

**Belfast Metropolitan College Audit and Risk Assurance Committee 3.00pm Tuesday 14 June at Titanic Quarter Boardroom and via Microsoft Teams Minutes FINAL approved 3 October 2022**

**Committee Members:** Sam Snodden (Chair); Kay Collins; Jim McCall.

**Management:** Louise Warde Hunter, Principal & Chief Executive (P&CE); Aidan Sloane, Interim Director of Development and Digital (IDDD); Damian Duffy, Interim Director of Curriculum; Gillian Magee, Director of People and Place, (DPP); Laura Allen, Head of Finance (HoF), Lisa McCartney, Head of Corporate Development (HCD); Siobhan Lyons, Head of Business Development (HBD) (AC54d 21/22 only)

**Auditors:** Karen Costley and Patrick Barr, Northern Ireland Audit Office; Ian McCartney RSMUK.

**Observer:** David Conliffe, Department for the Economy

**Clerk to the Governing Body:** Gerry Crossan

**AC43 21/22 Quorum, Apologies, Welcome, Conflicts of Interest, Notice of AOB and Leadership Culture**

Chair

**Quorum:** The meeting was quorate under the terms of Paragraph 2.2 of the Terms of Reference for the Audit and Risk Committee V3 15 June 2021 (3 Governors).

**Apologies:** Apologies were received from Seamus McGoran.

**Welcome:** No new participants.

**Conflicts of Interest:** No **perceived, potential, or actual** conflicts of interest under the terms of Paragraph 15.1 of the Belfast Metropolitan College Governing Body Standing Orders dated August 2015 were advised.

**AOB:** No Items of AOB received at the meeting.


**Leadership Culture:** Chair **noted** our commitment to:

- i) brave leadership and meaningful dialogue;
- ii) simpler governance; and,
- iii) engaging in the right spirit. (AC55 21/22 below refers)

**AC44 21/22 Minutes of the meeting held on 14 March 2022 DRAFT (PROPOSED FINAL) 4 April 2022**

Chair

The Committee **approved** the Draft (Proposed Final) minutes of the meeting held on 14 March 2022 without amendment.

Agenda Item	
<p><b>AC45</b> <b>21/22</b></p> <p><b>Chair</b></p>	<p><b>Matters Arising from the minutes of the meeting held on 14 March 2022</b></p> <p>Fraud Risk Assessment Report as at May 2022 (<a href="#">AC39 21/22 14 March 2022</a> refers).</p> <p>Management have reworked the Audit Risk Assessment in line with the Guidance from DfE. Management advised on the historically low level of fraud discovered in the College.</p> <p>The DfE observer advised that the Department was reviewing the approaches agreed at NIFON and being applied at all FE Colleges – sector-wide analysis from DfE would be available later in 2022. Management agreed to include the risk of the manipulation of examination results in the next iteration of the Fraud Risk Assessment Report.</p> <p>The Committee <b>noted</b>:</p> <ul style="list-style-type: none"> <li>• the reformatting of the risk assessment; and,</li> <li>• the content, structure and mitigation scoring of the risk assessment.</li> </ul>
<p><b>AC46</b> <b>21/22</b></p> <p><b>Clerk</b></p>	<p><b>Governance Guidance and Information</b></p> <p>(a) <b>Publications from the Department of Finance and Northern Ireland Audit Office</b></p> <ul style="list-style-type: none"> <li>• Finance Director letters (FDs) 2022 on May 12, 2022 12:00 pm; and,</li> <li>• Dear Accounting Officer letters (DAOs) 2022 on May 12, 2022 12:00 pm.</li> </ul> <p>The Committee Members to <b>access</b> the documents on the Department of Finance and NIAO websites, to <b>note</b> the governance guidance and information provided, to <b>note</b> the information provided by Management and to <b>consider</b> the application to the governance and assurance framework in Belfast Metropolitan College.</p>
<p><b>AC47</b> <b>21/22</b></p> <p><b>Clerk</b></p>	<p><b>Notification of review of relevant policies and procedures</b></p> <ul style="list-style-type: none"> <li>•  <a href="#">Data Protection Policy</a> – v4 approved 26 May 2022.</li> </ul> <p>The Committee <b>noted</b> the review, approval and publication of the above policy.</p>
<p><b>AC48</b> <b>21/22</b></p> <p><b>Chair</b></p>	<p><b>Chair’s Business</b></p> <p>(a) Withdrawal of the FE Audit Code: Letter D Conliffe DfE to FE ARAC Chairs 31 May 2022.</p> <p>(b) AO (DoF) 3/18 30 March 2018: Department of Finance’s (DoF) Audit and Risk Assurance Committee Handbook (NI).</p> <p>The DfE Observer advised that any future review of the Terms of Reference of the Audit and Risk Assurance Committee should be informed by the DoF Guidance.</p> <p>The Committee <b>noted</b> Chair’s Business.</p>
<p><b>AC49</b> <b>21/22</b></p> <p><b>HoF</b></p>	<p><b>Financial Reporting for Q3 2021/22</b></p> <p>(a) Q3 2021/22 financial update – last considered <a href="#">RC48 21/22 8 June 2022</a></p>

