
MINUTES OF THE THIRTY EIGHTH MEETING OF THE AUDIT & RISK COMMITTEE OF THE GOVERNING BODY OF THE NORTH WEST REGIONAL COLLEGE HELD IN THE STAFF DEVELOPMENT ROOM, TOWER BUILDING, STRAND ROAD ON WEDNESDAY 22 JUNE 2016 AT 1600.

PRESENT:

Mr S Atcheson (Chair)
Mr S Gillespie
Mr P Laughlin

IN ATTENDANCE;

Mr L Murphy (Principal & Chief Executive)
Mr P McKeown (Director of Finance & Economic Engagement)
Ms E Patton (Internal Auditor, KPMG)
Ms C O'Hagan (NIAO)
Mr W Smyth (DfE)
Mrs E Doherty (Governance Secretary)

The Chair welcomed everyone to the meeting.

38.1 APOLOGIES

Apologies were received from Mrs R Dougherty, Mr G Killeen and Mrs C McFarland.

38.2 CONFLICT OF INTEREST DECLARATIONS/DECLARATIONS OF ANY OTHER BUSINESS

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

38.3 MINUTES OF THE MEETING HELD ON 04 MAY 2016**➤ PREVIOUSLY ISSUED TO ALL MEMBERS**

Draft Minutes of the Meeting held on 4 May 2016

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

PROPOSED: Mr P Laughlin

SECONDED: Mr S Atcheson

38.3.1 MATTERS ARISING – meeting on 4 May 2016**37.4 Chair's Business**

Secretary to forward a copy of the NAO checklist to all members.

Action; Copy sent to members on 4 May 2016.

37.7 Internal Audit

The Internal Auditor to refer to the Head of Internal Auditor with a request to review the assurance rating on the Complaints Handling Review.

Action: The Head of Internal Audit reviewed the report and it was his view that the satisfactory assurance rating previously awarded was appropriate.

The Director to request the Quality Manager to review the Complaints Handling Policy.

The Director reported that the Complaints Policy is a Sector agreed policy. The complaints procedure is College specific therefore this could be amended to include a ranking order and pathway. Members were content with this proposal.

Action; The Director to progress with this.

38.4 CHAIR'S BUSINESS**➤ PREVIOUSLY ISSUED TO ALL MEMBERS**

Paper AC 38.4 Self-Assessment Draft Report

The Chair referred members to the drafted Self-Assessment Exercise and indicated that the Secretary had compiled a file of evidence as part of the exercise. The self-assessment exercise will be reviewed annually in June.

Members were content with the assessment.

PROPOSED; Mr P Laughlin

SECONDED: Mr S Gillespie

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

Paper AC 38.5	Report 1	Prompt Payment
	Report 2	Single Tender Actions

The Director reported that 93% of invoices were paid within 30 days in the first 10 months to 31 May 2016, 95% of invoices in May 2016 were paid within 30 days. The Chair wished to commend the Director and the Finance Team in their great work.

There were no Single Tender Actions to report.

The Chair thanked Mr McKeown for his report.

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

Paper AC 38.6	Report 1	Progress Against Audit Plan 2015-16
	Report 2	Draft Internal Audit Strategy 2015/16 -2017/18, Annual Plan 2016/17 & Charter

The Internal Auditor referred members to Report 1, Progress against Annual Plan 2015/16 and the profile of work undertaken through the year. Ongoing Audit work continues on follow ups.

Draft Internal Audit Strategy 2015/16-2017/18, Annual Plan 2016/17 & Charter

The Internal Auditor reported that after discussions with The Director and Committee Chair, it was agreed to propose that the Financial Planning and Budgeting review be held back to 2017/18 (year 3). The Health & Safety review scheduled 2017/18 (year 3) be brought forward to 2016/17 (year 2). The Committee were in agreement with this.

AGREED ACTION; It was agreed the Internal Auditor amend the Paper. The Paper to then proceed to the Governing Body for approval.

PRESENTATIONS OF FINDINGS;**➤ PREVIOUSLY ISSUED TO ALL MEMBERS**

Paper AC 38.6 Report 3 Corporate Governance and Risk Management
 Report 4 Strategic and Corporate Planning

Corporate Governance & Risk Management

The Internal Auditor reported that the overall conclusion and assurance rating for Corporate Governance was a 'Substantial' grading with no issues.

Strategic and Corporate Planning

The Internal Auditor was also delighted to report the overall conclusion and assurance rating for Strategic and Corporate Planning was also awarded a 'Substantial' grading with no issues.

The Chair wished to commend the excellent result on both reviews.

The Chair thanked Ms Patton for her report.

38.7 EXTERNAL AUDIT – REVIEW OF AUDIT STRATEGY 2015/16**➤ PREVIOUSLY ISSUED TO ALL MEMBERS**

Paper AC 38.7 Review of Audit Strategy 2015/16

The External Auditor outlined the purpose of the Strategy, the intended approach, the materiality thresholds, the risks; a significant risk relating to misstatement in the financial statements was highlighted. This risk stated that the opening balances presented in the 2015-16 financial statements may not materially reflect changes brought about as a result of the introduction of the FE/HE SORP 2015. The External Auditor reported on the Audit responses to this risk. The Director added he would speak further on this under Any Other Business.

The External Auditor continued her report and referred to the Audit timetable and the personnel involved in the audit.

The Chair thanked Ms O'Hagan for her report.

38.8 CORRESPONDENCE

Correspondence received to be dealt with under Reserved Business.

38.9 AOB

The Director wished to add further to the previous item from the External Auditor regarding financial reporting. As stated the Financial Reporting Standard (FRS 102) has changed the format of how the financial statements will be prepared. Further Education Colleges will have to adopt this format for the July 2016 year end and the Financial Statements to 31 July 2015 will have to be restated. The Director will update the members during the transition.

The Chair thanked everyone for attending and closed this part of the meeting at 16:27.

Ms E Patton, Ms C O'Hagan and Mr W Smyth left the meeting at this juncture.

The meeting went into private session.

DATE OF NEXT MEETING – Wednesday 14 September 2016

SIGNED; _____ **(CHAIR)**
Mr Samuel Atcheson

DATE; 14 September 2016