

# Audit Committee

## Minutes

**Meeting reference:** Audit 2017-18/01  
**Date and time:** Wednesday 20 September 2017 at 5.30pm  
**Location:** Room 019

**Members present:** Brian Crichton (Acting Chair), Ann Irvine, Ian Jackson

**In attendance:** Margaret Cook, Principal  
Jackie Mackenzie, Vice Principal, Finance and Estates (VP F&E)  
Stuart Inglis (Henderson Loggie)

**Apologies:** Lorna Nicoll, Lindsey McLeod, Pam Wilson, Keith Macpherson (Ernst & Young)

**Chair:** Brian Crichton

**Minute Taker:** Maureen Masson, Secretary to the Board of Management

**Quorum:** 3

Summary of Action Items			
Ref	Items from minutes of meeting on 23 May 2017	Responsibility	Time Line
9.1	<b>Amendment to the proposal for bringing the Annual Health and Safety Update to the Board of Management</b>  Append revised Health and Safety policy and Annual Health and Safety Report to the Audit Committee minutes for the next Board meeting  Amend the process to reflect the fact that only the Principal can sign the Annual Health and Safety Update	Board Secretary	By 3 October 2017
Ref	Actions from meeting on 20 September 2017		
*6.1	<b>Health and Safety Annual Report 2016/17</b>  Revise and update in light of the various actions identified in the minute.	Principal and Vice Principal Finance & Estates	Next Audit Committee meeting
*6.2	<b>Revised Health and Safety Policy</b>  Revise and update in light of the various actions identified in the minute.	Vice Principal Finance & Estates	By 3 October 2017
*7.1	<b>Strategic Risk Register</b> Append a footnote to the Strategic Risk	Vice Principal	Next review of

	Register to identify UHI Shared Risks	Finance & Estates	Risk Register
<b>*8.1</b>	<b>Internal Audit: Progress Report Annual Plan 2016-17</b>  Henderson Loggie to start post project evaluation for ASW.	Vice Principal Finance & Estates	Immediately
<b>*8.2</b>	<b>Internal Audit Plan 2017-18</b>  Prepare revised plan in the light of changing priorities.	Vice Principal Finance & Estates	For consideration at next Audit Committee

## Minutes

### Item

### Action

#### 1 Welcome and Apologies

The Chair, welcomed members to the meeting.

Apologies were noted.

A welcome was extended to Stuart Inglis from Henderson Loggie.

#### 2 Additions to the Agenda

There were no additions to the agenda.

#### 3 Declaration of Interest in any Agenda Item

There were no declarations of a conflict of interest.

#### 4 Minutes of Audit Committee Meeting held on 23 May 2017

A correction to the minute was noted in relation to item 9.2. The Committee agreed that the Principal would retain primary accountability for the Health and Safety report: that accountability could not be delegated.

#### 5 Actions Arising from Previous Minutes

##### 10.1 Health & Safety Committee minutes 9 February 2017

Action: complete

The Vice Principal Academic had spoken with HISA about Committee attendance.

### 7.3 Internal Audit - Nursery

On the agenda.

### 7.3 Internal Audit Follow Up Review

Action: A process for quarterly tracking was being established.

### 9.1 Amendment to the Proposal for bringing the annual health and safety update to the Board of Management

Action: The report will be appended to the minutes of the Audit Committee.

Secretary

## 6 Health and Safety

### \*6.1 Health and Safety Annual Report 2016/17

The Committee discussed the report and agreed it was positive in overall terms. However, some aspects would benefit from further clarification and the Committee recommended some further actions: These included:

- further information needed to explain the incidence of false (fire) alarms and reassurance that appropriate follow up action was taken to reduce the likelihood of similar incidents;
- numbers of staff being trained in various aspects of health and safety should be augmented by percentages of qualifying population to set the figures in context;
- more generally, but related to the action immediately above , it was agreed that future H & S Annual Reports should be more quantitative in approach to facilitate better assessment of success and identification of improvement areas;
- the absence statistics appeared to show rates above average, and the Principal confirmed that there would be more robust and active management of sickness absence going forward; and
- the Committee wished to see greater focus in overall report on the year ahead and plans or initiatives to highlight the good work the College was doing to contribute to a positive health and safety culture.

