



AUDIT COMMITTEE 02.09.21

MINUTE OF MEETING HELD ON 2 SEPTEMBER 2021 AT 16:00

REMOTELY VIA MS TEAMS

Present	
Naomi Johnson (Chair)	Ian White
William Dowson	
Sue Irving	
In Attendance	
Joanna Campbell	Hugh Carr
Douglas Dickson	Lorraine Grierson
Scott Proctor	Robert Barnett, Head of Internal Audit (RSMUK)
Apologies for absence	
	Ann Hill

Item 1	Welcome and Apologies for Absence		
Paper No: Verbal	Lead: Naomi Johnson	Action Requested	Note
Discussion	<p>The Chair welcomed everyone to the meeting, in particular Robert Barnett, who would stand in for Philip Church.</p> <p>Apologies were offered on behalf of Ann Hill, and it was noted that Scott Proctor would be late to the meeting.</p> <p>The Secretary to the Board confirmed that the meeting was quorate.</p>		
Decision	N/A		
Action	N/A		

Item 2	Declaration of Interest		
Paper No: Verbal	Lead: Naomi Johnson	Action Requested	Note
Discussion	<p>Members agreed to indicate declarations of interest as appropriate throughout the meeting. No declarations of interests were received.</p>		
Decision	N/A		
Action	N/A		

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Item 3	Action Log		
Paper No: AUD0921-A	Lead: Naomi Johnson	Action Requested	Note
Discussion	<p>The Committee noted the content of the Action Log, and the Secretary to the Board provided the Committee with a verbal update relating to GDPR:</p> <ul style="list-style-type: none">➤ It was confirmed that Susan Patterson had taken up the role of DPO, replacing Lisa Powell.➤ S Patterson would be asked to provide a formal GDPR update to the Committee at a future date.➤ Staff Awareness sessions were ongoing.➤ DPIA training for managers would be arranged.➤ As GDPR staff training was mandatory, the Secretary to the Board would ascertain completion rates from HR and advise members. <p>J Campbell asked that consideration be given to TOR legislative requirements, i.e., reporting in to correct committee (GDPR, Safeguarding, etc). It was agreed that a flow chart showing committee reporting lines would be developed.</p> <p>It was agreed that all actions had been completed or would be addressed at this Committee.</p>		
Decision	The content of the action log was duly noted.		
Action	<p>A mapping exercise around legislative requirements would be undertaken and a flowchart showing legislative reporting lines would be developed. (Secretary to the Board)</p> <p>Reassurance that mandatory staff training was being undertaken would be provided to the Committee. (Secretary to the Board)</p>		

Item 4	Minute of the last meeting 1 July 2021		
Paper No: AUD0921-B	Lead: Naomi Johnson	Action Requested	Note
Discussion	<p>The Committee approved the Minute of 1 July 2021 as an accurate record of the meeting. S Irving proposed approval of the Minute, and this was seconded by W Dowson.</p> <p>S Proctor joined the meeting at 16.15.</p>		
Decision	The Minute of 1 July 2021 was approved.		
Action	<p>The Secretary to the Board would upload the approved Minute to the College website.</p>		

Item 5	Matters Arising		
Paper No: Verbal	Lead: Naomi Johnson	Action Requested	Note
Discussion	No matters arising were discussed.		
Decision	N/A		
Action	N/A		

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Item 6	Internal Audit		
Paper No: AUD0921-C	Lead: Robert Barnett	Action Requested	Discussion
Discussion	<p>R Barnett confirmed that an overall assurance rating of substantial assurance had been awarded to the College for its annual audit review and that the Code of Governance Report had previously been circulated. The review identified four low action points, in addition to those raised by the CDN review, and it was confirmed that an action plan had been agreed, containing appropriate implementation dates.</p> <p>The Code of Good Governance for Scotland's College states that it is a legal requirement for Board/Committee meeting documentation to be published. The Secretary to the Board confirmed that work was ongoing to update the College website with all documentation as appropriate. W Dowson stated that others within the sector had Board documentation on their main website, however, the College had a separate page and the Secretary to the Board agreed to liaise with the Marketing Department to ascertain whether the Board page could be included in the main site.</p> <p>The CoGG also states that the Audit Committee require an Assurance Framework to comply with the Code, which the Committee does not have at the moment.</p> <p>It was confirmed that Board members had participated in training.</p> <p>R Barnett stated that this was a very encouraging report and S Irving believed the report provided reassurance to the Committee.</p> <p>It was confirmed that separate reviews would be undertaken by CDN and RSMUK to follow up on the nineteen actions that had been identified in the reviews to ensure completion.</p>		
Decision			
Action	<p>CDN and RSMUK would further review to ensure actions identified had been completed.</p> <p>An Assurance Framework to be completed by Executive Leadership Team. Date to be agreed</p> <p>Website to be updated with Board papers by Board Secretary (6 months).</p>		

Item 6.1	Head of Internal Audit Annual Opinion / Internal Audit Plan		
Paper No: AUD0921-D	Lead: Robert Barnett	Action Requested	Discussion
Discussion	<p>R Barnett advised that the Annual Opinion summarised the work undertaken for the twelve months ended 31 July 2021 and an overall amber, green status had been awarded to the College. Further, R Barnett stated that the opinion considered that adequate and effective controls were in place, however, there was an opportunity to make further improvements. Good progress on the previous year was noted and members felt that this year's report provided comfort to the Committee. J Campbell stated that this report did provide comfort and endorsed actions taken.</p> <p>R Barnett confirmed that a full internal audit plan had been developed, and considered flexibility key in the current conditions. S Proctor considered that there would be a need to be very specific about what audits are to take place.</p> <p>The risk management processes had been evaluated and a risk register plan had</p>		

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been developed and had reviewed previous assurances, what was happening elsewhere in the sector and had been discussed with senior management and the Audit Committee. Strategic risks had been reviewed and a mapping document detailing the specific risk, proposed audit timing and proposed dates on which the outcome would be reported to the Audit Committee had been developed.

