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Description automatically generated**BOARD OF MANAGEMENT**

# Audit & Risk Committee

Tuesday 7 March 2023 at 5.00pm

Minute of the Audit & Risk Committee meeting held on Tuesday 7 March 2023 at 5.00pm via Microsoft Teams

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| **PRESENT:** | H Honeyman (Chair Audit) | K Keay |
|  | M Williamson | R McLellan |
|  | K Ditcham | M Thomson |
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| **IN ATTENDANCE:** | J Carnegie (Vice Principal) | P Muir (Board Administrator) |
|  | S Taylor (Vice Principal) | D Archibald (Henderson Loggie) |
|  | M Speight (Mazar’s Audit) | J Carnegie (Vice Principal) |

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|  | **WELCOME**  H Honeyman welcomed members of the Audit Committee and welcomed M Speight to the meeting as the new Auditor’s for the College. |
|  | **APOLOGIES**  Apologies were noted from S Middleton. |
|  | **DECLARATIONS OF INTEREST OR CONNECTION**  None. |
|  | **MINUTE OF THE PREVIOUS MEETING** – 20 September 2022  The minutes of the Audit and Risk Committee and Joint Audit and Risk/Finance & Property Committee meetings held on 6 December 2022 were approved as accurate records. |
|  | **MATTERS ARISING**  Matters arising from previous meetings were closed. |
|  | **EXTERNAL AUDIT**  **(i) Audit Fee**  J Carnegie summarised the paper for information only, bringing to attention the significant increase in Audit fees. M Speight stated that the fee level is reflective of current market conditions. He stated that the Audit fees are now where they should’ve been a long time ago. H Honeyman asked if this significant price increase could be staggered over time. J Carnegie acknowledged that every public body has had this increase in audit fees, not only the College, and therefore there was no option to stagger the increase.  **(ii) Introduction to Mazars**  M Speight introduced himself from Mazars- the new external auditors. J Carnegie questioned if Mazars will have a handover from existing auditors- Audit Scotland. M Speight confirmed this was current ongoing. |
|  | **INTERNAL AUDIT**   * 1. **Health, Safety and Wellbeing**   D Archibald summarised the report noting that this was a positive report, highlighting many areas of good practice. D Archibald noted that there were two recommendations from the audit around the updating of the risk assessment document and uptake of mandatory health and safety induction training for ‘casual’ supply staff. Overall, a positive report with minor recommendations of improvement.  M Williamson queried arrangements and tracking of mandatory training for staff who work under 12 hours. J Carnegie highlighted this was being monitored and reported to the Health, Safety and Wellbeing Committee and discussions were ongoing to improve compliance  S Taylor noted that this training was a mandatory requirement, stating this should be signed off as part of the probation period for staff. H Honeyman asked if there are any consequences of non-completion of mandatory training? S Taylor noted that the initial step would be to extend the probationary period and thereafter it may result in the probationary period not being satisfactorily completed.  J Carnegie welcomed the report stating it was a comprehensive and thorough report, praising the new Health and Safety Officer for the approach adopted in engaging positively with teams in the higher risk activities. J Carnegie asked the Committee to pass on their appreciation and gratitude to Sandy Fowler for his efforts. This was agreed. **S Taylor to progress.**     * 1. **2022/23 Progress Report**   D Archibald highlighted this report, stating there are two reviews lined up for April 2023 for completion. He apologised for the delay in presentation of the partnership audit and noted that this was Henderson Loggie’s responsibility, not the College. All audit work was progressing well and there were no concerns around arrangements for completion.   * 1. **Follow up Summary**   J Carnegie summarised her paper for noting, highlighting the College continues to be involved in work around the National fraud incentive. No concerns within this area and a full analysis should be available for the next meeting.  J Carnegie noted the report in appendix, stating there were technical issues with the improvement to systems for payment of online fees for students, the system does not allow staggered payments for students. This would be looked at in more depth, which will take some time and discussion around this topic. K Keay highlighted part of the paper stating if this wasn’t possible for students what would happen? K Keay also asked if fee instalments plans were considered as credit agreements? J Carnegie assured K Keay that this is not the case, students can pay instalments with the College, but it is not a credit agreement and confirmed that instalment arrangements were in place, but the system did not support these well, hence the recommendation for improvement.    J Carnegie highlighted that some recommendations has been delayed- Data protection analytics, compliance and Audit plan- but these would be completed by the end of June 2023.  H Honeyman thanked J Carnegie for the report, stating the College was in a good position in terms of monitoring and enacting audit recommendations. |
|  | **RISK MANAGEMENT POLICY UPDATE**  S Taylor summarised the paper noting that the usual document control and review timeline had slipped during Covid, but these were now getting back on schedule.  S Taylor summarised the updates made to the policy, highlighting that most of these were minimal and reflected improvements made to risk management practice since the last policy review.  D Archibald stated that the College showed good risk maturity and noted that the approach adopted to review risks at each Board Committee was good practice not seen in most other organisations.  H Honeyman welcomed the changes identified and the updated policy was approved. |
|  | **STRATEGIC RISK REGISTER**  S Taylor discussed the paper summarising changes to the Strategic Risk Register noting that the Senior Leadership team had reviewed the comments made by L O’Donnell and made amendments where it was felt appropriate.  S Taylor summarised the changes proposed and outlined areas where change was considered, but not progressed. These were discussed with the Committee and the rationale noted in each case.  S Taylor highlighted the Brexit Risk, noting that this had decreased from the initial concern of this. M Thomson asked if this was a Brexit risk or a wider political risk and it was noted that this related only to Brexit. Following discussion it was noted that this risk should be reviewed for the next meeting as it may no longer be required and could be written into the broader political change risk within the register. **S Taylor to progress.**  K Ditcham noted the significant risk around financial sustainability and asked about arrangements to address this which assessed and minimised impact on students and staff. S Taylor stated there are ongoing planning and conversations with trade unions around ways to enhance financial sustainability going forward, and also to pick up on the impacts of previous savings. These were live discussions, and changes had been made to reduce or remove services or activities rather than expecting ‘the same with less’. This work would continue with reports provided to the Board and relevant Committees. |
|  | **DATE OF NEXT MEETING** – Tuesday 6 June 2023, Gardyne Campus, Room Y150 |

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| **Action Point Summary** |  |  |
| **Action** | **Responsibility** | **Date** |
| Pass on thanks from Committee to S Fowler for his work around Health and Safety | S Taylor | 17 March 2023 |
| Review ‘standalone’ risk in respect of leaving the EU | S Taylor | 6 June 2023 |