

Audit Committee

Minutes

Meeting reference: Audit2025-25/03

Date: Wednesday 19 March 2025

Location: ASW (Room 961)

Members present: Derek Waugh, Chair, Audit Committee
Debbie McIlwraith Cameron, Board Member
Ian Robotham, Board Member (from Item 5)
Alistair Wylie, Board Member (from Item 6.2)
Patrick O'Donnell, Staff Board Member
Andi Garrity, Student Board Member

In attendance: Margaret Cook, Principal
Lorenz Cairns, Depute Principal (Academic)
Lynn Murray, Depute Principal (Operations)
Gavin Stevenson, Director of Finance
Katy Lees, Director of HR & Organisational Development
Jill Martin, Director of Information Systems (Item 6.2 only)
Ian McCartney, Clerk to the Board
Stuart Inglis, Henderson Loggie, Internal Auditor

Apologies: David Archibald, Henderson Loggie, Internal Auditor
Nicola Wright, Deloitte's, External Auditor
Thomas Rotherham, Deloitte's, External Auditor

Chair: **Derek Waugh**

Minute Taker: Ian McCartney

Quorum: 3

UHI Perth is a registered Scottish charity, number SC021209

We will act with integrity in everything we do

Student Centred + Innovative + Ambitious + Respectful + Inclusive + Collaborative

MINUTES

Item		Action
1.	Welcome & Apologies Chair welcomed all to meeting and noted apologies.	
2.	Additions to the Agenda Depute Principal (Operations) advised Com that terms of liquidity payment had been received from UHI EO immediately prior to the meeting, and Committee was provided with a brief update re terms.	
3.	Declaration of Conflict of Interest in any Agenda Item There were no conflicts of interest noted.	
4.	Minutes of Meeting of Audit Committee, 11 December 2024 The minutes were approved as a true and accurate record of the meeting.	
5.	Matters Arising from previous minutes <u>Item 6.1 – Enterprise Risk Management Report</u> Vice Principal (Operations) noted that the People Risk had been added to the ERM per Paper 2, <u>Item 7.1 – External Audit 2023/24</u> Principal provided update noting that the audit process had been completed, with sign-off due by 31 March 2025, however in the context of the ongoing issues around AST, Chair of the Board of Management was of the view that it was not appropriate for him sign off the accounts pending additional advice to be received from the External Auditors. <u>Item 8.1 – FOI & Data Protection Quarterly Update</u> Clerk noted that the action around the nature of the response had been added to the report, per Paper 7. <u>Item 9 – Committee Updates</u> Clerk advised that a new process for monitoring Board scrutiny of Health & Safety had been agreed at Chairs Committee, and this would be reflected in the papers being submitted to the Board of Management.	

6.1	<p>Enterprise Risk Management Report & Strategic Risk Register</p> <p>Depute Principal (Operations) presented Paper 2, a Full Risk Report showing progress against risks outlined by the ERM Risk Register. Committee were advised that a new People Risk category had been added and recommended that this be considered an Open risk appetite category. Committee AGREED with this approached.</p> <p>Depute Principal (Operations) noted that detail had been added to Financial Controls around regular reporting on charitable trading companies and Job Evaluation.</p> <p>Chair queried whether risk around staff morale and stress is recorded within the ERM. Director of HR advised this was recorded within the H&S section.</p> <p>Depute Principal (Operations) advised that the backlog in Financial Controls were on an action plan to be progressed, however resources were being expended in other areas within the finance team, so these remained a work in progress.</p> <p>Principal noted that F&R Committee had recommended that Internal Auditors be brought in to look at areas around budgeting and processing within the Finance function, and advised that the Terms of Reference for this work were currently being looked at with some urgency. Chair noted the sense of tying this in with the overall Improvement Plan.</p> <p>Committee NOTED Paper 2.</p>	
6.2	<p>Cybersecurity – Half-Year Report</p> <p>Director of Information Systems summarised Paper 3.</p> <p>Board Member queried whether, given the shared concern around the loss of cyber essential across the partnership, consideration had been given to provision of cybersecurity via another route, such as HEFESTIS. Director of Information Systems advised that the college does make use of HEFESTIS for some services, however they do not provide the internal co-ordination that is currently required.</p> <p>Principal noted that UHI had undertaken some restructuring which may result in some exposure in areas such as IT, and this is effectively left to the college to address with no associated reduction in top-slice.</p> <p>Chair requested that the associated risks identified around cyber essentials be addressed within the ERM, which was AGREED.</p>	

