

**NOTES OF THE MEETING OF THE AUDIT COMMITTEE HELD ON 29
SEPTEMBER 2021 at 16.30HRS
Meeting held remotely due to COVID-19 Meeting Restrictions**

PRESENT:

David Watt	Committee Chair
Amie Logan	Board Member
Michael Payne	Board Member
Margaret Swiderska	Board Member
Clare Walker	Board Member

IN ATTENDANCE:

Jon Vincent	Principal
Tracy Elliott	Assistant Principal, Finance and Infrastructure
Janet Thomson	Vice Principal, Resources and College Development
Gary Devlin	Azets UK (External Auditors) (to Item 21.39)
David Archibald	Henderson Loggie (Internal Auditors)
Christine McConnell	Clerk, Minute taker
Donald Maclean	Hefestis (for Item 21.38)

21.30 WELCOME AND APOLOGIES

ACTIONS

The Committee Chair welcomed everyone to the meeting. G Devlin attended on behalf of the College's external auditors (Azets UK) and D Archibald attended on behalf of the College's internal auditors (Henderson Loggie).

21.31 DECLARATIONS OF INTEREST

No declarations of interest were received.

21.32 MINUTES OF MEETING HELD ON 26 MAY 2021

The Minutes were accepted as a true and accurate record of the meeting.

21.33 MATTERS ARISING – ACTION GRID

The Committee noted that all matters on the grid had been actioned.

21.34 INTERNAL AUDIT REPORTS

Follow Up Reviews

The Committee noted that of the total eighteen of recommendations reviewed in this follow up report, ten had been fully implemented, two were partially implemented, five were within timescale and one had been considered but not implemented. The Committee discussed the one not implemented recommendation which was in relation to location of internal communications in the College's reporting structure and were content that this has been considered and that there

is no risk to the College in not taking this forward at this time. The Committee agreed that this was a very positive report and commended management for the work done to achieve this position.

21.35 INTERNAL AUDIT 2020/21 PLAN PROGRESS AND PLAN FOR 2021/22

J Thomson spoke to the covering report.

The Committee formally noted the appointment of Henderson Loggie as the College's future Internal Auditors for the next three year period (extendable to five years) following an open tendering process in which the Chair and the Vice Principal Resources and College Development had been involved. The Committee asked that, in exercising their functions, the internal audit team should be organised such that a fresh perspective can be brought to audits given the length of time over which Henderson Loggie will have now been appointed at the College.

Henderson Loggie then spoke to the report on the progress of the internal audit plan for 2020/21 and the future internal audit needs assessment from 2021/22. The Committee discussed the process for agreeing the internal audit plan for 2021/22 and beyond. The Committee noted that meetings had been held with senior managers to discuss risks and audit needs in light of expected challenges over the next three years. D Archibald of Henderson Loggie shared with the Committee some proposed key areas for future internal audit. The Committee was content with the approach being taken and commented that the timings of the proposed reviews should be considered in light of recent management restructuring and new appointments. The Committee asked that after discussion with management, the proposed plan should be circulated to the Committee by the end of October to allow the Committee to comment before the next meeting on 24th November 2021 to aim thereafter for the plan to be approved at the November meeting.

JT/DA

21.36 COLLEGE ASSURANCE FRAMEWORK INTERIM UPDATE

J Thomson provided the Committee with an update on the College's Assurance Framework.

The Committee complemented the work which has been done to focus on the three lines of defence in the framework.

The Committee encouraged the College to use the framework alongside the risk register and ensure the effectiveness of the lines of defence described. The Committee also welcomed the suggestion that the framework could be mapped against the quality framework produced by Education Scotland entitled "How Good is Our College?" in the longer term.

JT

JV/JT

21.37 COLLEGE STRATEGIC RISK REGISTER

J Thomson was invited to speak to the report issued with the agenda.

The Committee welcomed the addition of the comparison of each residual risk score to the College's Risk Appetite. The Committee noted that there was only one area where the risk score is above the risk appetite. After discussion, the Committee agreed that it was comfortable with this position. However, the Committee agreed that it would be helpful to arrange a workshop with College management and the Chairs of the Board's Committees at which scoring and the risk appetite could be re-considered including the possibility of introducing different risk appetite levels across the different risk areas. The workshop would allow the Chairs to review the Risk Register in detail and provide the Board with comfort that the register had been subject to an updated scrutiny.

JT

21.38 DATA PROTECTION UPDATE

(NOTE: This item was discussed after Item 21.33)

Donald Maclean (DM) from Hefestis attended for this item to provide a verbal report to the Committee on current issues affecting the Further Education landscape. DM highlighted threats and trends which may impact upon Glasgow Clyde College. DM advised that the threat of cyber-attack on College data across the sector is high and, although the Committee noted that the College has a range of preventative measures in place, the threat is still present.

The Committee discussed in particular the risks arising in relation to the use of College email accounts by trade union representatives and the resultant potential for Trade Union Data on College servers resulting in the importance of considering whether a written agreement should be in place to formalise this arrangement. J Vincent advised that there are ongoing discussions on this issue with the Trade Unions. The Committee asked that an update on this issue is included in the next report to the Committee.

JT/DPO

DM advised the Committee that the Information Commissioner's Office has produced a useful tool to track compliance with GDPR.

The Committee also heard that there are inherent risks from interactions with third party providers and the impact of legislative changes which affect all Colleges in the sector.

The Committee discussed the importance of ensuring that all third party contracts include suitable clauses to address data protection requirements and was assured that the Data Protection Officer (DPO) has reviewed and amended these areas as appropriate.

The Committee also noted that the practicalities of obtaining cyber insurance are being considered including a value for money analysis. The Committee asked that an update on this be provided to the Committee at its next meeting.

JT

- Items for Information/Noting**
- 21.39 INTERNAL AND EXTERNAL AUDIT ROLLING ACTION PLAN**
 T Elliott was invited to speak to the report issued with the agenda.
 The Committee noted the update on actions detailed on the rolling action plan. The Committee discussed the action to standardise HR procedures and agreed with the approach of prioritising local procedures given the difficulties attached to the agreeing of national bargaining related procedures.
- 21.40 AUDIT COMMITTEE REMIT AND SCHEDULE OF WORK**
 The Committee discussed the remit and agreed that it reflected the work required of the Committee. The Committee noted that the number of members on the Committee should read “not more than six”. **CMcC**
 The Committee also suggested that the remit could be grouped under headings associated with the Committee’s three high level areas of work: - i.e. systems of internal control, governance and risk management and external reporting. In future, agendas would also be structured under these headings. **CMcC**
 Whilst recognising that the Audit Committee doesn’t consider Key Performance Indicators directly, the Committee agreed that it would be advantageous to structure any report to the Board under those three headings. **CMcC**
 The Committee noted and approved the Schedule of Work which formed part of the report subject to the inclusion of the Internal Audit Plan for 2021/22 and beyond at the November meeting as discussed at Item 21.35. **CMcC**
 The Committee noted the option to co-opt members to future meetings if specific further expertise is required.
- 21.41 EQUALITIES IMPACT ASSESSMENT ON DECISIONS MADE**
 No equality impacts had occurred as a result of the Committee’s business.
- 21.42 REVIEW OF PAPERS (INCLUDING DISCLOSABLE STATUS)**
 The Committee agreed papers could be disclosed as stated on each paper.
- 21.43 ANY OTHER BUSINESS**
- DATE OF NEXT MEETING**
 24th November 2021 at 4.30pm. Location: Seminar Rooms 1 & 2 Cardonald Campus