

Audit Committee

Minutes

Meeting reference: Audit2016-17/01

Date and time: Tuesday 20 September 2016 at 5.30pm

Location: Room 033

Members present: Brian Crichton, Derek Forgan, Ann Irvine, Lindsey McLeod,

In attendance: Margaret Munckton (Principal)
Jackie Mackenzie (Vice Principal, Finance and Estates)
Susan Bald (Vice Principal, HR & Communications)
Jenny Simmonds (Clerk to the Board of Management)
Stuart Inglis (Henderson Loggie)
Daniel Johns (Wylie & Bisset)

Apologies: Mike Baxter, Ian Jackson, Pam Wilson

Chair: Derek Forgan

Minute Taker: Jenny Simmonds

Quorum: 3

Summary of Action Items			
Ref	Action	Responsibility	Time Line
6.1	Review the wording in the Annual Report on Pg. 4 – Emergency Lighting, to confirm that the lighting is effective and compliant with its requirements while assessment of the testing results are ongoing to improve the system.	Susan Bald	asap
7.2	Revise HS6 in the Health and Safety Risk Management Profile as agreed by Committee.	Susan Bald	asap
8.3	Identify process and timescale for post construction and post implementation review of the ASW	JM/DF/SI	asap
8.4	SST be asked is they are willing to share their experience and outcome of the BPR at the Staff Conference	Pam Wilson?	October
8.6	Forward Internal Audit papers as requested to UHI Internal Audit once approved by the Board of Management and Audit Committee	Clerk	ongoing
8.6	Request UHI Internal Audit Plan once approved by UHI Court	Clerk	October 2016
11.1	Health and Safety Committee members to appoint and send deputies to H&S Committee meetings.	Susan Bald, Chair of H&S Committee	November 2016
11.1	Propose new Board of Management H&S	Clerk	November

Item	Action
<p>1 Welcome and Apologies</p> <p>The Chair welcomed everyone to the meeting. The Chair introduced Anne Irvine and Brian Crichton, new Board members, to their first Audit Committee meeting and welcomed Lyndsey McLeod back from maternity leave.</p>	
<p>2 Additions</p> <p>There were no additions to the Agenda</p>	
<p>3 Declaration of a Conflict of Interest in any Agenda Item</p> <p>Stuart Inglis, Henderson Loggie, declared an interest in Agenda Item 9 UHI Internal Audit</p>	
<p>4 Minutes of Meeting Held on 7 June 2016</p> <p>The minutes were approved as a correct record subject to revising the date and time of the next meeting to read, "Tuesday 20 September 2016".</p>	
<p>5 Matters Arising from Previous Minutes</p> <p>Noted: the actions taken following the last meeting.</p> <p>Action</p> <p>Action 6.1: Audit Committee to review the ICT Risk Register.</p> <p>Action update: The ICT Risk register will be presented to the Committee at the next meeting on 30 November 2016.</p> <p>Action 9: Review format and presentation of FoI/Data Protection report with Donald Maclean, Information Officer.</p> <p>Action update: An FOI report in a revised format will be presented to the Committee at the next meeting on 30 November 2016.</p>	
<p>6 Health and Safety</p> <p>6.1 Health and Safety Annual Report</p> <p>Susan Bald introduced the Health and Safety Annual Report and explained for the benefit of new members the purpose and content of the report. The main points discussed included:</p>	

- i. The Annual Report is underpinned by a suite of operational documents including the Health and Safety Risk Management Profile and the action plan and work plans which flow from this document.
- ii. It was queried that the Accident Reporting section records all reported accidents but does not appear to identify what, if any, work time is lost because of an accident. Susan Bald noted that lost time is picked up under the RIDDOR reportable accidents. In addition more details of accidents occurring are provided at department level for ongoing management and monitoring by managers.
- iii. The Health and Safety Committee is the main control mechanism for all health and safety matters and it reviews and manages activity in this area of work for reporting to the Audit Committee.
- iv. It was pleasing to see a robust set of scores coming through from the staff survey that staff consider the workplace is well maintained and safe, staff have received effective health and safety training and are aware of the H&S policies and information available.
- v. Introduction to health and safety training sessions are available to students who also receive health and safety training within their subject areas.

