

MINUTES OF THE SEVENTH MEETING OF THE AUDIT AND RISK COMMITTEE OF THE GOVERNING BODY OF THE NORTH WEST REGIONAL COLLEGE HELD IN THE BOARDROOM, STRAND ROAD CAMPUS, ON MONDAY 19 JANUARY 2009 COMMENCING AT 5.45P.M.

PRESENT: Mr D McMahon (Chair)
Miss E Cavanagh
Prof F Monds

IN ATTENDANCE: Mr S Murphy (Director)
Mr P McKeown (Assistant Director, Finance)
Mr M Pitt (PWC, Internal Audit, Partner)
Mrs H Smyth (PWC, Internal Auditor, Manager)
Mr S McCormick (NIAO, External Auditor)
Mr D McClelland (Secretary)

7.1 APOLOGIES

The Secretary reported that DEL had informed him that Mr R Monds would be replacing Mr D Reid as DEL Observer at future meetings.

7.2 MINUTES OF MEETING HELD ON 17 NOVEMBER 2008

Subject to a minor correction to time of next meeting it was proposed by Prof Monds seconded by Miss Cavanagh and agreed that the minutes were an accurate record of the meeting.

7.3 MATTERS ARISING

6.3 (5.7) Appointment of staff. The Director reported that the post of Quality Manager would be an acting post for 1 year and that an internal trawl for the post would be taking place shortly.

7.4 CHAIRMAN'S BUSINESS

The Chair wished all present a happy new year.

7.5 DAO LETTER (Ref: minute AC6.4.2)

The Director reported that, with minor amendments, the policy approved by the Temporary Executive Committee was in line with the advice given in the letter.

7.6 KPMG REPORT ON CTS (Ref: minute AC6.4.3)

The Chair said that he had still received no word about the report. The Director reported that his meeting with DEL appeared to be in order to clarify accuracy. The External Auditor said that he understood that DEL was issuing a copy of the report with a covering letter to the Chair of the Governing Body. It was agreed to await the outcome of this development. However the Chair expressed the view that members of the Audit & Risk Committee and members of the Finance & General Purposes Committee should see the report before signing off Annual Accounts.

- 7.7 ANNUAL REPORT AND FINANCIAL STATEMENTS (Ref: minute AC6.6)**
The External Auditor reported that DEL had set 31 January 2009 as the date for returns to be with the Department. The Assistant Director considered that the outstanding issues could be resolved to a degree which should satisfy audit requirements. The External Auditor confirmed his view that members should see the KPMG report prior to signing off accounts.
- 7.8 AUDIT & RISK COMMITTEE ANNUAL REPORT (Ref: minute AC6.7)**
It was agreed that this matter could not be progressed at this time.
- 7.9 RISK MANAGEMENT REPORT**
The Director reported that the Group had met on 12 January 2009 and that there were no items to bring to the Committee's attention. In reply to a question he indicated that action plans in respect of risks would form part of the twice yearly full risk management reports to the Committee. He also confirmed that departmental risk registers were being developed.
- 7.10 INTERNAL AUDIT: STATUS REPORT (Ref: Paper AC7.10)**
The Internal Auditor (P) referred to the amendments to the Plan as discussed at the last meeting. He also reported that all reviews were on schedule. He enquired about possible subject areas for the value for money review. It was agreed that he would bring suggestions to the next meeting.
- 7.11 INTERNAL AUDIT: PRESENTATION OF FINDINGS (Ref: Papers AC7.11.1 & AC7.11.2)**
7.11.1 Management of Externally Funded Projects. The Internal Auditor (P) reported that, following the review, the overall assurance rating was considered to be 'satisfactory' with the key process of 'adequacy and robustness of project management governance arrangements' awarded a 'limited' assurance. He outlined the recommendations identified in the Finding and the favourable responses which management had made to them. In relation to the Installer Academy enrolments the Director indicated that it was unclear at this stage if overfunding or underfunding had taken place. A member enquired about potential conflicts of interest between the College and CTS. The Director said he understood that senior college staff were no longer part of CTS management. In reply to another question the Assistant Director indicated that, at present, not all financial issues had been resolved with the company.
The Chair thanked the Internal Auditor for such a full and comprehensive report.
- 7.11.2 Review of Estate Management, Maintenance Planning and Energy Management.** The Internal Auditor (P) reported that, following the review, the overall assurance rating was considered to be 'satisfactory'. He also outlined management responses to the recommendations made in the Finding. A discussion took place on the response to the 'adequacy and effectiveness of reactive maintenance processes' recommendation following which the Assistant Director indicated that he would proceed to initiate a procurement process to establish a suppliers' list for reactive maintenance work.

ACTION

IA –
suggestions
for value for
money issues
to next
meeting

The Chair then enquired about the recommendation to consolidate legal documents. It was agreed that this should include the provision of a standardised ready reference system.

7.12 CODE OF CONDUCT FOR GOVERNORS (Ref: paper AC7.12)

The Internal Auditor (P) reported that the amendments suggested at the meeting last June had been incorporated into the document. He agreed to ensure that Section III covered all legal aspects of the promotion of equal opportunity. It was proposed by Prof Monds seconded by Miss Cavanagh and agreed to recommend to the Governing Body the adoption of the Code of Conduct for Governors. The External Auditor suggested that the document was worth sharing across the sector. The Chair indicated that he would consult the Governing Body on this issue.

7.13 ANY OTHER BUSINESS

None.

Date of next meeting: It was agreed to meet again on Monday 23 March 2009 at 5.30pm in Strand Road Campus.

This being all the business the Chair closed the meeting at 7.05pm

ACTION

Chair – bring recommendation to GB meeting & consult GB on sharing Code across the sector.