

Audit Committee

Minutes

Meeting reference: Audit 2022-23/01

Date: Wednesday 19 October 2022

Location: Boardroom (Braham Room 019)

Members present: Jim Crooks, Board Member
Fiona Martin, Board Member
Debbie McIlwraith-Cameron, Board Member
Derek Waugh, Board Member
Liam Fowley, Student Board Member

In attendance: Margaret Cook, Principal
Lorenz Cairns, Depute Principal
Veronica Lynch, Vice Principal (External)
Iain Wishart, Vice Principal (Operations)
Stuart Inglis, Henderson Loggie
Ian McCartney, Clerk to the Board

Apologies: Graham Watson, Interim Chair, BoM
David Archibald, Henderson Loggie
Stephen Reid, Ernst & Young
Rachel Wynn, Ernst & Young

Chair: **Jim Crooks**

Minute Taker: Ian McCartney

Quorum: 3

MINUTES

Item		Action
1.	<p>Welcome and Apologies</p> <p>Chair welcomed everyone to the meeting and noted apologies.</p>	
2.	<p>Additions to the Agenda</p> <p>Chair noted the late addition of an update paper regarding Duplicate Salaries, issued by the Head of HR & Organisational Development. It was agreed that this paper would be discussed as Item 12, with Items 12 and 13 on the agenda becoming Items 13 and 14 respectively.</p>	
3.	<p>Declaration of Conflict of Interest in any Agenda Item</p> <p>There were no declarations of interest.</p>	
4.	<p>Minutes of Meeting of Audit Committee, 31 May 2022</p> <p>The minutes were approved as an accurate record of the meeting.</p>	
5.	<p>Matters arising from previous minutes</p>	
	<p><u>Matters arising from 31 May 2022</u></p> <p><u>Ref 6.2 – Internal Audit – Audit Action Plan</u> Action: Internal Auditor to add additional column re previous review to provide assurance</p> <p>Action Update: Action not yet complete. Carry forward.</p> <p><u>Ref 6.5 – Risk Appetite & Risk Register Model</u> Action: Chair requested that additional information re the Monitoring Committee be added to Risk Register</p> <p>Action Update: Displayed within model presented under Item 8.1. Action complete.</p>	Internal Auditor
6.1	<p>Annual Health & Safety Report</p> <p>Depute Principal presented Paper 2, noting previous items for improvement that had been addressed, although some improvements were still required, including levels of mandatory training.</p> <p>Chair queried training benchmark figures. Depute Principal advised that these had been taken from the 2020 Audit Report. Chair noted that it was difficult to see progress within this table and requested</p>	

	<p>an extract report with key data. Board Member agreed that it would be useful to see this information as it would provide the context of performance and targets to know the scale of any gaps. Depute Principal would speak to Head of HR & Organisational Development to bring this to Committee.</p> <p>Chair queried detail re near misses. Depute Principal advised that a summary had been presented but underlying information was also available if required.</p> <p>Board Member queried whether sports injuries should be separated out of the Report. Depute Principal advised that the number of departmental inspections had increased which is why numbers had increased in this area and this has proved useful in raising awareness and improving efficiency in processes.</p> <p>Board Member queried sickness levels in support staff versus teaching staff. Depute Principal noted that differing workloads and adjustment levels were likely to be an issue here, however this will be passed back for additional analysis. Principal also advised that there is likely to have been an under-reporting of absence due to hybrid working.</p> <p>Chair asked Internal Auditor for any general thoughts around the Report. Internal Auditor noted that main recommendations had been taken on board and progress made, however 95% completion rate for Mandatory H&S Training had been targeted in Internal Audit Report, rather than 90% as noted in Paper 2. Depute Principal to discuss this with Head of HR & Organisational Development.</p>	<p>Depute Principal</p> <p>Depute Principal</p>
<p>6.2</p>	<p>Revised Terms of Reference – Health & Safety Committee</p> <p>Depute Principal submitted Paper 3 for information and endorsement.</p> <p>Chair referred to Executive Summary in cover sheet, and noted the proposed increase in membership and the creation of the Health & Wellbeing and Stress Management Groups as sub-Committees to the Health & Safety Committee</p> <p>Committee endorsed the amended Terms of Reference.</p>	
<p>7.1</p>	<p>Delivering The College Strategy</p> <p>Depute Principal introduced Paper 4, noting that the template would be rolled out to managers with a view to setting Year 1 targets within the next few weeks. Phase 2 will involve CMT managing the process and reporting progress, with Board being informed via the Balanced Scorecard, in line with the bottom-up approach taken to set the Strategy. SMT will be running a</p>	

