

# Audit Committee

## Minutes

**Meeting reference:** Audit 2018-19/03

**Date and time:** Tuesday 19 February 2019 at 5.30pm

**Location:** Room 019

**Members present:** Jim Crooks, Andrew Comrie, Ann Irvine, Lynn Oswald

**In attendance:** Margaret Cook, Principal  
Lorenz Cairns, Depute Principal (Academic)  
Veronica Lynch, Vice Principal (External)  
Rob Jones, EY  
Stuart Inglis, Henderson Loggie  
Maureen Masson, Board Secretary

**Apologies:** Anna Zvarikova, Stephen Reid, EY, David Archibald, Henderson Loggie,  
Andrea Saunders, Head of Finance

**Chair:** Jim Crooks

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

**Quorum:** 3

Summary of Action Items			
Ref		Responsibility	Time Line
6	<b>Balanced Scorecard</b>  Revise the Balanced Scorecard	Principal/ Project & Planning Manager	For implementation next Academic Year
8	<b>Risk Management Strategic Risk Register including ICT Risk Register Update</b>  Review the scoring of risks 10, 17 and 23	Project & Planning Manager	For next Audit Committee meeting
10	<b>Safeguarding Update</b>  Invite the Student Services Manager to a future meeting of the Audit Committee to provide an update on the impact of recent legislation	Secretary	For next Audit Committee meeting
12	<b>Committee minutes</b>  <b>Health and Safety Committee - Terms of Reference</b>  Review quorum for the Committee and introduce a template for common reporting for areas represented on the Committee	Health, Safety & Wellbeing Adviser	For next H&S meeting

	<b>Minutes from meeting on 7 February 2019</b>  Remind staff who use their own vehicles for College business about the terms of the business insurance.	Head of Finance	Next H&S meeting
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Item	Action
<p><b>1 Welcome and apologies</b></p> <p>The Chair introduced everyone to the meeting.</p>	
<p><b>2 Additions to the Agenda</b></p> <p>There were no additions to the agenda.</p>	
<p><b>3 Declaration of Interest in any Agenda Item</b></p> <p>There were no declarations of a conflict of interest.</p>	
<p><b>4 Minutes of the Meetings of the Audit Committee held on 28 November 2018</b></p> <p>The minutes were accepted as an accurate record subject to the Principal being noted as an 'in attendance' member.</p>	
<p><b>5 Actions arising from the meeting on 28 November 2018</b></p> <p><b>9.5 Presentation</b></p> <p>Action: Check the level of basic training that students receive.</p> <p>Action Update: The Principal reported that the College's Health and Safety Adviser had confirmed that students receive class-based health and safety training. The delivery of this would be verified through audit/assessment processes.</p> <p><b>6.1 H&amp;S reporting</b></p> <p>Action: Report back on the sickness absence figures</p> <p>Action Update: The figures that were prepared for the Engagement Committee would be circulated when they had been checked.</p> <p><b>10.1 Strategic Risk Register</b></p> <p>Action: Draft an estates risk for consideration</p> <p>Action Update: A paper on estates risks was on the agenda for the</p>	

meeting

**Action:** Report back on where high level risks related to the protection of children are recorded and how they are mitigated

**Action Update:** A paper on Safeguarding was on the agenda for the meeting

**Action:** Include the ICT Risk Register on the next Audit Committee meeting agenda

**Action Update:** The ICT Risk Register was on the agenda for the meeting

## **11.2 Revised Internal Audit Annual 2018-19**

**Action:** Consider whether the procurement audit should go ahead and possible timing

**Action Update:** As noted in the Internal Audit Progress Report, the fieldwork for Procurement and Creditors/Purchasing audit was deferred until August 2019 and the report will be presented to the September 2019 Audit Committee meeting.

**Action:** Include a further objective regarding pastoral support provided to students in the international business audit

**Action Update:** This was included in the updated scope.

## **11.3 Internal Audit Report: 2017/18 Student Activity Data**

**Action:** Implement recommendations contained in the report

**Action Update:** The two actions recommended were being taken forward.

## **12 Audit Committee Annual Report to the Board of Management**

**Action:** Forward to the Board for consideration at the December 2018 meeting

**Action Update:** Complete

## **13.1 Health and Safety Committee**

**Action:** Feed back to the Health and Safety Adviser the items the Board would expect to see on the Health and Safety Committee agendas. items

**Action Update:** the items were fed back to the Health and Safety Adviser. These were considered when drawing up the Terms of

Reference for the Committee.

## **6. Balanced Scorecard**

The Committee noted the Sustainability and Health and Safety Balanced Scorecard indicators. The Principal reported that she intended to revise the Balanced Scorecard for implementation at the start of the next Academic Year so it was strategic in focus with meaningful and measurable indicators. Currently, the document is not widely seen internally nor is it requested by the SFC or UHI. The Committee noted that the 'breakeven position' was 'red' due to the impact of the technical deficit. Although this was understood by the Committee, it was important that individual measures included contextual information, particularly for wider audiences, and the new Balanced Scorecard would reflect this.

