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Description automatically generated**BOARD OF MANAGEMENT**

# Audit & Risk Committee

Tuesday 6 June 2023 at 5.00pm

Minute of the Audit & Risk Committee meeting held on Tuesday 6 June 2023 at 5.00pm in Kingsway Campus, Level 6, Room A625 and via Microsoft Teams.

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| **PRESENT:** | H Honeyman (Chair Audit) | J Buchanan |
|  | M Williamson | K Ditcham |
|  | S Middleton | M Thomson |
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| **IN ATTENDANCE:** | S Taylor (Vice Principal) | P Muir (Board Administrator) |
|  | S Inglis (Henderson Loggie) |  |

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|  | **WELCOME**  H Honeyman welcomed members of the Audit Committee and welcomed J Buchanan to her first meeting and M Thomson to his final one. |
|  | **APOLOGIES**  Apologies were noted from J Carnegie, R McLellan, D Archibald, and M Speight |
|  | **DECLARATIONS OF INTEREST OR CONNECTION**  S Inglis noted his association through Henderson Loggie in respect of the GTL Audit paper but advised that this was a separate section of the business. |
|  | **MINUTE OF THE PREVIOUS MEETING**  Following one minor correction the minute of the Audit & Risk Committee meeting held on the 7 March 2023 was approved as an accurate record. |
|  | **MATTERS ARISING**  Matters arising from previous meetings were closed out or included in the Agenda. |
|  | **VICE CHAIR APPOITNMENT**  J Buchanan had been nominated as Vice Chair for the Audit & Risk Committee. The Committee were delighted to approve this appointment. |
|  | **INTERNAL AUDIT**   * 1. **Partnership working**   S Inglis summarised the report noting that this was a positive report, highlighting many areas of good practice. S Inglis noted that there were no recommendations from the audit report. He stated that partnership working was operating well in respect of key partnerships and had been assessed and meets the overall objectives within the report. S Inglis stated the actions within the audit report identified work under way from the College and partners, putting further systems in place. Overall, this was graded as good with no recommendations of improvement.  H Honeyman praised this report.     * 1. **Teaching Staff Utilisation**   S Inglis summarised the report, praising the effectiveness of timetabling and staff utilisation. Only strengths were noted within the report with no weaknesses highlighted. The report observed the policy framework used for timetabling within the College- which was consistent all the way through.  S Inglis emphasised the training framework used to ensure that staff involved in timetabling were aware of requirements and followed good practice. Celcat had proved to be beneficial, creating a solid framework for staff with no delays in the information provided.  H Honeyman queried if there was any evidence of how management information was used to assure staff utilisation. S Taylor stated that reports had been reviewed at a senior level to identify those staff that were low on teaching hours at the start of 2022/23 and stated that additional work was identified in each case, such as new course development or work to enhance quality. It was confirmed that timetable hours were clearly visible with an approach in place to identify any additional tasks to those staff who may have gaps within their timetable.  K Ditcham asked if there was an opportunity to obtain student reflections, being inclusive of all students involved. S Taylor stated there is always student involvement; student feedback was accessed on an on-going basis through the Student Association and class reps. Education Scotland looked at the skills and experience of staff, along with verification activities which would match the skills and qualifications of individuals delivering courses to the national standards and requirements to ensure the correct skills are being delivered to a high standard.  M Williamson highlighted the significant work for the College covered within these audits and praised the exemplary reports received. M Williamson asked that the thanks of the Committee be passed on to those involved. This was agreed. **S Taylor to progress.**   * 1. **Progress Report**   S Inglis noted the Infrastructure/Capital Projects report was due to be received at the Audit & Risk Committee but had been delayed due to staff absences. Arrangements were now being progressed with B Grace and this would be completed for the next meeting.  S Inglis also reported that all other work was completed or on schedule, with the student funding and activity audits scheduled for August 2023. Follow up reviews and consultations would be undertaken in July 2023.   * 1. **Follow up Report**   S Taylor highlighted the current progress of the Internal Audit report recommendations. Stating the recommendations had decreased from 12 actions to 7. The change in status of the Student Invoicing and Debt Management recommendation was discussed and it was agreed that this would remain behind schedule as new Student invoice systems are to be implemented in October 2023. S Taylor reassured the Committee and stated this recommendation represented a service enhancement rather than a failing or risk. |
