



Minutes of the Meeting of the Audit Committee

held at 6.00pm on Wednesday 13 March 2024
held in the College

Present:	Mr S Taylor (ST) Mr A Alimohamed (AA) Mr A Barke (AB) Ms C Ajit Singh (CAS)	Chair
In Attendance:	Mr M Cooper (MC) Ms T Aust (TA) Ms K Frost (KF) Mr S Pringle (SP)	Executive Director Finance, HR and Development Principal Head of Governance Director of Internal Audit, Wylie & Bisset LLP

1/24 **Welcome and Apologies**

The Chair welcomed everyone to the meeting. There were no apologies for absence. SP, AA and AB were attending the meeting virtually.

2/24 **Declarations of Interest**

There were no declarations of interest relating to the items on the agenda.

3/24 **Minutes of the Last Meeting**

Minutes from the meeting of the Committee held on 29 November 2023 had been received in advance (Paper 1). IT WAS DECIDED the minutes were a true record of the meeting and they were approved.

4/24 **Matters Arising**

A 'Summary Action Point List' (Paper 2) was received and noted. The committee received an update on progress towards actions agreed at the last meeting.

29/23: MC summarised the training courses offered by the Internal Auditor. It was agreed MC would follow up on arranging a fraud awareness training course.

30/23: MC confirmed that the right to erasure had been included in the College's privacy notices.

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5/24 **Risk Management**

a) **Risk Register**

The 'Strategic Risk Register' (Paper 3) was received in advance of the meeting.

It was noted that each Committee was in the process of reviewing the new strategic risk register. Changes recommended by the CQSE Committee had been included in the risk register but changes recommended by the FRCP and GSS Committees hadn't yet been included due to the timings of meetings.

The Committee discussed ongoing reporting requirements. It was agreed the Committee would have oversight of the full risk register including the quality of mitigation for each risk. Governors asked for any changes to risks to be highlighted in future reports, including any emerging risks.

Governors said the risk register didn't specify who was responsible for monitoring that the controls for each risk were being implemented. It was agreed a column would be added showing the College lead for each risk.

Action: MC

MC reported that the College had just had an internal audit of risk management. There were three low level recommendations coming out the audit. A full report from the audit would be circulated to Committee members for the next meeting. One of the recommendations was that the scoring on the risk register had become over complicated and their suggestion was to simplify it.

The Committee reviewed the risks that were allocated to the Committee. It was agreed to review the risk scores once the risk register had been updated with the new risk scoring system. It was suggested that the risk description for Risk 18 be changed to Fraud risk.

Action: MC

SP gave a report from the recent Internal Audit of Risk Management. Findings included that the risk scoring was very complicated, some of the risks weren't strategic and he was surprised the ONS reclassification wasn't a higher risk based on the impact it had on Colleges in Scotland. It was agreed further advice would be sought from the Association of Colleges about the potential future impact of ONS on the College before making any changes to the scores.

Action: MC

The Committee discussed risk appetite and risk tolerance. It was agreed to add both to the risk register through a target score for risk appetite and a threshold for risk tolerance.

Action: MC

b) **Risk Management Policy**

The 'Risk Management Policy' (Paper 4) was received in advance of the meeting.

Governors asked about department risk analysis. MC explained there were several areas of the College where it would be appropriate to have more detailed operational risk registers including IT and Estates. This would be taken forward by the ET+ groups.

Governors asked how the Audit Committee would maintain oversight of the departmental risk registers. MC said a list of departments with risk registers would be

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provided to the Committee although it was noted that some departments wouldn't require a separate risk register.

Action: MC

Subject to an amendment to include reference to risk tolerance, IT WAS DECIDED to recommend approval of the Risk Management policy to the Corporation.

6/24 Internal Audit

a) Internal Audit Reports

Apprentices Funding

A 'Report on the Internal Audit Review of Apprentices Funding' (Paper 5) was received in advance of the meeting. The overall conclusion was 'Strong'.

Governors asked whether the audit had compared the number of actual apprentices compared to the recorded apprentices. SP confirmed it had and the numbers were the same.

Governors asked how the security and confidentiality of papers had been proved. SP explained the steps that had been taken and said that there had been no reason to dispute the arrangements in place. The audit had relied on what members of staff had said.

Governors said there were 21 points of areas of good practice which was a good level of assurance in itself.

Governors asked about the two low level recommendations and whether they had already been implemented. MC confirmed they had.

The Committee discussed whether the internal audits were being impacted by being carried out virtually rather than auditors attending on site. Governors said they believed an on-site presence was an important part of carrying out an audit. SP said he believed that on site presence wasn't as necessary as it once was due to the improvements in technology. The scope of the audits hadn't been diminished as a result of the audits being carried out virtually. Governors said they relied on internal audit to provide assurance and without there being an onsite presence they felt there was an increase in vulnerabilities.

It was agreed that moving forward, the Committee and College Management would look at the schedule of audits and decide whether there needed to be an on-site presence for each.

Estates Management

A 'Report on the Internal Audit Review of Estates Management' (Paper 6) was received in advance of the meeting. The overall conclusion was 'Substantial'. There were nine recommendations.

b) Update on Recommendations from Previous Internal Audits

An update on progress towards the recommendations from previous internal audits was received in advance of the meeting. (Paper 7). The Committee reviewed the update. There were no further comments or questions.

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7/24 Data Protection

The Committee received a verbal update on the work underway with data protection compliance. The College was being supported in this work by Irwin Mitchell.

9/24 Whistleblowing Policy

The 'Whistleblowing Policy and Procedure' (Paper 8) was received in advance of the meeting.

IT WAS DECIDED to recommend the Whistleblowing Policy to the Corporation for approval.

10/24 Date of the Next Meeting

The date of the next meeting of the committee was Wednesday 26 June 2024 at 6.00pm.

Summary of Actions

No.	Action	Lead	Target Date
29/23	Look into arranging a Fraud Awareness Course run by the Internal Auditors.	MC	June 24
5/24i	Add a column to the risk register showing the College lead for each risk.	MC	Mar 24
5/24ii	Change the risk description for Risk 18 to Fraud Risk.	MC	Mar 24
5/24iii	Seek advice from AoC about the potential impact of the ONS reclassification on the College.	MC	Mar 24
5/24iv	Add a target score for risk appetite and a threshold score for risk tolerance to the risk register.	MC	Mar 24
5/24v	Provide a list of the departments that have risk registers.	MC	Jun 24

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