Action: review the wording in the Annual report on Pg. 4 – Emergency Lighting, to confirm that the lighting is effective and compliant with its requirements while assessment of the testing results are ongoing to improve the system.

Susan Bald

The Committee considered the Annual Report to be a very positive document and commended the Health and Safety team on their work.

6.2 Revised Health and Safety Policy

Susan Bald introduced this paper noting there were some very minor, mainly editorial, revisions which required the Committees approval so that the Chair of the Board of Management and Principal could sign it off.

Approved: The Audit Committee approved the Health and Safety Policy as revised.

7 Risk Management

7.1 Strategic Risk Register



Jackie Mackenzie spoke to the Strategic Risk Register noting that it is presented to every Audit Committee and the College SMT review it quarterly. The Committee noted the following:

- i. Progress on the Developing the Young Workforce Group implementation (Ref 9) was requested. 3 year funding is now secured and a project post in place to take forward the actions identified.
- ii. Ref 3 – More information was requested about the engagement of an external strategic/specialist agency. It was advised that Perth College has been working through UHI and engaged an Agency to attract international business. The current model hasn't worked as well as was hoped for the requirements of the College and so another Agency will be sourced when appropriate.

Approved

7.2 Health and Safety Risk Management Profile

Susan Bald spoke to the Health and Safety Risk Management Profile and explained this was a working document used by the H&S Committee and H&S staff to manage key risks.

The main discussion regarded the risk level of HS6 'Asbestos'. The risk profile identified the impact of the risk as "low" with the likelihood as "possible".

It was queried whether the **impact** of the risk should be scored as "low" given the potential consequences if someone is exposed to it. Susan Bald explained that the score was given in the context of the Colleges experience in this matter: there is very little asbestos on site and what there is low risk, well managed and well controlled. There is low risk of anyone being exposed to the asbestos and there are clear procedures and protocols for contractors working near areas where there is asbestos.

Agreed: The Committee agreed that the impact of exposure to asbestos be re-categorised to High. However, the overall Risk HS6 remain defined as green as it is an accepted risk and there are clear controls in place to manage the risk.

Action: Revise HS6 in the Health and Safety Risk Management Profile as agreed by Committee.

Susan Bald

The Chair commended the progress that has been made on progressing Health and Safety policies. The Chair noted he was



very keen to see the Management Of Contractors Policy finalised. This is fundamental policy for managing risk in the College and would support the various procedures and protocols contractors have to follow.

8 Internal Audit

8.1 Internal Audit Annual Report 2015/16

Stuart Inglis introduced this report noting it summarises the internal audit work performed during 2015-16. It was reported that all internal audit work in 2015/16 assessed systems as “Satisfactory” and there were no significant issues identifying major internal control weaknesses arising. Procedures were operating well in the areas selected for auditing, a few areas for further strengthening were identified and action plans have been agreed to address these issues.

The Committee discussed the following:

- i. Issues identified in the Follow Up Reviews undertaken in 2015/16 will be carried forward and followed up again in 2016/17 Follow Up Review. These reviews check whether recommendations have been undertaken whether they are still relevant and applicable and recommend an appropriate course of action.
- ii. Commercial Developments/Research and Development/IPR: A review of Commercial and Research activity including the intellectual property rights risks deriving from this area of activity is to be undertaken in 2016/17. This will be followed up by Internal Audit in 2016/17.

Noted – The Committee noted the Internal Audit Annual Report 2015/16

8.2 Audit Needs Assessment and Strategic Plan 2016-2020

Stuart Inglis introduced this paper noting it has been prepared for a 4 year period and will be revisited year on year and revised is appropriate.

The Committee agreed it was comfortable with the 16/17 overall programme.

It was noted that a review of International Business was not currently programmed in until 2018/19. Margaret Munckton advised that International Business is a high priority and this review may be brought forward to 2017/18 depending on the approval of a new International Strategy.



Noted and agreed: The Committee noted and agreed the Audit Needs Assessment and Strategic Plan 2016-2020

8.3 Internal Audit Plan 2016-17

Stuart Inglis spoke to the internal audit plan for 2016/17 advising that it provided more detail of the 2016/17 programme of individual audit assignments.

