

BOARD OF MANAGEMENT

Audit and Risk Committee Meeting

Tuesday 17 September 2019



Draft confirmed by Chair

Minute of the Audit and Risk Committee meeting held on Tuesday 17 September 2019 at 5.00pm in Room A214, Kingsway Campus.

PRESENT: G Robertson (Chair) H Honeyman
M Williamson M Thomson
P Milne

IN ATTENDANCE: J Carnegie (Vice Principal)
S Taylor (Vice Principal and Secretary to the Board)
D Archibald (Henderson Loggie) R Smith (Audit Scotland)
T D'All (Principal's/Board Chair PA) C Watson (Stirling University)

1. WELCOME

G Robertson welcomed members of the Audit and Risk Committee.

2. APOLOGIES

Apologies were received from K Keay & T Pirie

3. DECLARATIONS OF INTEREST

None

4. ESRC RESEARCH PROJECT – INFORMED CONSENT

Board Members and those in attendance at meetings have completed the ESRC Consent Forms.

Filming for the ESRC Project will be limited to BOM Meeting with the videos being used for the purpose of research then destroyed. The videos will not be made public.

5. REFLECTION ON RISK SESSION

G Robertson thanked H Honeyman for facilitating the BOM Development Session on Risk that took place just before the meeting.

G Robertson gave a brief background re documentation, procedures and processes along with guidance for the Chairs of the Committees in relation to their responsibility for each key strategic risk allocated to the Committees for regular review and consideration.

A detailed discussion took place after which G Robertson sought confirmation from the Committee Chairs present that they were content with the allocated risks and their responsibilities to adequately monitor those risks.

The Committee Chairs were asked to consider any areas not covered in the Risk Register that they felt were critical and asked that they consider whether the work of their Committees gave reasonable comfort that risks were being managed appropriately.

On the question of Governance S Taylor confirmed that through the Scheme of Delegation the Audit & Risk Committee (not the individual Committees) would retain responsibility for the Risk Register, with the Committees recommending change as required.

M Williamson stated that she felt that the monitoring reports supplied to the Learning, Teaching & Quality and the Audit & Risk Committees were very robust and give confidence in the Risk Register scoring. Feedback would be discussed at the full Board meeting. **S Taylor to progress.**

6. MINUTE OF AUDIT AND RISK COMMITTEE – 14 MAY 2019

The Minute of the Audit & Risk Committee meeting held on 14 May 2019 was approved as an accurate record following correction to Andrew Kerr's name under Item 1 of the Minute.

7. 7.1 Matters Arising

Business Continuity & Risk

J Carnegie gave a brief update on the recent development session undertaken by the Senior Leadership Team and others facilitated by Zurich on Disaster Recovery. J Carnegie stated that that session would inform the College's Business Continuity Plan update. Further similar development sessions would be planned in the future.

7.2 Duty of Care

S Taylor intimated that a short annual Duty of Care update will be available for staff by the Organisational Development Team in the next few weeks. The benefits of the training being available at this time (rather than at the start of the Academic Year) were discussed. S Taylor also noted that Duty of Care training would become mandatory as part of the Induction process for all new staff and on a rolling basis thereafter.

8. STRATEGIC RISK REGISTER

S Taylor summarised the Risk Register paper highlighting the changes / updates made and noting changes to the Brexit Risk, but highlighting that this remained difficult to quantify.

H Honeyman noted her appreciation for the covering paper prepared to accompany the Risk Register.

S Taylor intimated that the Agenda for the next Board of Management meeting on 24 September 2019 would include the Risk Register.

The Committee approved the updated Risk Register.

9. CYBER RESILIENCE UPDATE

J Carnegie noted that the Board had received a report advising on the College's progress towards compliance with the Scottish Government's Public Sector Action Plan on Cyber Resilience in December 2018.

Highlighting Key Action 4 and the requirement to have in place appropriate independent assurance of critical cyber security controls. The College completed the Cyber Essential Certification in November 2018 and was now working towards Cyber Essentials Plus with testing starting in November 2019 with completion likely for the summer of 2020.

J Carnegie noted that the accreditation was undertaken annually and was an intensive and thorough process. The update, and progress being made, was welcomed.