|  | **CITY OF GLASGOW COLLEGE LESSONS LEARNED REPORT**  S Taylor discussed the paper, highlighting that an incident had occurred where a significant value of IT equipment had disappeared in City of Glasgow College. The Scottish Funding Council had asked that the lessons learned report be shared to inform and make other colleges aware of the potential for fraud. S Taylor noted that D&A practice had been summarised against the various recommendations and that it was felt that the College was well placed in relation to these. M Williamson stated it was good to see the measures in place to minimise risk in respect of a similar fraud. |
|  | **STRATEGIC RISK REGISTER**  S Taylor summarised the risk report noting that it was recommended that the ‘Brexit Risk’ be removed from the Strategic Risk Register as it is no longer relevant as a standalone risk. The risks from Brexit are ongoing and are incorporated within our daily lives- for example the cost of living. This was agreed. **S Taylor to progress.**  S Taylor highlighted the credit targets risk, noting that the target would not be achieved in 2022/23 but that SFC had advised that it was not seeking to reclaim funds, but were seeking information around the impact of COVID on student recruitment and retention.  S Taylor summarised the financial sustainability risk, noting that the College had secured c£2.2 million of the required £2.5 million savings and conversations and plans were in place and are at the second stage of consultation to secure any additional potential savings.  H Honeyman questioned whether the industrial action needed to be increased, however S Taylor stated this had been reviewed but was not recommended for change as local relations remained positive resulting in a minimal risk of significant industrial action.  S Taylor noted that weekly meetings were being held with unions on the savings plan to ensure that good communication was in place.  The Strategic Risk register, as amended, was approved. |
|  | **GARDYNE THEATRE LIMITED (GTL) AUDIT ARRANGEMENTS**  S Taylor summarised this report bringing it to the Committee’s attention for approval. This highlighted that audit of GTL was unlikely to be required given the relatively low turnover.  The request to dispense with audit requirements had arisen due to various complications in the 2022 audit what had significantly increased the cost and work involved, with no additional benefit.  The Committee were asked also asked to consider the proposal that the Accounts of GTL were not consolidated within ‘group’ accounts prepared for the year to 31 July 2023.  M Williamson stated that, whilst not against the proposal, she was not clear about what the potential impact or risks of the proposed approach would be. H Honeyman agreed and asked that the paper be revised for consideration at the Board meeting. M Thomson stated that he fully recognised that there was no need or value in the audit or consolidation of the GTL accounts given the projected turnover but recognised that the information for the Board needed to be clearer.  The paper was not approved at this stage, but it was confirmed would be clarified to better identify risks and assurances received from Audit Scotland, SFC and Mazars before being considered at the next Board of Management meeting. **S Taylor to progress.** |
|  | **EXTERNAL AUDIT PLAN**  Mazars were unfortunately unable to attend the meeting, but H Honeyman noted that any questions regarding the plan could be put to them out with the meeting and noted that they had offered to meet with her (and other Committee members) separately if wished.  H Honeyman questioned the experience of engagement with Mazars as there seemed to have been very little commitment from them so far. S Taylor stated that he had discussed the audit plan with B Ferguson who was content with the contents but expressed concern that this was generic and had queried the lack of a handover meeting with Audit Scotland.  S Middleton noted that this was concerning and suggested that it would be useful for the Chair to ask for a meeting with M Speight before audit work commenced. H Honeyman agreed that this was appropriate. **S Taylor to progress.** |
|  | **DATE OF NEXT MEETING**  Tuesday 12 September 2023 at 5.00pm, A625 Kingsway campus and on teams.  H Honeyman thanked M Thomson for all of his input and advice as a co-opted member of the Committee and wished him well for the future. |

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| **Action Point Summary** |  |  |
| **Action** | **Responsibility** | **Date** |
| Thanks from the Committee to be passed to those involved in the Partnerships and Timetabling Audit reports | S Taylor | 23 June 2023 |
| Strategic Risk Register to be updated | S Taylor | 23 June 2023 |
| Gardyne Theatre Limited Audit paper to be revised for consideration by the Board of Management | S Taylor | 20 June 2023 |
| Meeting to be arranged between the Committee Chair and M Speight (Mazars) | S Taylor | 31 July 2023 |