

**Belfast Metropolitan College Audit and Risk Committee 10.30am Monday 3 October 2022 via MS Teams
ONLY Minutes FINAL approved 14 November 2022**

Committee Members: Sam Snodden (Chair); Kay Collins; Jim McCall; Seamus McGoran

Management: Louise Warde Hunter, Principal & Chief Executive (P&CE); Aidan Sloane, Director of Corporate Services, Gillian Magee, Director of People and Place (DPP), Damian Duffy, Director of Sustainability and Partnerships (DSP); Laura Allen, Head of Finance (HoF); Lisa McCartney, Head of Corporate Development (HCD).

Auditors: Stephen Brannigan, Northern Ireland Audit Office; Ian McCartney RSMUK.

Observer: David Conliffe, Department for the Economy, Áine Ó'Keeffe, Boardroom Apprentice 2022/23

Clerk to the Governing Body: Gerry Crossan

AC01 22/23	<p>Quorum, Apologies, Welcome, Conflicts of Interest, Notice of AOB and Leadership Culture</p>
Chair	<p>Quorum: The meeting was quorate under the terms of Section 2 of Belfast Metropolitan College Audit and Risk Assurance Committee: Terms of Reference V4 22 June 2022 approved at GB81 21/22 22 June 2022.</p> <p>Apologies: Apologies received from Lisa McCartney.</p> <p>Welcome: Chair to welcome Stephen Brannigan, NIAO and Áine Ó'Keeffe, Boardroom Apprentice 2022/23 to the meeting.</p> <p>Conflicts of Interest: Conflicts of Interest: No perceived, potential or actual conflicts of interest under the terms of Section 8 of the Belfast Metropolitan College Standing Orders for the Governing Body V5 approved at GB81a 21/22 22 June 2022 were advised.</p> <p>AOB: No Items of AOB received at the meeting</p> <p>Leadership Culture: Chair noted our commitment to:</p> <ul style="list-style-type: none"> i) brave leadership and meaningful dialogue; ii) simpler governance; and, iii) engaging in the right spirit. (AC13 22/23 below refers)
AC02 22/23	<p>Minutes of the meeting held on 14 June 2022- DRAFT (PROPOSED FINAL)</p>
	<p>The Committee approved the Draft (Proposed Final) minutes of the meeting held on 14 June 2022.</p>
AC03 22/23	<p>Matters Arising from the minutes of the meeting held on 14 June 2022</p>
	<p>No matters arising that are not on the agenda of this governance meeting.</p>

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<p>AC04 22/23</p> <p>Chair</p>	<p>Governance Guidance and Information</p> <p>(a) Publications from the Department of Finance</p> <ul style="list-style-type: none"> • Finance Director letters (FDs) 2022 on Jun 15, 2022 12:00 pm; and, • Finance Director letters (FDs) 2022 on Jun 17, 2022 12:00 pm. <p>The Committee to access the documents on the Department of Finance website, to note the governance guidance and information provided, to note the information provided by Management and to consider the application to the governance and assurance framework in Belfast Metropolitan College.</p> <p>(b) DfE Returns Timetable for the period 1 August 2022 to 31 July 2023 - attached for information;</p> <p>(c) DfE Partner Organisation Assurance Statement April 2022 to September 2022 to be submitted early October 2022 (last considered GB06c 22 /23 21 September 22 Governance Guidance and Information) – submitted on 30 September 2022 as agreed at the Governing Body.</p> <p>The Committee:</p> <ul style="list-style-type: none"> • noted the action Management will take to meet governance requirements set down by DfE; and, • asked the Clerk and Management to align DfE reporting requirements with the ARAC agendas for the year 2022/23.
<p>AC05 22/23</p> <p>Chair</p>	<p>Notification of change to the internal control environment under Section 12d of Governing Body Standing Orders V5 22 June 2022</p> <p>None advised by Management at the date of the meeting.</p>
<p>AC06 22/23</p> <p>Chair</p>	<p>Chair's Business</p> <ul style="list-style-type: none"> • DfE ARAC Chairs' Group 4 October 2022; and, • DfE ARAC Training end October 2022 <p>The Committee noted business raised by the Chair.</p>
<p>AC07 22/23</p> <p>HoF</p>	<p>Financial Report</p> <p>(a) Financial Results 21/22 Draft September 2022 and Q4 2021/22 Financial Update; and,</p> <p>(b) Annual Report and Financial Statements 2021/22 DRAFTV1 14 September 2022 (circulated under cover of email Clerk to all participants 14 September 2022).</p> <p>Management advised the Committee on the key financial performance measures set out in the Group accounts, including:</p>

