



BOARD OF MANAGEMENT AUDIT AND RISK COMMITTEE MEETING

Minute of the Audit and Risk Committee meeting held on Tuesday 14 May 2019 at 5.00pm in Room A214, Kingsway Campus.

PRESENT: G Robertson (Chair) H Honeyman
T Pirie M Thomson
M Williamson

IN ATTENDANCE: J Carnegie (Vice Principal)
S Taylor (Vice Principal and Secretary to the Board)
S McNaught (Henderson Loggie)
R Smith (Audit Scotland)
A Kerr (Audit Scotland)
T D'All (Principal's/Board Chair PA)

1. WELCOME

G Robertson welcomed members of the Audit and Risk Committee meeting noting this was Jaki Carnegie's first meeting since taking up the post of Vice Principal Corporate Services. G Robertson also introduced both Richard Smith and Andrew McNaught from Audit Scotland and Steven McNaught from Henderson Loggie.

2. APOLOGIES

Apologies were received from Steve Watt, Pam Milne, Kirsty Keay & David Archibald

3. DECLARATIONS OF INTEREST

None

4. ESRC RESEARCH PROJECT – INFORMED CONSENT

G Robertson gave a brief explanation of the Project.

5. MINUTE OF AUDIT AND RISK COMMITTEE – 5 MARCH 2019

The Minute of the Audit & Risk Committee meeting held on 5 March 2019 was approved as an accurate record.

6. 6.1 Matters Arising

Data Breach Reporting

S Taylor confirmed that the "Reply All" layout for emails had been changed globally to seek to reduce accidental sharing of personal data.

7. STRATEGIC RISK REGISTER

S Taylor summarised the Risk Register paper highlighting the changes / updates made following on from discussions at the Audit & Risk Committee and Board meeting in March 2019. Changes included identifying which Board Committee should assume responsibility for individual risks.

Discussion took place on who should be 'lead person' responsible (from the Senior Leadership Team) for individual risks where those risks fell into more than one individual's area of responsibility.

It was agreed that a paper outlining proposals and the planned range of risks, and giving guidance on responsibilities/approaches be prepared for each Committee **S Taylor to progress**. G Robertson stated that he would also speak to each Committee chair to discuss thoughts on these arrangements.

The Committee approved the Risk Register noting the recommended updates.

8. DATA BREACH REPORTING

S Taylor intimated that the College had recently suffered from two fraud losses as a result of three staff email accounts being compromised by cyber-attacks. In both cases action had been taken in line with the Fraud Prevention Policy.

Approaches to mitigate the risks of fraud of this type were discussed and S Taylor confirmed that cyber security and related finance process testing on a 'mystery shopper' basis was planned as a part of this.

S Taylor noted that the Head of ICT was considering a range of fraud prevention measures to reduce the likelihood of future cyber-attacks. Potential approaches to support this were discussed.

M Williamson asked if there was an issue with staff training. S Taylor confirmed that approximately 475 staff had engaged in awareness training during Cyber Security Week, but that there was on-going work to be done to ensure that staff were aware of potential risks and vigilant to these. It was confirmed that all staff had been required to update their passwords.

S Taylor also confirmed that, as and when individual potential cyber-attacks and phishing scams become know, these were communicated to staff via the College Portal.

G Robertson intimated on behalf of S Watt the open offer of assistance and good practice sharing.

9. INTERNAL AUDIT REPORTS

9.1 Business Continuity Plan & Risk

S McNaught summarised the report on Business Continuity Planning & Risk Management noting the overall scoring Assurance Level as Satisfactory.

A discussion took place in relation to the Risk Register, with S Taylor noting that this was no longer a requirement in the Regional Outcome Agreement but that it would not be difficult or onerous to link this back to the Register. S Taylor also noted that the College would be taking up the offer from the College insurers (Zurich) to undertake a desk top BCP exercise. This was planned to take place on 10 September 2019.

The status in respect of the appendices included with the Business Continuity Plan in the business critical areas of Estates and ICT would be checked, and an update included with the minute meeting.

This was checked after the meeting and it is confirmed that the updated Business Continuity Policy went live on 5 March 2019. This policy includes appendices incorporating information and checklists to support critical incident management. Disaster recovery plans were being developed (see update below).

It was confirmed that the audit recommendations noted had all been agreed with the College.

The report was approved.

9.2 Equality & Diversity

S McNaught summarised Report which looks at Dundee & Angus College against the Equality Act and Scottish Government/Scottish Funding Council requirements in respect of equalities, noting the Level of Assurance as Good with no recommendations arising.

G Robertson asked that his congratulation be noted to the Student Services Team and others involved. **S Taylor to progress.**

The report was approved.

9.3 Duty of Care

S McNaught summarised Duty of Care report noting the overall Leave of Assurance as Satisfactory.

S McNaught outlined the recommendations made and highlighted the potential risk of hosting external events and speakers in relation to the Prevent responsibilities of the College and stated that the creation of guidance on this would be of benefit.

G Robertson noted in the report that the date for the mandatory refresher training was noted as 31 December 2019 and asked if this was early enough. This was discussed and it was noted that there was a considerable amount of mandatory staff training to be completed at induction and on a rolling basis thereafter. S Taylor noted that the College was working on a rolling 3-year programme across a wide range of mandatory training to break this up across a reasonable timeframe and support recording and follow up.

M Williamson queried the need for annual training for staff groups delivering schools provision as annual training was mandatory for local authority teachers. It was agreed that approaches to this within the College sector would be checked and practice developed as appropriate. **S Taylor to progress.** It was noted that a wide range of other training around safeguarding and other duty of care elements was undertaken by staff in addition to the mandatory refresh training.

The report was approved.

