

Minutes of the Audit Committee, held on Wednesday 28 May 2025 at 4.30pm, online.

Present:

Lindsey Paterson	Committee Member (Chair)
Rena McAdam	Committee Member
Michael Payne	Committee Member
Stuart Porteous	Committee Member
Martina Tuskova	Committee Member

In Attendance:

Stuart Inglis	Internal Auditor, Henderson Loggie (<i>left after 25.38</i>)
Emma Tilley	Internal Auditor, Henderson Loggie (<i>left after 25.28</i>)
Lisa Duthie	External Auditor, Audit Scotland (<i>left after 25.38</i>)
Dafydd Jones	External Auditor, Audit Scotland (<i>left after 25.38</i>)
Jon Vincent	Principal and Chief Executive (<i>left after 25.28</i>)
Niall Macpherson	Chief Operating Officer
Peter Fee	Assistant Principal Finance and Facilities
Steve Bishop	Head of ICT (<i>left after 25.22</i>)
Jennifer Hunter	Clerk to the Board

25.18 Welcome and Apologies

Actions

Lindsey Paterson welcomed everyone to the meeting. Apologies were received from Martina Tuskova (Student President) and David Archibald (Henderson Loggie).

25.19 Declaration of Interests

Stuart Inglis declared an interest in Agenda Item 25.27 (appointment of the Internal Auditor). LP noted that the item would be taken after agenda item 25.38, towards the end of the agenda and that both internal and external auditors would leave before the item is discussed.

25.20 Draft Minute of the Audit Committee meeting 5 March

The Minutes of the last meeting were agreed as an accurate record.

25.21 Matters Arising – Action Grid

The Committee noted the Matters Arising Report, all items were complete.

25.22 Cyber Security Update

Steve Bishop spoke to the Cyber Security report. The latest cyber security figures for education institutions in the UK based on the

Cyber Security Breaches Survey 2025 continue to show worrying numbers. 85% of further education colleges identified a breach or attack in the past year. This is a marginal 1% reduction from the previous year. A significantly high 91% of higher education institutions identified a breach or attack in the past year. Down 6% from the previous year.

Over recent months, the College has successfully maintained a strong security posture, with no significant security incidents recorded.

Glasgow Clyde, City of Glasgow, and Kelvin Colleges have entered into a Statement of Intent Agreement. The primary objective is to offer mutual aid, to ensure a united and coordinated response to cyber incidents, leveraging the collective expertise and resources of all three ICT teams. This collaboration aims to minimise the impact of cyber threats and to restore normal operations as swiftly as possible.

The Committee noted the report.
Steve Bishop left the meeting.

25.23 Internal Audit Reports as per plan

Stuart Inglis spoke to the Internal Audits, including Building Maintenance, Estates Strategy and Capital Projects, Fraud Prevention and Payroll.

The Building Maintenance, Estates Strategy and Capital Projects internal audit report concludes that there is a good level of assurance in this area meaning that the system meets control objectives. There are no recommendations in the report and no material weaknesses were found.

The Committee asked if the budget was able to keep up with the maintenance demands and noted that the schedule is designed to prioritise statutory maintenance. The Committee noted the impact of the difficult funding environment on maintenance, estates and capital projects, which were further stretched by RAAC at Cardonald College and the discovery of a problem with the Windows at Anniesland. The current conditions survey expires in 2026. While internal processes are robust, there is a significant backlog, the last report included £9.9m of repairs across the three campuses, and the College has not been able to complete all of those due to the funding environment. The Committee noted that the commissioning of a new conditions survey is on the agenda for F&R Committee.

The Fraud Prevention internal audit report concludes that there is a satisfactory level of assurance in this area meaning systems meet control objectives with some weaknesses present. There

are five minor weaknesses identified in the report which have a remedial action completion date of 5 July 2025. The COO and AP–Finance & Facilities are addressing, and processes/ documentation will be updated accordingly. The Committee noted the report, which is also covered further on in the agenda at item 25.29 and 25.32.

Payroll Internal Audit Report concluded a satisfactory level of assurance in this area meaning System meets control objectives with some weaknesses present. There is one minor weakness identified in the report which has a remedial action completion date of 31 August by the Head of People.

The Committee discussed the Payroll report and asked for more information on the pension discrepancy and the expenses discrepancy. Peter Fee will bring an update via the Matters Arising Report to the next meeting of the Audit Committee. **PF**

The Committee noted that a capacity issue within payroll has been identified and that a new team member will be in place soon.

