mid Year Assurance Statement
- Paper 07.02 Non Compliance Follow Up Report
- Paper 07.03 Corporate Risk Register
- Paper 07.04 Proposed Risk Appetite Statement

- Paper 07.06 2022/23 Complaints Report
- Paper 07.07 Freedom to Speak Up: Raising a Concern Policy
- Paper 07.08 NI Government 2020/21 Theft & Fraud Report.

7.1 Mid Year Assurance Statement

Ref: Management Report Section 1.0 and Papers 07.01 & 07.02

Mrs McGrath confirmed the submission of the 2023/24 Mid Year Assurance Statement to DfE and took the Committee through the status of the areas of non-compliance.

In response to a question on the severity of the risk posed by the functionality issues identified with the Trainee & Apprentice Management System (TAMS), management explained that the system had reached its storage capacity, that cash drawdown may be impacted, that South West College (SWC) is most affected due to its higher number of trainees and apprentices, that DfE are aware of the issues and that colleges' Non-Departmental Public Body (NDPB) status offers some protection in terms of cashflow. Mr Conliffe undertook to apprise DfE FE Finance colleagues of the potential cashflow issue.

7.2 Corporate Risk Register

Ref: Management Report Section 2.0 and Paper 07.03

Mrs McGrath reported that the residual risk score of eight of the risks on the Corporate Risk Register had remained the same following a recent review and that the residual risk score had increased for the remaining three risks. She then detailed the reasons for the increase in each case and outlined the mitigations in place.

7.3 Risk Appetite Statement

Ref: Management Report Section 3.0 and Paper 07.04

Ms McCartan explained that a Risk Appetite Statement had been prepared as an adjunct to the Corporate Risk Register and to further support governance in the College.

With reference to paper 07.04, Mrs McGrath then provided a description of the five levels of risk appetite identified and detailed the risk appetite proposed for Budget, Health & Safety, Performance, Cyber Security, Governance & Compliance and Service Provision.

The Committee Chair commented on the limitations of an 'averse' risk appetite and suggested that a 'minimalist' risk appetite may be more appropriate in some areas, following which it was agreed that a review of the proposed Risk Appetite Statement would be undertaken and presented to the Committee at a future meeting.

7.4 Audit Recommendations Follow Up Review – Management Schedule

Ref: Management Report Section 5.0

Mrs McGrath reminded the meeting that two internal audit recommendations remained outstanding at the previous meeting and confirmed that one had since been implemented and that the other will be implemented upon the Governing Body's approval of the Freedom to Speak Up: Raising a Concern Policy.

7.5 Report on Direct Award Contracts

Ref: Management Report Section 6.0

It was noted that no Direct Award Contracts have been awarded since the previous committee meeting in September 2023.

7.6 2022/23 Complaints and Compliments Report

Ref: Management Report section 7.0

Members commented on the low number and severity of complaints received relative to the scale of the organisation.

7.7 Policy Review

Ref: Management Report Section 8.0 and Paper 07.07

The Committee welcomed the proposal to appoint the Director of Corporate Services, the Head of People & Culture and the Head of Quality & Student Engagement as Raising a Concern Champions. In light of the priority to be given to concerns, it was suggested that 'Raising a Concern' should be used as the subject of any email raising a concern and that the Freedom to Speak Up: Raising a Concern Policy is amended accordingly.

AGREED: that the Freedom to Speak Up: Raising a Concern Policy be recommended to the Governing Body for approval subject to an amendment to state that 'Raising a Concern' is used as the subject of any emails raising a concern.

7.8 2020/21 NI Government Theft & Fraud Report

Ref: Management Report Section 9.0 and Paper 07.08

The Committee Chair commented on the high risk of fraud relating to grants and theft of assets given the nature of the College's business. Management acknowledged the risk involved and undertook to ensure that managers are provided with a copy of the 2020/21 NI Government Theft & Fraud Report to maintain awareness of the risk.

In response to a question, management reported a small number of cases of non-return of assets lent out during pandemic closures. It was noted that stock control and procurement are tightly controlled, that assets with a value of £3,000 or more are capitalized and tagged, and that a recent sample audit of the fixed asset register had found all fixed assets to be in place.