10. NATIONAL FRAUD INITIATIVE

J Carnegie reminded the Committee that the National Fraud Initiative was part of Audit Scotland's Annual Audit Plan in 2018/19 and summarised arrangements and requirements in respect of this. J Carnegie summarised the College's progress with this work and highlighted that, although this had identified some areas for development, there had been nothing of significant concern raised. It was noted that the work would progress on a two year rolling cycle.

J Carnegie noted her desire to revise the College's Fraud Prevention Policy, and (in light of the new curriculum structure) undertake a robust training exercise with all new managers. This was welcomed.

11. INTERNAL AUDIT REPORTS

11.1 Learner Engagement / Students' Association

D Archibald summarised the report, highlighting that this was a really positive report with impressive engagement by students in the process. D Archibald noted that the Class Representatives arrangements were working well and that the Students' Association provided an effected "voice" for the students. G Robertson noted that this was a positive report and congratulated the Learner Engagement Team for their involvement.

S Taylor stated that the Learner Engagement / Students' Association would lead the development of the new Learner Engagement strategy, working with cross-college managers and newly promoted staff.

The report was approved.

11.2 Catering Business Process Review

D Archibald summarised the report (which focused on the commercial catering offered to students and staff) and highlighted the complexity and variation across the three D&A College campuses. It was noted that this was a review report, and not an internal audit, and as such the report was presented slightly differently.

Discussion took place in relation to the potential for future development between commercial and academic areas of the catering facilities in College.

J Carnegie advised that a meeting will take place with key staff in October 2019 to progress discussions and plans. This would involve Catering Managers, the Head of Curriculum and Quality and the Head of Estates plus others as required.

D Archibald noted the positive engagement he had had from staff and students, and noted that all involved had shown a willingness to participant in the Catering Business Process Review. This was welcomed.

G Robertson noted that the review was very useful and stated that he would be keen to hear about future developments arising from this. The review report approved.

11.3 Progress of 2018/19 Audit Plan

D Archibald summarised the internal audit work undertaken through the 2018/19 plan and advised that all work was complete, with reports on the mandatory student activity and funding audits to be considered at the November meeting.

11.4 Follow Up Reviews

D Archibald summarised the follow up review work completed and noted that the College had made good progress. Of the 19 recommendations remaining, 13 had been fully implemented; 5 partially implemented; with one considered but not implemented due to IT system implications.

The progress was welcomed and G Robertson thanked D Archibald for the update.

The report was approved.

11.5 2019/20 Audit Plan

D Archibald outlined the proposed audit plan for 2019/20, noting that this had been updated following requests made by the Committee and changes proposed by the College. D Archibald advised that these changes impacted on the proposed schedule for 2019/20 and 2020/21.

J Carnegie highlighted the changes as follows:

- Four day review of Staff Recruitment & Retention – due to the significant changes in the College structure and to consider lessons learned.
- Four day review of Procurement & Creditors Purchasing as requested by the Committee.
- Two day review following up on the work undertaken for the National Fraud Initiative
- Four day review of ICT Network arrangements and the one day IT Strategy in to 2019/20.

G Robertson noted that removing the Curriculum Review was a good change due to the level of external scrutiny already taking place with for example Education Scotland.

Following discussion around the plan, and the impact of the proposed changes, the programme was approved for implementation. **Henderson Loggie to progress.**

12. EXTERNAL AUDIT

R Smith confirmed the same main audit team as last year will undertake the Accounts Audit.

J Carnegie noted how challenging it was to have the Financial Forecast Return (FFR) being completed at the same time as the Annual Accounts audit.

13. A.O.B.

G Robertson informed the Committee that Steve Watt had stepped down from the Board and noted Michael Thomson had confirmed that he was happy to continue as a cop-opt member of the Committee for a further year.

14. DATE OF NEXT MEETING

Tuesday 26 November 2019 **at 4.00pm in Room Y150, Gardyne Campus** (Joint Meeting with Finance and Property Committee).

Action Point Summary

Action	Responsibility	Date
Feedback and discussion of Risk points at full Board	S Taylor	24 September 2019
2019/20 internal Audit plan to be implemented	Henderson Loggie	immediate