25.24

Internal Audit 2024/25 Plan Progress

SI spoke to the Internal Audit Report, the purpose of the report is to provide a summary of the progress against the Internal Audit Plan for 2024/25, as being completed by Henderson Loggie.

The Committee noted the plan progress for 2024/25.

25.25

Draft Internal Audit Plan for 2025/26

SI spoke to the Draft Internal Audit Plan 2025/26. The purpose of this report is to present to the Committee for discussion and approval the 2025/26 draft Internal Audit Plan as prepared by Henderson Loggie.

The Committee discussed the high-level descriptions of proposed topics for 2025/26 and requested that the team re-consider the spread of the work across a wider area of the College. The programme is required to provide assurance in order to support the annual opinion at the year end. **NM**

The final plan can be approved by the Committee via email as required for timescales. **JH**

25.26

College Assurance Framework/Certificate of Assurance

Niall Macpherson spoke to the report and provided a summary of the College Assurance Framework, the College Assurance Mapping and the annual Certificate of Assurance process.

The Principal has not drawn any matters to the attention of GCRB in relation to the preparation of the governance statement.

The Committee discussed the updates including changes due to the planned closure of GCRB on 30th July. The Committee noted the report.

25.28

Updated Global Internal Audit Standards Presentation

Emma Tilley spoke to a presentation on updated Global Internal Audit Standards.

The Committee discussed the potential implications of the new internal audit standards on the College and agreed that the Chair of the Committee; the Chief Operating Officer and the Clerk to the Board would assess the potential changes required to the Committee Remit and to the Schedule of Work for 2025/26. The Clerk will communicate draft changes to the Committee for review.

JH/NM/LP

Jon Vincent left the meeting.

25.29 Fraud Investigation**

NM spoke to the Fraud Investigation Report and asked Committee members to note the action taken to date, the proposed Internal Audit investigation and the request to put on hold the recommendations in the paper pending the outcome of the current investigation. The Committee discussed the proposed recommendations and noted the report.

25.30 External Auditor Annual Audit Plan 2024/25

Lisa Duthie asked that any members of the Audit Committee who have any concerns relating the risk of fraud in the financial statements or any knowledge of actual, suspected or alleged frauds throughout her appointment, that they bring them to her attention.

LD spoke to the External Audit Plan. The Committee discussed the report and enquired if the significant risks outlines were the same as the previous year. LD confirmed that the risks are the same. The Committee noted the report.

25.31 Approval of Accounting Policies**

Peter Fee spoke to the accounting policies and asked that the Committee approve the accounting policies. The Committee approved the accounting policies, pending any new guidance issued.

25.32 Fraud Response Plan**

NM spoke to the proposed updated Fraud Response Plan, which will not be implemented until after the conclusion of the live fraud investigation. The purpose of the paper is to submit the College Financial Fraud Response Plan to the Committee for annual review, and to agree any changes if required. The Committee

approved the updated Fraud Response Plan (to be implemented at a later date).

25.33 Strategic Risk Register

NM spoke to the Strategic Risk Register and confirmed the funding allocation from the Scottish Funding Council for 2025/26. NM Confirmed a few small changes to the risk register including downgrading risks around achieving the level of students. The Committee discussed the report and approved the Risk Register.

25.34 Internal and External Audit Rolling Action Plan

PF spoke to the Internal and External Audit Rolling Action Plan. The Committee noted the report and discussed mapping the curriculum against sustainability goals. PF and the Deputy Principal to re-assess if the goal is achievable within capacity.

PF

25.35 SFC Update, if available

The Committee noted that a full report will go to the Board of Management on 11th June. The College are still waiting for some of the detail from the Scottish Funding Council.

25.36 ICT Sustainability Plan

The Committee noted the ICT Sustainability Plan.

25.37 Audit Committee Schedule of Work 2024/25

The Committee noted the schedule of work.

25.38 Board Diversity

The Committee noted the Board Tenure Table. The Board of Management member and Committee member Michael Payne's tenure is complete in December 2025.

Stuart Inglis, Emma Tilley and Dafydd Jones left the meeting.

25.27 Appointment of the Internal Auditor

NM spoke to this item, the report recommends that on expiry of the current award, as Henderson Loggie will have been in post for a period of 9 years. To ensure best practice, it is recommended that the contract goes out to tender. The Committee approved the recommendation.

25.39 Any Other Business

There was none.