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	<ul style="list-style-type: none"> • the composition of the reported deficit, including the non-cash depreciation which is the largest element; • summary of the FE Sector outturn for 2020/21; • key funding streams that commenced in 2021/22; • key income and expenditure metrics and related capacity issues; and, • improved balance sheet position across the College and the FE sector. <p>The Committee noted the reported financial position provided by and the action taken by Management.</p>
<p>AC08 22/23</p> <p>NIAO</p>	<p>Northern Ireland Audit Office Business</p> <p>Stephen Brannigan advised the Committee on:</p> <ul style="list-style-type: none"> (a) status of the current audit; (b) changes to the risk assessment for the audit of 2022/23 accounts; and, (c) changes to the returns that will be sought for this audit. <p>The Committee noted the information provided by the NI Audit Office.</p>
<p>AC09 22/23</p> <p>RSMUK</p>	<p>Internal Audit Business</p> <p>Ian McCartney advised the Committee on the following issues:</p> <ul style="list-style-type: none"> (a) Status of outstanding actions set out in the Follow Up Report 8 July 2022; (b) Internal Audit Annual Assurance Report for 2021/22 (c) Internal Audit Plan 2022/23; (d) Internal Audit Progress Report 19 September 2022; and, (e) Covid 19 Lost Learning Internal Audit Requirement: <ul style="list-style-type: none"> • Letter D Blaney to K Webb 11 November 2021; • Letter D Conliffe to FE P&CEs and ARAC Chairs 6 September 2022. <p>(last considered AC20 21/22 15 November 2022)</p> <p>The Committee noted that:</p> <ul style="list-style-type: none"> • that the profile of the audit work reflected the risk profile faced by the College; • few recommendations are coming through and the Committee draws assurance from this on the effectiveness of Management action to maintain an effective risk and internal control environment; • the Satisfactory Assurance provided by Internal Audit for 2021/22; and, • the Covid 19 Lost Learning Internal Audit Requirement as advised by DfE. <p>The Committee approved the Internal Audit Plan for 2022/23.</p>

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<p>AC10 22/23</p> <p>HoF HCD</p>	<p>Compliance Reporting for Q4 2021/22</p> <p>Management advised the Committee on the following key compliance issues:</p> <ul style="list-style-type: none"> (a) Losses and special payments – 1 loss reported and Management took action to improve the internal control environment in response to this;; (b) Direct Award Contracts – 1 DAC reported and Management took advice from CPD on the issue; (c) Register of Gifts and Hospitality – nil return; (d) Whistleblowing Notifications – nil return; and, (e) Register of Data Breaches – nil return for Q4 and Management too action to address all potential data breaches during 2022/23. <p>The Committee noted the information provided by and the action taken by Management.</p>
<p>AC11 22/23</p> <p>HCD</p>	<p>Status of Outstanding Audit Recommendations</p> <p>(a) Status of Outstanding Audit Recommendations Q4 2021/22 –</p> <p>Management advised the Committee on the following key issues:</p> <ul style="list-style-type: none"> • Nil return for Q4 2021/22; • 12 recommendations addressed; • 22 carried over to Q1 2022/23; and, • Further work has been undertaken to improve communications and coordination of actions across relevant teams. <p>The Committee note the information provided by and the actions taken by Management.</p>
<p>AC12 22/23</p> <p>HCD</p>	<p>Risk Management Report</p> <p>(a) Corporate Risk Register (CRR) Report Q4 2021/22; and, (b) Corporate Risk Register Q4 2021/22.</p> <p>The Committee:</p> <ul style="list-style-type: none"> • reviewed the CRR Q4 2021/22; • recommended CRR Q4 2021/22 to the Governing Body at the meeting on 16 November 2022; • noted the revised risk scoring and narrative reflecting ongoing Management action; and, • noted the action Management are taking to update the CRR Q1 2022/22 to be reported to the ARAC and Governing Body in November 2022; and, • noted the work being undertaken by DfE on the standardisation of Fraud Risk Assessment methodology across the FE sector. <p>Management advised on the current issues as The Committee thanked Management for the high quality of the reporting on all aspects of the assurance, compliance and risk management framework.</p>

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AC13 22/23	<p>Meeting Feedback</p> <p>Leadership Culture: Chair will seek feedback as to how well we lived up to our aspirations asking what worked well and what could be improved (AC01 22/23 above refers).</p>
AC14 22/23 Chair	<p>Any Other Business</p> <p>Management advised the Committee on the current issues and challenges with the Apprenticeship financial systems.</p>
AC15 22/23 Chair	<p>AC15 22/23 Date of next meeting</p> <p>Governance Business Programme 22/23 Cycle 2: The second meeting of the Audit and Risk Assurance Committee during 2022/23 will be AC16 22/23 at 3.00pm on Monday 14 November 2022 in the Titanic Quarter Boardroom and via MS Teams. (AC28 21/22 15 November 2021 refers)</p> <p>Governance Business Programme 23/24 Cycle 1: The first meeting of the Audit and Risk Assurance Committee during 2023/24 will be AC01 23/24 at 3.00pm on Monday 18 September 2023 in the Titanic Quarter Boardroom and via MS Teams.</p> <p>The Clerk will diarise these governance meetings in colleagues' Belfast Met Outlook calendars in September 2022.</p> <p>The meeting ended at 11.40am.</p>

Chair of Belfast Metropolitan College
Audit and Risk Assurance Committee

Sam Snodden



Signature

14/4/22

Date