The Chair requested that a post construction review of the planning, construction and fit out of the ASW overseen by the Capital Projects Committee be undertaken as soon as possible now the ASW is operational.

Jackie Mackenzie advised that this will be undertaken as part of a bigger overall project which will look at the construction and operation of the ASW as part of the College infrastructure provided to meet the aims of the strategic plan.

Action: Jackie Mackenzie/Derek Forgan/Stuart Inglis discuss process and timescale for post construction review of ASW.

JM/DF/SI

Noted

8.4 Student Support Opportunities and Mechanisms (Business Process Review)

The Committee agreed this was a very good useful piece of work. It was suggested that some of the more generic issues and potential improvements suggested could be shared across teams in the College. This could be done via the Staff Conference.

Action: SST be asked is they are willing to share their experience and outcome of the BPR at the Staff Conference

Pam Wilson?

8.5 International Activity – Products, Partnerships and Student Recruitment

Margaret Munckton advised that there is a proposed UHI International Strategy in development. This has been put on hold pending the outcome from the Strategy Working Group. In the meantime, Perth College UHI is working to its own strategy which will be used to input to the wider UHI Strategy in time.

Noted

8.6 UHI Internal Audit

The Committee discussed a request from the UHI Head of



Internal Audit to share the following papers to assist in providing independent assurance to the UHI Audit Committee and Court.

- Internal Audit Plans
- Internal Audit Reports
- Internal Audit follow up reports
- Annual Internal Audit reports
- Audit Committee papers and minutes
- Annual Audit Committee reports

The Committee agreed that the Board of Management is responsible for ensuring that the Internal Audit of Perth College provides the necessary assurances that the college is managed effectively and all activities provide value for money. This means that the Board (delegated to the Audit Committee) has complete control over which areas are to be audited.

Agreed: The Committee agreed that the papers noted can be shared with the UHI Internal Audit team once agreed and approved by the Perth College UHI Board of Management and Audit Committee.

Agreed: The Committee agreed to request the UHI Internal Audit Plan once approved by UHI Court for information.

Action: Forward Internal Audit papers as requested to UHI Internal Audit once approved by the Board of Management and Audit Committee.

Clerk

Action: request UHI Internal Audit Plan once approved by UHI Court

Clerk

9 **Annual Report Business Continuity Programme 2016-17**

Noted.

The Committee thanked all involved in business continuity planning particularly those who had covered during periods of industrial action to minimise any impact on the students.

10 **Legal Services Tender**

Jackie Mackenzie reported that the provision of general legal advice had recently been tendered. It was proposed to contract Thorntons LLP to provide this service. Their submission was competitive on price and the most comprehensive, most specific for the College's purposes and provides added value.

Approved: The Committee approved Thorntons LLP be awarded the Contract.



11 **Committee Minutes**

11.1 Received: Health and Safety Committee minutes – Tuesday 8 September 2016

Noted

The Chair commended the amount of work the Health and Safety Committee are involved in and recognised the key role Les Roberts, Health and safety Officer and Gilbert Valentine, Head of Estates, are playing in promoting and managing health and safety in the College.

Action: The Committee agreed that Health and Safety Committee members appoint and send deputies to H&S Committee meetings. This is to ensure all member groups on the Committee are represented at the meeting.

Susan Bald

Action: New Board of Management H&S Champion be identified

Clerk

12 **Date and Time of next meeting:**

30 November 2016 at 4.30pm

13 **Review of Meeting**

Members agreed the meeting had been very well chaired and covered its remit.

Information recorded in College minutes and papers is subject to release under the Freedom of Information (Scotland) Act 2002 (FOI(S)A). Certain exemptions apply: financial information relating to procurement items still under tender, legal advice from College lawyers, items related to national security.

Status of Papers **Open** **Closed**

An **open** item is one over which there would be no issues for the College in releasing the information to the public in response to a freedom of information request.

A **closed** item is one that contains information that could be withheld from release to the public because an exemption under the Freedom of Information (Scotland) Act 2002 applies.

The College may also be asked for information contained in minutes and papers about living individuals, under the terms of the Data Protection Act 1998.

Do the papers contain items which may be contentious under the terms of the Data Protection Act 1998? **Yes** **No**