

**NOTES OF THE THIRTEENTH MEETING OF THE AUDIT COMMITTEE
HELD ON 8 MARCH 2017, 4.30PM, THE BOARDROOM, LANGSIDE CAMPUS**

PRESENT:

David Watt	Committee Chair
Keith Rosser	Independent Board Member
Clare Walker	Support Staff Board Member

APOLOGIES:

Michaela Ditrichova	Student Board Member
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IN ATTENDANCE:

Eleanor Harris	Depute Principal
Janet Thomson	Vice Principal Resources & College Development
Tracy Elliott	Assistant Principal - Finance & Infrastructure
Scott Renton	(until the end of item 17.05.2)
Michael Lavender	Scott Moncrieff
Stuart Inglis	Henderson Loggie
Gillian Murray	Clerk to the Board (Minute Taker)

17.01 WELCOME AND APOLOGIES

D Watt welcomed everyone to the meeting. An apology was noted on behalf of M Ditrichova.

S Inglis was in attendance on behalf of the College's Internal Auditors (Henderson Loggie), M Lavender was in attendance on behalf of the external auditors, Scott Moncrieff. D Watt advised the Committee that M Lavender would be given an opportunity to introduce his firm in advance of the Committee starting its substantive business at Item 17.05.

D Watt advised that consideration of item 17.10 would be considered before item 17.09.

17.02 DECLARATIONS OF INTEREST

S Inglis declared an interest in Item 17.09. S Inglis also noted that Henderson Loggie are also internal auditors of the Glasgow Colleges Regional Board.

17.03 MINUTES OF MEETING HELD ON 7 DECEMBER 2016

The Minutes were accepted as a true record of events.

17.04 MATTERS ARISING – ACTION GRID

Progress on all of the Matters Arising in the Action Grid was noted. In addition, J Thomson provided an update on the recent correspondence (27th February) from the GCRB regarding consolidation of accounts. The correspondence confirmed that consolidated accounts for the Region will be completed. GCRB had received advice from their auditors that if they did not prepare consolidated accounts for the Region then their accounts would be qualified. The GCRB therefore had no alternative but to consolidate accounts. J Thomson advised that this would be taken into consideration when preparing the calendar of meeting dates to try to ensure that the annual accounts would be considered/approved at all necessary meetings in order.

The Chair enquired if there had been any feedback from the submission of the 2015/16 accounts. No feedback was expected.

It was noted that Audit Scotland were preparing their annual review report for the sector and any specific reference to the College within the Audit Scotland Review if there were any would have to be approved by the College prior to publication. As yet, no request for approval has been intimated.

17.05 INTERNAL AUDIT REPORTS

S Inglis was invited to speak to the papers issued with the Agenda.

1. STAFF DEVELOPMENT

S Inglis outlined the main areas of the report to the Committee including the Scope, Objectives and Main Findings. The Main Strengths and Weaknesses were explained to the Committee. S Inglis advised the Committee that there were 3 main recommendations in the report but that other actions were already ongoing. In relation to the management responses to the recommendations, S Inglis confirmed that Henderson Loggie were comfortable with the responses. The overall level of assurance was 'Satisfactory'.

The Committee discussed the report and, in particular, the recommendations. The Committee discussed Personal Development Plans and what the barriers to participating in these may be.

The Committee discussed staff resources and E Harris explained how staff resources are calculated in terms of teaching requirements. C Walker stressed the importance of looking at staff resources within Support Staff in detail because as the types of students attending College change so too does the type of staff needed. C Walker highlighted the number of teaching staff holding the TQFE qualification and discussion took place with the Committee members seeking an understanding of the types of staff who don't hold the qualification and the barriers to all teaching staff obtaining the qualification.

The Committee agreed that this Report should be taken to the next meeting of the Organisational Development Committee. JT/GM

2. IT STRATEGY/IT NETWORK ARRANGEMENTS

The main areas of the report were outlined by S Inglis, including the Scope, Objectives and Main Findings. The Main Strengths and Weaknesses were explained to the Committee. S Inglis advised the Committee that there were 3 main recommendations in the report

S Renton advised the Committee that he agreed with all of the recommendations within the report and advised that steps were already being taken to action them. For example, the College is a member of InfoSec and work has already begun with them to educate and train staff on information security. The Committee discussed the report and acknowledged the importance of educating staff on the necessity of information security and appropriate use of IT. J Thomson confirmed that online training material for staff on Information Security would be available by September.

C Walker suggested that there was an opportunity to improve communications with staff and to work with specific teams to ascertain what their IT needs are. S Renton advised that the intention was to move to Sharepoint to the cloud and when showcasing this they would be showing staff how IT can help them in their specific roles.

The Committee noted that an Information Asset Register was being developed and asked that this be brought to the Committee. JT

In response to a query from a Committee member, T Elliott outlined how Committee members could monitor progress of the recommendations. It was explained that the recommendations would be put on the rolling action plan which comes to every meeting of the Audit Committee. There would also be a follow up Audit Report by Henderson Loggie later in the year which would follow up on all recommendations made in the internal audits.

S Renton left the meeting.

3. SPACE MANAGEMENT BUSINESS PROCESS REVIEW

S Inglis introduced this report and explained that this Audit had taken a different approach than most others would as it was a business process review. He explained that the outcome of the Report was to provide a summary of findings which specified areas for consideration or improvement, rather than recommendations.

J Thomson updated the Committee on the work that was being done to implement some of the changes identified in the report. The Committee discussed the Report. Committee members observed that a lot of what is required is a cultural change in the way staff work. In response to a query from a Committee member, S Inglis advised that there was not a concern that Senior Lecturers were doing the timetabling and E Harris noted that this was entirely appropriate given the skill involved in this. The concern was in the double handling of the information by Senior Lecturer and Faculty Administrator.