S Proctor considered that the plan provided comfort around the medium and longer-term framework.

It was suggested that business continuity be revisited in 12 months as this had been given a green light.

The following topics would be considered for audit:

- Whistle Blowing
- GDPR
- Hybrid Working
- Cyber security (in light of remote working)

Decision

The Committee approved the Internal Audit Plan presented by RSMUK.

Action

Item 6.2

Code of Good Governance

Paper No:
AUD0921-E

Lead: Robert Barnett

Action Requested

Discussion

Decision

As per item 6 above. This audit concentrated on areas outwith those covered at by recent external governance audit. The Committee welcomed the report but noted that it was important to ensure tracking of actions which was also noted in the external review.

Action

N/A

Item 7

Internal Audit Action Tracker

Paper No:
AUD0921-F

Lead: Lorraine Grierson

Action Requested

Discussion

Discussion

The Committee noted the content of the Audit Action Tracker and that of 17 actions, 14 were now fully complete.

Decision

The Committee noted the report.

Action

N/A

Item 8

Terms of Reference / Agenda cycle

Paper No:
AUD0921-G

Lead: Lorraine Grierson

Action Requested

Approval

Discussion

It was noted that although all Committee TORs had been cross referenced to Governance documents and the Governance Audit Report, to ensure they have been mapped together, W Dowson offered the Secretary to the Board assistance with this

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task, which would avoid duplication and ensure that all relevant areas would be covered by one committee. W Dowson asked that consideration be given to phrasing, i.e., “ensure”, “review” and that clarity around all actions be given and a clear output for each action within the TOR.

A final review of TORs and amendments to the calendar would take place and H Carr asked R Barnett would review and provide feedback to the Secretary to the Board as appropriate.

Decision

The Committee noted the report.

Action

- Final review of TORs and Calendar to be undertaken and feedback to be passed to the Secretary to the Board.
- W Dowson would assist the Secretary to the Board with the TOR mapping exercise.

Item 9

Strategic Risk Register

Paper No:
AUD0921-H

Lead: Lorraine Grierson

Action Requested

Approval

Discussion

S Proctor spoke to the Strategic Risk Register report, highlighting that following exploring a variety of templates, a template had been chosen for the College and this had been circulated to members. H Carr asked that all risks be reviewed rather than only those ragged “red”. W Dowson considered that discussion should centre on risks with red status, but a helicopter review of other risks should be undertaken, this would result in a positive approach to risk. It was agreed that narrative would be attached to the Register detailing any movement to risks and the Committee would choose areas for further investigation.

H Carr left the meeting at 16.31.

W Dowson suggested that failure to achieve an effective student experience should be added to the Register and asked for assurance on this. D Dickson felt this would be useful and advised that significant investment into mechanisms to hear the student voice was ongoing. D Dickson advised that key surveys for the College and SFC were completed which also fits in to the evaluation process that will involve an audit cycle so that lessons learned are acted upon and ensuring an effective student experience. W Dowson asked that an update from L&T Committee be given to Audit Committee and the Chair confirmed that other Committees would be asked for reassurance on risks.

W Dowson also suggested that hybrid working should be added as a new risk, however, this may fall under Business Continuity, and it was asked that this be made explicit.

H Carr returned to the meeting at 16.55.

Discussion centred around risk appetite, and it was agreed that an exercise would take place by the Board of Management and Executive Team around this subject. The Chair of the Board stated that realistic timescales should be attached to this exercise.

It was agreed that deep dives into particular areas of the risk register would be undertaken on an ongoing basis at future Committee meetings and the Secretary to the Board would have this added as an agenda item.

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Decision	The Committee approved the Risk Register.
Action	<ul style="list-style-type: none">➤ Narrative on risk movement would be included going forward.➤ Failure to achieve an effective student experience would be added to the Risk Register.➤ Risk appetite would be further discussed.➤ Deep Dive areas for audit would be added to the next Committee Agenda (Board Secretary).

Item 10	Self-Evaluation		
Paper No: VERBAL	Lead: Naomi Johnson	Action Requested	Approval
Discussion	<p>The Secretary to the Board advised that an annual review of all Committees takes place. The review takes the form of a questionnaire, which covers each aspect of the Committee to ensure effectiveness, looking at areas of success and areas for improvement. The review was completed by the Committee Chair. Each Board member would also undertake a 1-1 discussion with the Chair of the Board. This would feed into the Board evaluation report.</p> <p>J Campbell suggested that an annual report be developed, alongside the annual financial statement, which would be an amalgamation of all self-evaluations, giving narrative around success and areas for improvement. This was agreed by members and would be developed moving forward, with appropriate timescales.</p>		
Decision	The Committee approved the Self-Evaluation Template.		
Action	<ul style="list-style-type: none">➤ The development of an annual report relating to self-evaluation was approved.		

Item 11	Any Other Business		
Paper No: Verbal	Lead: Naomi Johnson	Action Requested	Note
Discussion	No other business was raised.		
Decision	N/A		
Action			

Additional comments

The date of the next Audit Committee Meeting is scheduled for 4 November 2021 at 16:00 hours. (tbc)