	Committee received and NOTED Paper 3.	
7.1	<p>Internal Audit – Progress Report to March 2025</p> <p>Internal Auditor provided update on progress re Internal Audits, noting that work around the Publicity & Communications and Students’ Association Engagement audits were on track and should be ready for review at the next meeting.</p> <p>Internal Auditor reported that the work on the Financial Sustainability audit had been delayed but it is still hoped that this work could be concluded to allow tabling at the next meeting.</p> <p>Internal Auditor referred to the additional piece of work noted by the Principal in Item 6.1, and suggested that there would be an option to reallocate days from one the planned audits scheduled for next year to enable this work to take place. Committee APPROVED this approach.</p> <p>Internal Auditor would circulate Scope of additional work when available for approval.</p>	Internal Auditor
7.2	<p>Internal Audit Report 2025/04 – International Activity</p> <p>Internal Auditor presented Paper 5, noting the Satisfactory status identified, and the recommendations which reflected the actions in progress.</p> <p>Chair noted the references in the report to disconnection with UHI Executive Office and queried whether this was an area that should be addressed. Principal advised that there were wider issues around how UHI Perth and UHI approached International Activity, and there had been attempts to run both teams as a single unit.</p> <p>Board Member sought clarification around compliance re UKVI and asked for reassurance that the processes around reviewing arrangements had been considered within this context. Principal advised that UHI Perth used different types of UKVI licenses for different aspects of the business (staff, students, AST) that were each reviewed regularly. Principal was unsure of the last dates of these reviews, but would circulate to Committee.</p> <p>Committee noted Paper 5.</p>	
7.3	<p>Audit Committee Report to the Board of Management</p> <p>Committee were advised that the Report outlined in Paper 6 normally accompanies the Annual Audit reports, however was being presented for Audit Committee’s consideration and approval at this time. This will then be forwarded to the Board of Management for consideration.</p>	

	<p>Committee were advised that the key points in the report referenced previously-advised information contained in both External and Internal Audit annual reports.</p> <p>Board Member queried whether the level of audit fees had been challenged. Depute Principal (Operations) advised that more detail had been requested around the £16k uplift in fees, but none had been provided at this stage. The matter has also been raised with UHI Executive Office.</p> <p>Committee APPROVED Paper 6.</p>	
8.1	<p>Freedom of Information & Data Protection – Quarterly Update</p> <p>Clerk presented the Freedom of Information & Data Protection quarterly update.</p> <p>Committee NOTED Paper 7.</p>	Clerk
9.1	<p>Committee Updates</p> <p>Committee received & NOTED minutes of the Health & Safety Committee from 13 November 2024.</p>	
9.2	<p>Health & Safety Risk Register</p> <p>Committee received & NOTED Paper 9.</p>	
10	<p>Date & Time of Next Meeting</p> <ul style="list-style-type: none"> Wednesday 28 May 2025 	
	<p>Any Other Business</p> <p>Board Member raised concerns around the budgeting errors and approval oversights that had been advised to Finance & Resources Committee and how these were being addressed.</p> <p>Chair summarised these errors for all Committee Members.</p> <p>Clerk advised that the approval oversight processes had been addressed, and Internal Auditor had been advised of the situation. Clerk further advised that an update report was due to be provided to the full Board meeting on these issues next week.</p>	
11.	<p>Review of Meeting</p> <p>Committee confirmed that the meeting had been conducted in line with its Terms of Reference.</p>	

Information recorded in College minutes are 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.

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** ☒