9.4 Progress Report

S McNaught noted that the Catering (Business Process Review) was still being worked on and that further focus sessions were required at each campus (to be undertaken by David Archibald).

S McNaught noted that the Student Engagement / Students Association audit has commenced but was tied to the timing of the Student President and Vice President Elections so a meeting was still to be arranged with the new office bearers.

It was noted that overall the audit programme was on schedule.

9.5 Audit Plan 2018/19 & 2019/20

S McNaught summarised arrangements and timescales for the production of the 2019/20 audit plan.

9.4 Follow-Up Summary

S Taylor noted that all audit recommendations to date had been completed or were on track by the relevant due date.

G Robertson noted his disappointment that the report was missing details in relation to the Asset / Fleet Management report that appeared on the report in March. J Carnegie intimated that she would confirm the status of the Asset / Fleet recommendations and include these within the meeting minute (see update below). **J Carnegie to progress**

10. EXTERNAL AUDIT

R Smith introduced himself and his colleague A Kerr who will be working with Dundee & Angus College for Audit Scotland, giving some background to their previous experience in the college sector. R Smith noted that the College were now in year three of a five year contract.

A Kerr described the work carried out for 2018/19 explaining the layout of the report and each exhibition in the key audit risks. Indicating that Audit Risks 1 – 4 were standard while Risk 5 was more specific to Colleges re Performance & Governance.

A Kerr noted that Risk 7 (Estates Investment) was part of an overview of reporting on capital & revenue funding relative to Scottish Funding Council and Scottish Government investment.

A Kerr noted that Risk 7 related to a National Fraud Initiative (NFI) and indicated that the College had submitted payroll data to Audit Scotland for this.

A Kerr noted that Audit Risk 9 – Plans & Policies. In respect of the Board Manual and Committee Remit the versions are from 2015. S Taylor intimated that this was driven by the Code of Good Governance from Colleges Scotland and the Scottish Funding Council. S Taylor noted that the Board of Management Code of Conduct is produced by the Scottish Government with no authority for the College to make changes to this.

A Kerr explained Exhibit 3 and the material reporting thresholds for reporting. Exhibit 4 intimated the timescales for the Audit sign off of the College Accounts.

The audit plan update was welcomed.

11. RENEWAL OF CONTRACT - INTERNAL AUDIT

A potential conflict of interest for Henderson Loggie was noted in respect of this item and S McNaught left the meeting.

S Taylor explained that approval to extend Henderson Loggie's contact for a further year had been agreed at the March Audit & Risk Committee Meeting and the Committee's request to have a timeline produce for future contracting.

S Taylor explained the proposed draft timeframe.

G Robertson confirmed that the Committee would be happy with a 'mini' procurement tender arrangement. The Committee also confirmed that they would be happy to delegate responsibility to the Chair. An updated copy of the timeline would be circulated to members.
S Taylor to progress.

12. DATE OF NEXT MEETING

The next Audit and Risk Committee meeting was confirmed as: **Tuesday 17 September 2019 at 5.00pm in A214, Kingsway Campus.**

Action Point Summary

Action	Responsibility	Date
Paper summarising plans for the delegation of risks to individual Board Committees to be discussed at each Committee meeting	S Taylor	24 September 2019
The minute will include an update on the status of the appendices to the Business Continuity Plan in respect of the business critical areas of Estates and ICT. (see 1. below)	J Carnegie	31 May 2019
Congratulations to relevant staff on the positive E&D Audit outcome	S Taylor	20 May 2019
Approaches to annual Duty of Care updating for staff in college sector to be sought and D&A approach adapted as required	S Taylor	24 September 2019
Progress on audit recommendations from Asset/Fleet Management audit to be confirmed. (see 2. below)	J Carnegie	31 May 2019
Internal Audit contract timeframe to be circulated to Committee members.	S Taylor	31 May 2019

Updates

The review of the existing ICT Business Continuity Plan and documenting the Estates Business Continuity Plan is scheduled for completion over the summer with these being re-issued for the start of the 2019/20 Academic session. This review will be supported by the CISO shared service.

The following is the extract from the Asset / Fleet Management Internal Audit report with an update included.

Grade	Action	Deadline	Revised Deadline	Update
2	The procedural instructions for asset additions, currently in draft, should be reviewed to take on board any issues arising from the review. Once updated the procedures should be discussed and agreed by the SMT for dissemination and implantation across all departments	Jul-18	Dec-18 Apr 19	Updated procedural instructions for asset additions and asset disposal have been produced and aged and were uploaded to the staff portal on 30 th April 2019

Grade	Action	Deadline	Revised Deadline	Update
2	The procedural instructions for the disposal of assets, currently in draft, should be reviewed to take on board any issues arising from this review. Once updated the procedures should be discussed and agreed by the SMT for dissemination and implementation across all departments	Jul-18	Dec-18 Apr 19	
3	We recommend that the manual log of mileage be transferred to an electronic system to allow vehicles details to be held in one central fleet vehicle repository. The information to be captured for each vehicle should include the annual mileage; date of completed safety checks and MOTs; maintenance and repair costs; fuel costs. This information should be reviewed annually to ensure that the financial viability of vehicles is regularly monitored and challenged.	Sep-18	Feb-19 Apr 19	<p>An electronic system has been procured and all fleet vehicle data has been captured into the Fleet Check system. The final remaining data set requirement is for the details of all authorised fleet drivers (potentially any member of staff) to be captured (drivers licence, any limitations on driving, etc.). This data is currently being provided by staff and will enable the upload of the complete data sets to the live system to take place at the one time. This is planned to take place prior to the end of session, with rolling updates thereafter (as staff leave/join/change details).</p> <p>Annual review and periodic reporting arrangements will be developed as usage data within the system builds up over the forthcoming year.</p>