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**MINUTES OF THE FORTY FIRST MEETING OF THE AUDIT & RISK COMMITTEE OF THE GOVERNING BODY OF THE NORTH WEST REGIONAL COLLEGE HELD IN THE BOARDROOM, NORTHLAND BUILDING, STRAND ROAD ON MONDAY 6 MARCH 2017 AT 1700.**

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**PRESENT:**

Mr P Laughlin, Chair  
Mr S Atcheson  
Dr N Hand  
Mr A Magee

**IN ATTENDANCE;**

Mr L Murphy (Principal & Chief Executive)  
Mr P McKeown (Director of Finance & Economic Engagement)  
Mr B O'Hara (Internal Auditor, KPMG)  
Ms C O'Hagan (NIAO)  
Mr C Andrews (DfE)  
Mr D Lavery, HoD, Science, Technology & Creative Industries  
(for presentation only)  
Mrs É Doherty (Governance Secretary)

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The Chair welcomed everyone to the meeting with an extended welcome to Dr Nigel Hand who was attending his first Audit & Risk Committee meeting.

**41.1 APOLOGIES**

Apologies were received from Mrs R Dougherty, Mrs C McFarland and Mr S Gillespie.

**41.2 CONFLICT OF INTEREST DECLARATIONS/DECLARATIONS OF ANY OTHER BUSINESS**

There was no conflict of interest declarations/no declarations of any other business.

**41.3 MINUTES OF THE MEETING HELD ON 21 NOVEMBER 2016**➤ **PREVIOUSLY ISSUED TO ALL MEMBERS**

Draft Minutes of the Meeting held on 21 November 2016

The minutes were taken as read and agreed were an accurate record of the meeting.

**PROPOSED:** Mr S Atcheson

**SECONDED:** Mrs R Dougherty (post meeting)\*

**40.3.1 MATTERS ARISING – meeting held on 21 November 2016****40.4 Chair's Business**

To recommend to the Governing Body acceptance of the Annual Report of the Audit & Risk Committee for the Financial Year 2015-16.

**Action:** Report accepted by the Governing Body at their meeting on 26 November 2016.

**40.5 Management Report**

- To recommend approval to the Governing Body of the Annual Report and Financial Statements 2015-16.
- To recommend approval to the Governing Body of the Bribery Policy.
- To recommend approval to the Governing Body of the Gifts & Hospitality Policy.

**Actions:** Approval for all three recommendations within 40.5 above were approved by the Governing Body at their meeting on 26 November 2016

**41.4 CHAIR'S BUSINESS**

The Chair had no further business to discuss.

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**41.5 RISK MANAGEMENT, RISK REGISTER & IDENTIFICATION FOR SCHOOL OF SCIENCE, TECHNOLOGY & CREATIVE INDUSTRIES****➤ PREVIOUSLY ISSUED TO ALL MEMBERS**

Departmental Risks for School of Science, Technology & Creative Industries –Report 1  
Risk Identification for School of Science, Technology & Creative Industries – Report 2

The Chair welcomed Mr D Lavery, HoD, Science, Technology & Creative Industries to the meeting. The HoD brought members through the Department's four risks on the Risk Register as at February 2017, all of which were considered to be in the 'medium' risk category. Mr Lavery described the measures which were being taken to minimise each risk, the actions taken since the last review, together with further action planned with completion dates. Then followed a discussion on some of the issues the report had raised.

The Chair thanked Mr Lavery for his report.

*Mr Lavery left the meeting at this juncture.*

**41.6 MANAGEMENT REPORT – MR P MCKEOWN, DIRECTOR OF FINANCE & ECONOMIC ENGAGEMENT****➤ PREVIOUSLY ISSUED TO ALL MEMBERS**

Report 1            Direct Awards Contracts

The Chair invited the Director to present his report to the Committee.

The Director stated that since the date of the Direct Award Contracts to 24 February 2017 Report that was included with the Committee papers, the College had since made an application for a Direct Award Contract to the Department. The Director provided detail on this.

The Prompt payment for February 2017 was 95%.

The Chair thanked Mr McKeown for his report.

**41.7 INTERNAL AUDIT:****➤ PREVIOUSLY ISSUED TO ALL MEMBERS**

Paper AC 41.6    Progress Update 2016/17  
Report 1            Payroll  
Report 2            Procurement  
Report 3            Management of Third Party Contracts

The Internal Auditor reported that implementation of the Plan was ahead of schedule with three Reviews to be reported on at this meeting.

Members were reminded of the new revised system of prioritisations and internal audit opinions that were now in place, DAO (DoF) 07/16.

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**Payroll**

The Internal Auditor reported that a 'Satisfactory' grading was awarded with no issues in this area. Two good practice recommendations were made in respect to Payroll Procedures and changes to Standing Data.

**Procurement**

A 'Satisfactory' assurance rating was awarded with no issues identified.

**Management of Third Party Contracts**

The Internal Auditor reported a 'Satisfactory' grading awarded with one priority three issue in relation to Procedures in place to ensure services have been provided to satisfactory standards.

The recommendations were agreed by management.

The Chair thanked Mr O'Hara for his report.

**41.8 CORRESPONDENCE**

The Chair reported there had been correspondence received through the Committee. A holding letter has been sent out, further correspondence is currently being drafted. This correspondence is in relation to an ongoing issue.

**41.9 AOB**

There was no Any Other Business to discuss.

**DATE OF NEXT MEETING – 21 June 2017**

The Chair thanked everyone for their attendance and input to the meeting and closed the meeting at 1805.

**SIGNED: \_\_\_\_\_ (CHAIR)**  
**Mr P Laughlin**

**DATE; 21 JUNE 2017****• Item 41.3 Minutes of the Meeting held on 21 November 2016**

No other Governor present was able to second the minutes, as they were not in attendance at the meeting of 21 November 2016. Due to these exceptional circumstances, Mrs R Dougherty (Governor) was contacted after the meeting. Mrs Dougherty was in attendance for the 21 November 2016 meeting.

Mrs Dougherty was content to second the minutes as a true and accurate record. The Governance Secretary received e-mail confirmation of this on 7 March 2017. This was considered the best way of resolving the issue.