VP F&E

VP F&E

Principal

Principal

VP F&E

### \*6.2 Revised Health and Safety Policy

The Committee noted the revised Health and Safety Policy and made the following comments/suggestions:

- The role of the Board of Management was to 'champion' H&S and that terminology should be re-instated in the policy;
- the Principal and CEO has overall accountability as opposed to responsibility (ref item 5.2); and
- the tenor/language of some areas of policy should be changed to encourage a more positive/inclusive health and safety culture e.g. the role of managers described item 5.4 and in relation to item 5.8 Human Resources where a re-ordering of the bullet points was suggested.

Further work on the policy to address the comments noted above will be included in a revised draft to come forward to the next meeting of the Board. After Board agreement, the Chair of the Board of Management and the Principal would formally sign the policy.

VP F&E

## **7 Risk Management**

### **\*7.1 Strategic Risk Register**

The Committee reviewed the first draft of the Strategic Risk Register, which had been updated at the start of the new academic year to reflect Executive considerations of current risks to the College.

The Committee recognised that the biggest area for concern was a number of individual risks in the category 'developing a successful and sustainable organisation' particularly around failure to meet financial targets, affordability of national bargaining outcomes and the impact of Brexit on EU funding, student and staff recruitment.

The Committee noted the uncertain financial position the College faced, and was keen to be assured that all possible action was being taken to ensure as robust a financial footing as possible. The Committee noted that the sector too was confronting financial challenges as witnessed in recent Audit Scotland reports. In addition, there continued to be uncertainty at a national level about the funding national bargaining outcomes.

The financial sustainability of the College would be discussed at F&GP. Options for mitigating a future deficit position had been explored at the last F&GP meeting and these discussions would continue.

In terms of capital money becoming available at short notice, the College had a prioritised list of live small projects to start quickly if required.

The Audit Committee was assured that F&GP was taking all possible steps to manage different scenarios and that the position would continue to be carefully monitored.

The Committee noted that from risk 19 onwards represented Perth's position in relation to shared UHI risks. The Committee agreed that going forward these should be identified with a footnote to distinguish them separately from College risks. The Committee was keen to continue to identify specific College risks separately to reflect the local Perth context.

VP F&E

## **7.2 Health and Safety Risk Management Profile as at May 2017**

The Committee noted that the Health and Safety Risk Management profile represented the position at May 2017. The Committee was keen to encourage the Health and Safety Committee to strive for improvements to the health and safety culture e.g. implementing a simple process for recording near misses. The Committee further noted that the caretakers had assumed a more active role in managing day-to-day health and safety across the College.

## **8 Internal Audit**

### **\*8.1 Internal Audit: Progress Report – Annual Plan 2016-17**

The Committee noted the progress report for the annual plan and that the Academy for Sport and Wellbeing post project evaluation was delayed, at the College's request, until after receipt of the final account, which had now been received.

VP F&E

### **\*8.2 Internal Audit Annual Plan 2017/18**

Henderson Loggie introduced the paper which set out proposed audit assignments for Academic Year 2017-18 in the light of the Audit Needs Assessment and Strategic Plan 2016-2020. The Committee discussed the identified priorities and proposed timescales, and it was agreed that the priorities attached to some assignments had changed since the audit needs assessment. In addition, the Principal had identified some key functions as requiring immediate attention and business reviews of these areas may have to be progressed quickly.

It was agreed that the plan would be re-assessed and brought back to the joint meeting of Audit and F&GP in November.

Principal  
and  
VP F&E

### **\*8.3 Nursery Review Update**

The Vice Principal updated the Committee on the work ongoing to address the concerns that had been identified in relation to the nursery. A number of actions had been taken forward in consultation with nursery staff, and this was having a positive impact, both financially and in terms of an improved nursery offering to students whose children access the nursery.

## 9 Annual Report Business Continuity Programme 2016-17

The Committee noted the annual report. Business continuity procedures had been well tested during the recent period of industrial action.

## \*10 Freedom of Information and Data Protection Annual Report

The Committee noted the annual report and the well-established process and procedures in place for managing this.

## 11 Committee Meetings:

### 9.1 Health and Safety Meeting 24 August 2017

Minutes– noted

## 10 Date and time of next meeting

Joint meeting with F&GP on 29 November 2017

## 11 Review of Meeting

Members agreed the meeting had 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**