Principal/  
Project  
& Planning  
Manager

## **7 Procurement Strategy and Annual Action Plan**

The Committee noted the paper which set out the review of procurement activity for the year past and the action plan for the 2019 calendar year. The Committee noted that in November 2018, the College decided to outsource procurement to APUC under their shared services scheme, and a new member of staff was currently being recruited to a new post. As a result, there would be much greater procurement and planning support as well as the ability to source suppliers from the APUC Framework. In addition, the College would benefit from market intelligence that APUC held in relation to BREXIT and other areas.

The Board endorsed this approach whilst noting the impact on local suppliers. This was an issue for all public bodies using national frameworks and was something that was being considered by the Perth and Kinross Fairness Commission, which had not yet reported.

## **8 Risk Management**

### **8.1 Strategic Risk Register including ICT Risk Register Update**

The Principal introduced the paper setting out the updated risks for the third quarter, pointing out that there were no significant changes. The ICT Risk Register had been incorporated into the College's Strategic Risk Register. Following discussion, the Committee noted the most significant risk was ICT sustainability and the Brightspace rollout where no parallel run with the existing system was planned. The Committee was keen to hear of the mitigation measures to manage this risk. The Head of Learning and Teaching Enhancement was active in managing the transition working with the UHI Educational Development Unit. Perth College UHI was well placed within the partnership, and a number of issues were being worked through including copyright licensing. The Committee recommended that this might be an area for Internal Audit to review in future.

## 8.2 Estates Risk

The paper had been prepared as a follow up to from the last Audit Committee meeting following discussion about the risks associated with estates funding. The Committee noted the paper and the College outcomes from the SFC sector wide condition survey published in December 2017, the most pressing items and their cost.

The Committee noted the Principal's update about the sector-wide funding environment and the limited resources available for capital spend/new build. This impacted on the College's ability to control and properly manage the estates risk. With this in mind, it was agreed that a review of Risk 23 should be undertaken with a view to potentially changing the residual risk score.

Depute  
Principal  
(Academic)  
and Head of  
Estates

## 8.3 Health and Safety Risk Management Profile

The Committee noted the H&S risk profile which represented the position at October 2018 and the ongoing work to mitigate the amber risks. The graphic used to show this was found to be particularly helpful.

A query was raised in relation to PAT testing equipment owned by students. This was recognised to be an issue but H&S had mitigation measures in place.

### General discussion in relation to all risk registers

The Committee discussed financial risks and management of them particularly in the light of the Chief Operating Officer leaving the College. The Committee noted that the Head of Finance was a qualified accountant and had access to professional support networks. The Committee recommended a review of risk items 10 and 17 to ensure they were still amber and green respectively.

Project &  
Planning  
Manager/  
Health and  
Safety and  
Wellbeing  
Adviser

The Chair asked the Audit Committee whether there were any H&S items to be flagged to the Board. There was none.

## 9 Internal Audit Progress Report 2018/19 Plan

The Committee noted the Internal Audit Progress report and the update provided by the Internal Auditor and revised timings.

## 10 Safeguarding Update

The Depute Principal (Academic) introduced the paper which had been prepared by the Student Services Manager. The Committee noted that a pan UHI policy on safeguarding had been drafted, but the Academic Affairs Committee recommended some 'tidying up' of the policy before its approval. The Board would have an opportunity to see the

policy at its next meeting.

The Committee noted the comprehensive description of the processes around how safeguarding was managed in the College, which it found helpful. The Committee was also keen to hear more about the impact of recent legislation for the College in terms of how it takes account of that and how it takes forward actions and resource implications. The Committee was keen for the Student Services Manager to attend a future meeting of the Committee to cover this.

Secretary

**11 Freedom of Information and Data Protection six monthly report 2018-19**

The Committee noted the report.

**12 Committee minutes**

**Health and Safety Committee - Terms of Reference**

The Terms of Reference were noted. However, a query was raised in relation to the quorum particularly when the Board wanted to drive mandatory attendance at meetings. It was agreed that the quorum should be adjusted to reflect the fact that attendance should be across all areas. In addition, it was suggested that a worthwhile approach would be to ask each area represented to provide a written report, via a standard template, for their areas.

Health,  
Safety &  
Wellbeing  
Adviser

**Minutes from meeting on 7 February 2019**

A Board Member queried whether all staff understood the business insurance requirement when using their own vehicle for College business. A reminder would be sent to all staff.

Head of  
Finance

**13 Date and time of next meeting**

14 May 2019 at 5.30pm

**\*14 Review of Meeting**

Members agreed the meeting had covered its Terms of Reference.

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 General Data Protection Act 2018.

Do the papers contain items which may be contentious under the terms of the General Data Protection Act 2018?      **Yes**                       **No**