8.0 DEEP DIVE OF RISK ASSOCIATED WITH STUDENT MENTAL HEALTH & SAFEGUARDING

PREVIOUSLY ISSUED to all members:

- Paper 08 Safeguarding Risk Register.

Mr McIlduff & Ms Pritchard joined the meeting for this item.

With reference to paper 08, Mr McIlduff, supported by Ms Pritchard, presented the risk associated with safeguarding and failure to protect students' mental health and wellbeing, during which they detailed the potential causes and effects, the mitigations and controls in place and the planned additional actions. It was noted that the inherent high risk is de-escalated to medium risk with the application of controls.

In response to questions and comments from members, management then reported on the value and high uptake of the student counselling services offered by Inspire; advised that support services are available to students of all disciplines; spoke of the relative

challenge in identifying support requirements of work based learning and part-time students compared with full-time students due to lesser contact time; acknowledged the benefits of the introduction of in-house mentors in work placement settings; highlighted the responsibility of all members of staff in relation to safeguarding; and commented on the lessons learnt from the deep dive exercise.

The Committee Chair commented on the assurance offered by the report and thanked Mr McIlduff and Ms Pritchard for their contributions.

Mr McIlduff & Ms Pritchard withdrew from the meeting at this juncture.

9.0 AUDIT & RISK COMMITTEE ANNUAL REPORT

PREVIOUSLY ISSUED to all members:

- Paper 09 Draft Audit & Risk Committee Annual Report 2022/23.

The Committee Chair commented on the volume of work undertaken by the Committee in 2022/23 as demonstrated in the Audit & Risk Committee Annual Report. He highlighted the achievement of management in implementing the large number of recommendations outstanding at the beginning of 2022/23 and paid tribute to the previous Committee Chair and the Secretary to the Governing Body in managing and supporting the work of the Committee.

AGREED: that the Audit & Risk Committee Annual Report 2022/23 is agreed for submission to the Governing Body, the Accounting Officer and DfE subject to the inclusion of relevant information relating to the current meeting.

10.0 ANY OTHER RELEVANT BUSINESS

In acknowledgement of the forthcoming end of Ms Breen's tenure as Academic Staff Governor, Mr Ingram thanked her for her contribution to the Committee in the previous four year period and wished her well in her future endeavours.

11.0 REVIEW OF OUTSTANDING ACTIONS

PREVIOUSLY ISSUED to all members:

- Paper 11 List of Outstanding Actions

A review of outstanding actions was undertaken by the Committee. A revised list of outstanding actions is contained within Appendix A.

12.0 REFLECTION ON EFFECTIVENESS OF MEETING

Members conveyed their satisfaction with the effectiveness of the meeting.

The meeting concluded at 17:15.

**CONFIRMED AND ADOPTED BY THE GOVERNING BODY AT A MEETING HELD ON WEDNESDAY
15 NOVEMBER 2023**

CHAIRMAN



DATE 15/11/2023

SUMMARY OF OUTSTANDING ACTIONS

	Meeting Date	Minute Ref	Action
1	10/05/2023	7.0	A summary of the duties and responsibilities of the Governing Body within the Partnership Agreement to be drafted and considered in future training / strategic planning.
2	27/09/2023	4.3	Ms McCartan to consider the optimal timing of a review of HR processes.
3	27/09/2023	6.3	Recommendations of external audits to be tracked through the Audit Recommendations Follow Up Report.
4	27/09/2023	6.10	Ms McCartan undertook to explore the availability of support to the College from the Innovation Lab.
5	27/09/2023	6.11	Mrs McGrath to simplify the information provided in the IT Security Report.
6	27/09/2023	9.0	Mrs McCauley to liaise with Ms Murphy to develop a solution to ensure that the Strategy for the External Audit of the 2023/24 Annual Report & Financial Statements is appropriately scrutinized by the Committee.
7	08/11/2023	4.0	A special meeting of the Audit & Risk Committee to be convened to consider the 2022/23 Annual Report & Financial Statements and the Report to Those Charged with Governance.
8	08/11/2023	7.3	A further review of the proposed Risk Appetite Statement to be undertaken and presented to the Committee at a future meeting.