The Chair thanked S Inglis for the Reports and thanked the College staff for their contributions.

17.06 INTERNAL AUDIT PLAN 2016/17 PROGRESS UPDATE

S Inglis advised the Committee that dates were being organised for the remainder of the Internal Audit work planned for 2016/17. The Committee noted the Internal Audit Plan Progress Report

17.07 COLLEGE STRATEGIC RISK REGISTER

J Thomson was invited to speak to the College Strategic Risk Register. It was explained that the Risk Register had been revised to streamline the risks and to show them by risk category. The revised version of the Risk Register had been developed through discussions between the Chair of the Audit Committee, K Rosser, Audit Committee member and the Depute Principal and Vice Principal Resources and College Development.

J Thomson explained that the number of risks had been reduced from 25 to 12 and that the new risk register indicates how the previous risks have been grouped together. The new risk register also includes a link to the College Development Plan indicating which goal the risk links to. The mitigating actions have also been reviewed.

The Committee discussed the new Risk Register. It was agreed that the 'Red' risks should be given more narrative in the cover JT

paper when going to the Board. In response to a question from a Committee Member, the Chair reminded Committee members that it was their duty to review the mitigating actions stated in the risk register and to be satisfied with the level of assurance being offered.

M Lavender, who had not had sight of the previous risk register, suggested that more detail could be put into the risk outcomes and the mitigating actions. J Thomson advised that she would consider this and she will liaise with him for his comments. Overall, the Committee were pleased with the level of information and style of the new Risk Register. JT

17.08 PROCUREMENT AND COMMERCIAL IMPROVEMENT PROGRAMME

T Elliott was invited to speak to the report issued with the papers. The report provided an update on the following areas:

- Glasgow Regional Procurement Team (GRPT)
- Notable Tender Activity
- Contracts

In addition, the Committee had received a copy of the recent Procurement and Commercial Improvement Programme report. T Elliott explained that Colleges and Universities are now periodically assessed by Advanced Procurement for Universities and Colleges (APUC) through the Procurement and Commercial Improvement Programme (PCIP) which replaced the previous Procurement Capability Assessment Programme (PCA).

Glasgow Clyde College is subject to a 'Lite' assessment which applies to institutions with a non-pay spend value between £2 million and £15 million per annum.

The PCIP programme focuses on the policies and procedures driving procurement performance and, more importantly, the results they deliver. The key points of the PCIP are:

- Organisations will be assessed every two years (previously annually)
- New assessment questions set
- New scoring and performance bandings
- Introduction of a new Medium Assessment to complement the Lite and Full Assessments
- Introduction of a Level 4 – High Performing Assessment to the Full Assessment
- The assessment results will not be comparable in any way to the previous Procurement Capability Assessment (2009-2014).

- New assessment methodology, including information being submitted and assessed in advance of the assessment day.

On the 29th November 2016, the College was assessed against the new PCIP programme and achieved a Gold score, which is the highest performance band. The College expects to be re-assessed in the Academic Year 2018/19.

The assessors' summary statement: *"The PCIP Lite score achieved by Glasgow Clyde College is an excellent one. Sound procurement processes are well embedded and understood. These are demonstrably linked to outcomes and benefits that support optimal use of College resources in meeting corporate strategic objectives, as well as broader collaborative opportunities that arise through the GRPT and the wider public sector procurement programme. A key factor in the success of the College procurement operations and their sustained improvements journey, is the ongoing support of College senior management. This has been an essential element in the facilitation of excellent performance."*

The Committee discussed the Report. The Committee sought to ensure that the standard would be monitored to ensure that they maintained this high level in the future. T Elliott advised that prior to the next review there would be a dry run – this would be in about 18 months. The Committee asked that the results of the dry run be brought to the Committee with sufficient time being left between that and the next review to ensure that any necessary changes are implemented. TE

The Chair thanked T Elliott and the Finance Team for securing this Gold standard.

17.10 INTERNAL AND EXTERNAL AUDIT ROLLING ACTION PLAN

The Committee noted the updates on the Rolling Action Plan. The Committee discussed the Action Plan.

A Committee member queried how future checks could be done on the Personal Learning Support Plans (PLSPs) referred to in item 2.1. E Harris advised that these were no longer required but the College was going to continue using these and compliance could be monitored on the system.

In response to a query from a Committee member, T Elliott reminded the Committee that they can monitor the implementation of the recommendations through the follow up Audit Reports which will be brought back to the Committee at a later date.

D Watt asked that G Murray liaise with the Auditors to agree the scope of the Governance Audit to ensure minimal duplication with the work already done in the External Effectiveness Review of the Board of Management. GM

S Inglis left the meeting

17.09 APPOINTMENT OF INTERNAL AUDITOR FOR FUTURE YEARS

J Thomson provided an update on the appointment of Internal Auditors as the current appointment of Henderson Loggie would end in early October. The College APUC representative had drafted a timetable for appointment with a new Auditor likely to have been selected by July with Appointment being made at the August Board meeting.

The Committee noted the update.

17.11 EQUALITY IMPACT OF DECISIONS MADE

No decisions were made requiring an EIA.

17.12 REVIEW OF PAPERS (INCLUDING DISCLOSABLE STATUS)

The Committee discussed the disclosable status of the papers and it was agreed that all papers should be disclosed with the exception of the following

17.08 (Papers only non-disclosable)

17.10 – Internal and External Audit Rolling Action Plan

17.13 ANY OTHER BUSINESS

None. The Committee Chair thanked those who had provided papers for the meeting.

DATE OF NEXT MEETING

Wednesday 7th June 2017 at 4.30pm, the Boardroom at Langside.