Agenda Item	
	<p>Management advised the Committee on the key issues that had already been considered by the Resources Committee including:</p> <ul style="list-style-type: none"> <li>• action taken to implement the capital plan;</li> <li>• extremely close monitoring of expenditure; and,</li> <li>• ongoing work to align income and expenditure for the year 2021/22.</li> </ul> <p>The Committee <b>noted</b> the information provided by and the action taken by Management.</p>
<p><b>AC50</b> <b>21/22</b></p> <p><b>NIAO</b></p>	<p><b>Northern Ireland Audit Office Business</b></p> <p>(a) Belfast Metropolitan College Audit Strategy 2021/22.</p> <p>NIAO colleagues advised the Committee on the key elements of the audit strategy for the audit, including materiality, focus, timetable and audit team.</p> <p>The Committee asked NIAO if the audit strategy took account of the exponentially rising costs across the economy. The NIAO advised that this issue was covered in the assessment of the College as a Going Concern. Management advised that all budgetary discussions with DfE were recognising the impact of cost inflation.</p> <p>The Committee asked if the audit would be online or on-site. NIAO advised that the Audit Team will be working with the College Finance Team in the light of the College’s Return to Campus Policy and its impact on the audit timetable.</p> <p>Management confirmed that the Finance Team were aware of the timetable and were able to meet the audit and reporting deadlines.</p> <p>The Committee:</p> <ul style="list-style-type: none"> <li>• <b>noted</b> the information provided by the NI Audit Office;</li> <li>• <b>advised</b> the NIAO that there were content with the approach, that it had no further comments to make in relation to the audit risk assessment by the NIAO and members of the Committee were not aware of any issues that would impact on the audit.</li> </ul>
<p><b>AC51</b> <b>21/22</b></p> <p><b>RSMUK</b></p>	<p><b>Internal Audit Business</b></p> <p>(a) Repairs and maintenance review;            (b) Internal Audit Progress Report June 2022;            (c) benchmarking of Internal Audit Findings – Belfast Met; and,            (d) RSM’s conformance with IIA Standards and Codes of Practice (Jan 22).</p> <p>Internal Audit colleague advised the Committee on the key issues arising from each of the reports.</p> <p>The Committee commended Management on the satisfactory assurance provided by the repair and on the maintenance of an effective internal control in the College as evidenced</p>