	<p>workshop to take managers through the process.</p> <p>Committee noted Paper 4.</p>	
7.2	<p>Balanced Scorecard</p> <p>Depute Principal presented a verbal update on the Balanced Scorecard, advising that staff teams were being tasked with generating plans for achieving KPIs within their areas, with Board receiving a concise version. It is intended that this will provide a full and meaningful Balanced Scorecard during Board Cycle 3.</p> <p>Chair queried whether the process by which the KPIs are being arrived at will result in something close to an operational plan for staff. Depute Principal advised that there is an expectation that the KPIs will be at the forefront of team meetings and staff conferences to ensure it is a living document.</p>	
8.1	<p>Strategic Risk Register</p> <p>Vice Principal (Operations) presented Paper 5, being a working example of the proposed new format for the monitoring of Strategic Risk.</p> <p>Following a query from a Board Member re the potential number of Risks being monitored, and the ratio of Risks shown being operational rather than strategic in nature, Vice Principal (Operations) clarified that Board will receive a summary of key risks related to the Balanced Scorecard. Chair expressed satisfaction around only the monitoring of those KPIs driving success.</p> <p>Board Member welcomed the interactivity of the model presented, and its usefulness once in use.</p> <p>Committee approved the approach adopted for monitoring Strategic Risk.</p> <p>Vice Principal (Operations) noted potential issues re Risk Appetite under the proposed model, and invited Committee to scrutinise levels of Risk Appetite. Committee agreed that this required additional review, which would take place once document was fully completed to provide focus for this discussion.</p>	
8.2	<p>Code of Good Governance – Compliance Template</p> <p>Clerk presented Paper 6, advising Committee of the “Partial” assessments against Code Standards A7 and C27.</p> <p>Clerk also advised on the work required for future compliance against Code Standards B7 and D1.</p>	

	<p>Board Member queried when KPIs would be published on website per Code Standard A7. Principal noted that some care is required in this area as some internal measurements may not be appropriate for public display. However, all statutory reporting areas are published in other areas of the website.</p> <p>Committee approved the draft Compliance Template.</p>	
8.3	<p>Staff Governance Standard</p> <p>Principal presented Paper 7 for information, noting the areas of contention and advising that further meetings with the trade unions were to be arranged.</p> <p>Committee noted Paper 7.</p>	
9.1	<p>Internal Audit Report – Partnership Working</p> <p>Internal Auditor presented Paper 8, and summarised main points with the report, and noted that an Audit Scotland toolkit was used to assist measurement.</p> <p>Although an area of Required Improvement was noted, overall the report was Satisfactory.</p> <p>Chair noted that 2 Extraordinary Board meetings had taken place which now superseded some elements of this report, including the invitation of the Chair of Court to future Board meetings.</p> <p>Committee approved Paper 8.</p>	
9.2	<p>Internal Audit Report – Debtors/Income</p> <p>Internal Auditor presented Paper 9, noting a positive report with minor recommendations, and that work was ongoing to achieve these recommendations.</p> <p>Committee approved Paper 9.</p>	
10	<p>FOI & Data Protection Quarterly Update</p> <p>Clerk presented a year-to-date update of FOI and Data Protection issues reported under Paper 10 for information. The report was noted by Committee.</p>	
11	<p>Minutes of Health & Safety Committee, 01 September 2022</p> <p>These minutes were noted by Committee.</p>	

12	<p>Duplicate Salaries Update</p> <p>Principal presented an update paper on the Duplicate Salaries incident, and noted pleasure at the rate that monies have been recovered. Principal also advised that a monthly report was still being provided to UHI on this issue.</p> <p>Chair thanked Principal for diligent approach to this matter, which had minimised any potential losses.</p> <p>Committee noted the update paper.</p>	
13	<p>Date & Time of Next Meeting</p> <ul style="list-style-type: none"> Monday 12 December 2022 @ 6pm (includes joint meeting with Finance & Resources Committee) 	
14	<p>Review of Meeting</p> <p>Committee confirmed that the meeting had been conducted in line with its Terms of Reference.</p> <p>Vice Principal (External) noted error regarding Vice Principal (Operations) within the Terms of Reference. Clerk to amend.</p>	Clerk

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Notes taken to help record minutes are also subject to Freedom of Information requests, and should be destroyed as soon as minutes are approved.

Status of Minutes – Open

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 about living individuals, under the terms of the Data Protection Act 2018. It is important that fact, rather than opinion, is recorded.

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