H

AUDIT & RISK COMMITTEE

8 February 2024

BORDERS COLLEGE REGIONAL BOARD

Committee Work Plan

1.0 PURPOSE OF PAPER
For discussion

1.1 To propose and discuss how best to address the items raised in the Committee Self-Evaluation.

2.0 EXECUTIVE SUMMARY

2.1 The latest Committee Self-Evaluation looked back over the year 22/23.

2.2 Feedback was good (see appendix 1) however some areas scored lower than others.

2.3 The lowest scoring statement was statement 7 'Audit Committee members receive reports that are comprehensive but concise and tailored to their needs, and the information they receive robust and objective' which scored an average score of 2.75.

2.4 The next lowest scoring statements was statement 3 'Audit Committee members have the right skills and expertise to enable them to challenge effectively'.

2.5 In order to address these and other items in the Self-Evaluation the following action plan is proposed.

2.6 Included in the action plan is a one off meeting to discuss in more depth a number of the items.

3.0 RECOMMENDATION(S)/ACTION(S) REQUIRED

3.1 It is recommended that the Committee: -

3.1.1 Discuss the action plan and agree any amendments to it.

4.0 COMMITTEE WORK PLAN

4.1

Area of Concern	Suggested Action	Owner	Timeline
Committee Reports – Quality and Content	• Find out what Members feel is missing.	Chair/Board Secretary/VP Finance	One off meeting tbc

Area of Concern	Suggested Action	Owner	Timeline
	• Find out what Members want to see in the reports.	Chair/Board Secretary/VP Finance	One off meeting tbc
Member's Skills - Training	• CDN Audit Committee training mandatory for all A&R Members. • Group discussions/deeper dives into particular areas of the Committee remit. • Agree what skills are missing (bearing in mind it's good for some Members *not* to have A&R experience) and hold ad hoc training/Q&A sessions at each meeting.	Board Secretary Chair/Board Secretary Chair/Board Secretary/VP Finance	ASAP – complete training within three months of joining Committee Next meeting One off meeting tbc and ongoing
Understanding the Role	• Committee reviews Terms of Reference each year – are they fit for purpose, are they clear and easily understood? • Link to training above.	Board Secretary/VP Finance	May meeting
Compliance with all relevant legal/regulatory matters, corporate governance requirements and good practice guidance	• Find out what Members might expect to see or have presented for scrutiny in this area. • Remind Members that links to key	Board Secretary/VP Finance	One off meeting tbc

Area of Concern	Suggested Action	Owner	Timeline
	documents such as the Public Finance Manual are on the governance web pages.		
	• Carry out next self-evaluation at the end of the academic year.	Board Secretary	June 2024

5.0 IMPLICATIONS AND CONSIDERATIONS

5.1 Financial Implications

There are no direct financial implications from the contents of this report
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5.2 Learner Implications

There are no direct learner implications from the contents of this report.

5.3 Staff Implications

There are no direct staff implications from the contents of this report.

5.4 Equality and Diversity Implications/Equality Impact Assessment

There are no direct equality implications from the contents of this report.

5.5 Sustainability/Environmental Implications

There are no direct sustainability implications from the contents of this report.

6.0 RISK COMMENTARY

6.1 As with all Board business there are risks associated with governance and the business of the Board not being carried out properly and to its full extent.

7.0 CONCLUSION

7.1 Members are asked to discuss the items and agree a plan of action, accepting that this area will be revisited each year following the Committee Self-Evaluation exercise.

Ingrid Earp, Board Secretary

Previous Board or College Committee Approvals:

None

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For publication ☒	**Not for publication** ☐ **If not, why not?**

Appendix 1

Audit Committee Self-Assessment Review

Results

Self-assessment of the work of the Audit Committee is an important part of the whole College's continuous improvement and quality agenda. The results of this questionnaire will be collated and findings reported

Please answer each of the following questions using the rating scale shown.

Strongly disagree 1	Disagree 2	Agree 3	Strongly agree 4	Not sure 5

A	**The Role of Members**	Mem 1	Mem 2	Mem 3	Mem 4	Av Score
1	Audit Committee members clearly understand their roles and responsibilities and the part they play individually in the Committee.	4	4	3	3	3.5
2	There is training and mentoring available to help Committee Members fulfil their role.	3	4	4	3	3.5
B	**Committee Member Skills and Expertise**					
3	Audit Committee members have the right skills and expertise to enable them to challenge effectively.	3	4	4	2	3.25
4	The Chair has the appropriate skills and experience, and encourages open discussion and effective scrutiny.	4	4	4	4	4
C	**Behavioural and Operational Aspects of the Committee**					
5	The Audit Committee demonstrates an independent and challenging approach to its role.	4	4	4	3	3.75
6	Committee business is adequately reported to the College Regional	4	4	4	4	4

	Board both following each meeting and in an annual report.					
D	**Information and Support**					
7	Audit Committee members receive reports that are comprehensive but concise and tailored to their needs, and the information they receive robust and objective.	3	3	3	2	2.75
8	All papers are circulated sufficiently in advance (and none tabled) and distributed in sufficient time for members to give them due consideration, and papers make it clear to Committee members what they are being asked to do or agree.	3	4	4	4	3.75
E	**Activities and Functions**					
9	The Audit Committee considers reports and recommendations from external audit and regulators/agencies as appropriate and their implications for governance, risk management and control.	4	4	4	4	4
10	The Committee has an adequate and clear role in the review and compliance with all relevant legal and regulatory matters as well as corporate governance requirements and good practice guidance.	4	4	4	2	3.5
F	**Review of Committee Effectiveness**					
11	The Audit Committee assess its performance and effectiveness on a regular basis.	5	4	4	4	4.25
12	The Committee reviews and advises the Board of the internal and external auditors' assessment of effectiveness of the College's financial and other internal control systems.	4	4	4	3	3.75

If you have answered not sure or disagree to any statement, please provide a short explanation as to why to assist in finding a way forward to improve the Committee's performance.

Comment - Having only been on the committee for a short time I cannot say if it has assessed performance and effectiveness in the past, but not in my time on committee and no mention of or reference to previous assessments.

Although training is available, members could perhaps be made more aware of it and its usefulness in helping them understand the work of the committee and the best way to help the committee be effective.

Comment - Question 7 – reports are concise but if they are fully comprehensive why do we still have questions to ask? Can they be both concise and comprehensive?

Comment - I have answered the questions based on where we are at this moment in time (February 2023). Work has started in the committee to make improvements in the areas scored below 3.

I think an area which still requires more work is risk management.

Please use this space if you would like to provide any further comments.

Comment - Papers generally circulated in advance of meetings but have been a couple of late papers which make it hard to give good responses at the meeting. Also there have been a high level of typos, not just spelling mistakes which is not the best when dealing with audits and finances. Everyone makes mistakes and no one expects 100% accuracy 100% of the time, but perception could be that, if those writing the papers (most of which go on to be public documents) cannot be bothered to check their work, the why should anyone else? Does not give as good impression of how College is run. Tendency for papers to include too many acronyms without explanations/definitions.

I know that Dir of Finance has only been in post for a short time but her response to challenge has seemed a bit defensive, almost dismissive at times. Hopefully it will improve as she gets to grips with her role.

Very disappointed in new Board Member declaring that they were “not right” for this committee at their first meeting and then not turning up for next meeting without any notice of absence. Showed a complete lack of respect for the committee, not even being prepared to give it a try, and a lack of understanding of Board Member roles as the committee could easily have been left inquorate. Committee really needs a couple of new members who are prepared to get involved.