Agenda Item	
	<p>by IA reports and the Benchmarking of Internal Audit Findings across the NI FE sector presented by IA.</p> <p>The Committee <b>noted</b></p> <ul style="list-style-type: none"> <li>• the IA reports presented by Internal Audit and Management responses to these reports; and,</li> <li>• the assurance on the quality of RSM service provision as set out in the conformance review.</li> </ul>
<p><b>AC52</b> <b>21/22</b></p> <p><b>DCS</b> <b>HCD</b></p>	<p><b>Compliance Reporting for Q3 2021/22</b></p> <p>(a) Losses and special payments – nil return;</p> <p>(b) Direct Award Contracts – 2 contracts which have been discussed with CPD and approved by the P&amp;CE as Accounting Officer;</p> <p>(c) Register of Gifts and Hospitality Q3 2021/22- - nil return;</p> <p>(d) Whistleblowing Notifications – Management advised the Committee on the action taken by Management on the Notification that was first raised at the last ARAC Meeting;</p> <p>(e) Register of Data Breaches – 6 potential breaches, 1 was reported to ICO but not yet fully confirmed as a breach, 5 were confirmed as breaches, investigated and closed.</p> <p>Management advised the Committee on the key issues arising from the compliance reports.</p> <p>The Committee <b>noted</b> the information provided by and the action taken by Management.</p>
<p><b>AC53</b> <b>21/22</b></p> <p><b>HCD</b></p>	<p><b>Status of Outstanding Audit Recommendations</b></p> <p>(a) Status of Outstanding Audit Recommendations Q3 2021/22</p> <p>Management advised the Committee:</p> <ul style="list-style-type: none"> <li>• on the new and closed out recommendations;</li> <li>• on the remaining recommendations which will be carried over into Q4 2021/22; and,</li> <li>• that all remaining outstanding recommendations are low priority and arise from IA reviews and cross sectoral policy development action.</li> </ul> <p>The Committee <b>noted</b> the information provided by and the actions taken by Management.</p>
<p><b>AC54</b> <b>21/22</b></p> <p><b>DPP</b> <b>HCD</b></p>	<p><b>Risk Management Report</b></p> <p>(a) Corporate Risk Register Report Q3 2021/22;</p> <p>(b) Appendix 1 Corporate Risk Register Q3 2021/22;</p> <p>(c) Appendix 2 Risk Assessment Checklist; and,</p> <p>(d) Development and Digital Directorate Risk Register June 2022.</p>

## Audit and Risk Assurance Committee

Agenda Item	
	<p>The DfE Observer asked about the action being taken to manage recruitment risk. Management advised the Committee on the current metrics around this issue and the action that Management are taking to manage the risk.</p> <p>The Committee:</p> <ul style="list-style-type: none"> <li>(a) <b>noted</b> the information provided by and the action taken by Management; and,</li> <li>(b) <b>agreed</b> to recommend the Corporate Risk Register Q3 2021/22 as presented to the Governing Body at the meeting on 22 June 2022.</li> </ul> <p>The Committee welcomed Siobhan Lyons, Head of Business Development to the Committee.</p> <p>Management advised the Committee on the key elements of the management of risk across the Centre for Economic Development and Social Inclusion, in a highly demanding multi-stakeholder compliance environment.</p> <p>The Committee asked if there was a replacement for the Erasmus Programme. Management advised on the emerging scheme which the College will be applying to in 2022/23.</p> <p>The Committee:</p> <ul style="list-style-type: none"> <li>(a) <b>noted</b> the information provided by and the action taken by Management; and,</li> <li>(b) <b>thanked</b> the Head of Business Development for the insightful presentation on the Directorate Risk Register.</li> </ul>
<b>AC55</b> <b>21/22</b>	<p><b>Meeting Feedback</b></p> <p><b>Leadership Culture:</b> Committee members advised the Chair that they believed the conduct of the meeting provided evidence of Governing Body commitments.</p>
<b>AC56</b> <b>21/22</b>	<p><b>Any Other Business</b></p> <p>None advised as at the meeting.</p>
<b>Chair</b>	
<b>AC57</b> <b>20/21</b>	<p><b>Date of next meeting</b></p> <p><b>Governance Business Programme 22/23 Cycle 1:</b> The <b>first</b> meeting of the Audit and Risk Committee during 2022/23 will be <b>at 3.00pm on Monday 19 September 2022</b> in the Titanic Quarter Boardroom. This meeting is in participants' Outlook calendars.</p> <p><b>Governance Business Programme 22/23 Cycle 4:</b> The <b>fourth</b> meeting of the Audit and Risk Committee during 2022/23 will take place at <b>3.00pm on Tuesday 13 June 2023</b> in the Titanic Quarter Boardroom and via Microsoft Teams. The Clerk will diarise this meeting in participants' Outlook calendars in June 2022.</p> <p>The meeting ended at 4.30pm.</p>
<b>Chair</b>	

**Audit and Risk Assurance Committee**

**Chair of Belfast Metropolitan College  
Audit and Risk Assurance Committee**

**S Snodden**



*Samuel M Snodden*

3 October 2022

**Signature**

**Date**