

**NOTES OF THE MEETING OF THE AUDIT COMMITTEE
HELD ON 2 MARCH 2022 at 4.30PM.**

The meeting was held remotely.

PRESENT:

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

IN ATTENDANCE:

Jon Vincent	Principal
Tracy Elliott	Assistant Principal – Finance & Infrastructure
David Archibald	Henderson Loggie, Internal Auditor
Gary Devlin	Azets Accounting Services, External Auditor
Mairead Wood	Data Protection Officer (for Item 22.08)
Kirsty Mavor	Clerk to the Board (Minute Taker)

ACTION

22.01 WELCOME AND APOLOGIES

D Watt welcomed everyone to the meeting. Apologies were noted from J Thomson.

22.02 DECLARATIONS OF INTEREST

There were no declarations of interest.

22.03 MINUTES OF MEETING HELD ON 29th SEPTEMBER 2021

Subject to one typo being corrected, the Minutes were agreed to be an accurate record of the meeting.

22.04 MATTERS ARISING – ACTION GRID

The Committee noted the update on the Actions Grid. It was noted that the Sustainability Plan has been delayed but it will be provided for the next Committee and Board meeting.

Items for Discussion/ Decision

Systems of Internal Control

22.05 INTERNAL AUDIT PLAN 2021/22 PROGRESS REPORT

D Archibald of Henderson Loggie, Internal Auditors provided a summary of progress against the Internal Audit plan for 2021/22. The Committee noted that the plan is on track with the core internal audit activity scheduled to be delivered before the summer break.

22.06 INTERNAL AUDIT REPORTS

DEBTORS AND INCOME

D Archibald spoke to the three internal audit report including the Debtors and Income Report which concluded that there is a good level of assurance in this area with the system meeting control objectives. There are no recommendations in this area.

STAFF DEVELOPMENT

D Archibald spoke to the Staff Development Report which concluded that there is a satisfactory level of assurance in this area with the system meeting control objectives with some weaknesses present. In light of actions already planned by the College, there are no recommendations in the report

The Committee noted that the weakness identified related to the completion of personal development plans (PDP). During the pandemic the College did not push for the completion of PDPs. The Committee agreed that this should now be a priority and noted that the Organisational Development (OD) Committee had set an objective for the PDP completion rates to be increased. Also, the move to including PDPs on the iTrent system should assist.

It was agreed that this report should be shared with OD Committee. The Audit Committee would like a short report in a year's time from the OD Committee so it has sight of progress in this area.

KM

STUDENT RECRUITMENT AND RETENTION

This report concluded that there is a good level of assurance in this area meaning that the system meets control objectives and no control weaknesses were identified. There were two low priority opportunities for enhancement identified in the report relating to (i) the student communications strategy and (ii) use of data analytics tool such as Power BI. The Committee discussed these recommendations and agreed that steps could be taken by the College to improve in the areas identified.

The Committee, whilst happy with the report, was of the view that the management response (particularly in relation to objective 5) could be improved to show that the recommendations are accepted and proactive steps will be taken.

JV

Overall, after considering the three reports, the Committee agreed that it was a very positive review and the relevant

members of staff should be commended for achieving such positive reports.

22.07 CYBER SECURITY UPDATE

The Committee considered the interim update on the reaccreditation process for Cyber Essentials and Cyber Essentials Plus in the paper prepared by S Renton, Head of ICT. The College is currently part way through the reaccreditation process and a full update will be provided at the next Committee meeting. It was agreed that the next update should provide details of what steps have been taken to ensure that security updates have taken place for laptops and PCs that have not been in regular use throughout the pandemic.

SR

22.08 DATA PROTECTION UPDATE

M Wood, Data Protection Officer, joined the meeting to present an overview of data protection within the College. She advised that this was a constantly evolving area as a result of Brexit and the publication of frameworks by the Information Commissioner's Office and Scottish Government.

The Committee was satisfied from the report that the appropriate processes were in place with regard to subject access, right to be forgotten and third-party requests and that deadlines were being met. The Committee noted that data incidents and breaches were slightly higher due to better reporting with human error being the main cause.

The Committee noted that training sessions were being offered to members of staff. It was agreed that there should be a push to increase levels of engagement with this training. Also, a risk assessment should be carried out to introduce mandatory data protection and cyber security training to relevant members of staff on a mandatory basis.

MW

22.08A NFI REVIEW

This extra item was added to the Agenda to inform the Committee of Azets review of the College's commitment to NFI. T Elliott advised that the College's engagement with the 2020/21 NFI process had been graded overall as green. The Committee noted this with approval.

Governance and Risk Management

22.09 REVIEW OF POLICIES

K Mavor spoke to the paper regarding Audit Committee policies that had been updated as part of the Board's overall

review of College policies. It was noted that the main changes were reducing the review period from five to three years and updating the reference to the Equalities Act. The Committee approved the suggested changes and noted that the policies would be provided to the Board at its March meeting.

With regard to policy 1.9 (Information Management), it was noted that this policy was not yet due for review. The Committee agreed that this policy should be reviewed before the next meeting and the review period should also be reduced from five to three years.

KM/TE

22.10 COLLEGE STRATEGIC RISK REGISTER

J Vincent presented this report. He advised the Committee that a workshop took place on 14 January 2022 where the risks attached to delivery of the Strategic Plan were assessed and the College's risk appetite was considered. J Vincent advised that a further meeting will take place and the risk register will be updated following this meeting.

With regard to the current risk register, three increasing risks were identified relating to (i) teaching delivery credit targets (ii) adverse funding changes and (iii) employment relations. The Committee noted that these areas were developing and there is likely to be relevant announcements within the next few months.

The Committee noted the report and agreed that the final column should be strengthened to show, where the risk is above the risk level set, what mitigating actions were proposed to bring the risk in line with the College's risk appetite. In addition it was noted that a more strategic risk register will be available before the next meeting which will include reference to ESG factors.

JV

Items for Information/Noting

22.11 INTERNAL AND EXTERNAL AUDIT ROLLING ACTION PLAN

The Committee noted the report.

22.12 AUDIT SCOTLAND FEES

The Committee noted the information provided about Audit Scotland's fees.

22.13 AUDIT COMMITTEE SCHEDULE OF WORK

The Committee noted the schedule of work and agreed that the Sustainability Plan and Information Security policy should be added to the next Agenda.

22.14 ANY OTHER BUSINESS

There was no other business.

DATE OF NEXT MEETING

4.30pm on Wednesday 25 May 2022.

By Zoom.