

**Minute of the Audit Committee Meeting
Held on Tuesday 9 June 2020
Via Video Conference using Zoom**

Present: Gordon James (Chair)
Hazel Murphy (Vice Chair)
Elaine Anderson
Scott Cooley
Steve Graham
Alison Sutherland

In attendance: Brendan Ferguson (Board Secretary)
Yvonne Melvin (Executive Assistant)
Michael Breen (Vice Principal - Finance)
Anne Campbell (Vice Principal – Curriculum)
Jane McKie (Vice Principal – People)
James Thomson (Director of Finance, Student Funding & Estates)
Tony Barrie (BDO – Internal Auditors)
Joanne Buchanan (Mazars – External Auditors)
Lucy Nutley (Mazars – External Auditors)
Claire Robertson (BDO – Internal Auditors)

1 Welcome and Declarations of Interest

The Chair welcomed everyone to the meeting.

There were no declarations of interest.

2 Apologies

Apologies were received from Committee member Margarete Bryan.

3 Minutes of the Previous Meeting held on 26 November 2019 (Paper 1) C/P

The minutes were approved as a correct record.

Proposed: Hazel Murphy
Seconded: Elaine Anderson

Audit Action Tracker (Paper 1A) (P)

- Action 11** The Committee agreed this would be marked as Completed.
- Action 14** The Committee agreed this would be marked as Completed.
- Action 15** The Committee agreed this would be marked as Completed.
- Action 16** The Committee agreed this would be marked as Completed.
- Action 17** The Committee agreed this would be marked as Completed.
- Action 18** The Committee agreed this would be marked as Completed.
- Action 19** The Committee agreed this would be marked as Completed.

4 Matters Arising

There were no matters arising not dealt with on the Agenda.

5 Internal Audit - BDO

i. Internal Audit Report 2019-20 – Data Protection (GDPR) (*Paper 2*) (*P*)

T Barrie (BDO) took the Committee through Paper 2, its conclusions and recommendations, explaining the findings reached. In summary, T Barrie concluded that the review identified elements of good practice, with a number of recommendations identified, designed to ensure that controls operate consistently across the College.

A discussion followed, during which J Thomson advised the Committee that work was currently being undertaken by the College in respect of the recommendations identified in the Report. M Breen added that, at the time of the Audit, the College was in the process of migrating from its own Data Protection (GDPR) template to the ROPA template.

In relation to Recommendation ref 4, Subject Access Request response times, the Chair asked if the College recorded KPIs for subject access and freedom of information requests. M Breen advised that reports are submitted to Senior Leadership Team meetings.

The Committee approved the Report and its recommendations.

ii. Internal Audit Report 2019-20 – Business Continuity (*Paper 3*) (*P*)

T Barrie took the Committee through the conclusions and recommendations of Paper 3 and explained the findings reached. In summary, T Barrie concluded that the review identified areas of good practice, with a number of recommendations identified to further enhance the operational effectiveness of the Business Continuity Plan (BCP).

Paper 3 was discussed in further detail by the Committee and a number of questions of clarification were asked and answered. It was noted that the College had learned lessons through the operational use of the BCP and that the Document was reviewed and updated annually, before being brought to this Committee for approval. In that respect, lessons had already been learned from the operation of the BCP during the Covid19 crises, particularly in the curricula areas. These lessons would be automatically incorporated into the 2020/21 review of the Document for approval by the Audit Committee.

The Committee approved the Report and its recommendations.

iii. Internal Audit Report 2019-20 – Schools and Community Provision (*Paper 4*) (*P*)

T Barrie (BDO) took the Committee through Paper 4, its conclusions and recommendations, explaining the findings reached. In summary, T Barrie concluded that the review identified a number of areas of good practice in the design and operational effectiveness of the College's school college programme and community provision. A small number of recommendations had been identified to improve the process further.

A discussion followed during which a number of questions were asked and satisfactorily answered. In particular, A Sutherland queried if the College was currently considering more Vocational Burst and Community courses going forward. A Campbell advised the Committee that Vocational Burst courses would be a challenge in the new academic year, but it was hoped these courses would be considered further in Semester 2, in line with Government Guidelines. The Committee was also advised that the College worked closely with the Community Planning Partnership and CLD Officers in each Local Authority to plan Community Courses and ensure appropriate provision.

The Committee approved the Report and its recommendations.

iv. Internal Audit 2019-20 – Progress Report (Paper 5) (P)

T Barrie introduced Paper 5, advising that the Report summarised the Internal Audits carried out to date. It was noted that a further two reports had been completed and were currently being considered by the College Executive Leadership Team. Confirmation was also received that Commercial Income would now be included the 2020/21 Schedule.

In response to a question from the Chair, M Breen advised the Committee that the Internal Auditors' follow-up report, covering all actions raised and providing a full year review, would be provided at the meeting of the Audit Committee in November 2020.

The Committee noted the Progress Report to date.

v. Internal Audit 2020-21 – Draft Internal Audit Plan (Paper 6) (P)

C Robertson (BDO) introduced Paper 6 and took the Committee through it.

The proposed plan was discussed in detail by the Committee. It was agreed that the Proposed Audit Sponsors for the Staff Recruitment & Selection Review should be Jane McKie and David Davidson.

C Robertson went on to outline an opportunity to set five days aside to review provisions in the light of the College emerging from the Covid-19 restrictions imposed by Government. A Campbell advised that all Awarding Bodies have their own arrangements for ensuring Centre compliance with Quality Assurance. In response to a question from the Chair, C Robertson confirmed that the rationale for the use of these five days of Internal Audit time would be to ensure that the College was compliant with Scottish Government guidelines. The Committee considered C Robertson's proposal and discussed the added value that might bring, given all of the current circumstances surrounding national Covid-19 restrictions. It was agreed that BDO be asked to scope out the proposal including the objectives for such a review and this be brought to next meeting of the Committee for consideration. In relation to where this should sit within the proposed schedule, it was agreed that, if it were approved, it should sit within the final quarter of the 2020/21 Audit Plan.

The Committee approved Paper 6 as the Internal Audit Plan 2019-20.

The Committee also noted the BDO proposal re the five days to review provision, in the light of Government Guidelines, as the College emerged from

Covid-19 restrictions. BDO were asked to scope out their proposal, including the objectives of the review, and set it against a backdrop of similar activity across the sector and national best practice.

Action: BDO to scope out the proposal, including the objectives for such a review, and provide feedback at the next meeting of the Committee.

6 External Audit – Mazars

i. Audit strategy memorandum – Year ending 31 July 2020 (Paper 7) (P)

L Nutley (Mazars) took the Committee through the Audit Strategy Memorandum. The Memorandum summarised the external audit approach, set out details of the Audit Team, highlighted significant areas of audit risk and areas of key judgements. These included consideration of the FFR and FSP as submitted to SFC and the longer-term effect the impact from Covid-19 may have on this. Mazars acknowledged that the situation currently is fluid. In that respect, Mazars stated it would ensure that the detail of its audit approach takes full account of the outstanding information and the update to the 2020/21 budget to be considered by the Board of Management in September 2020.

The External Audit Strategy Memorandum, including fees and reports, were approved by the Committee.

7 2019-20 Internal Audit Rolling Action Plan as at 01 June 2020 (Standing Report) (Paper 9) (P)

J Thomson introduced Paper 9 and noted that a total of 9 audit recommendations had been actioned in the period and there were no outstanding actions.

The Committee noted and welcomed Paper 9.

8 Date of Next Meeting – Tuesday 15 September 2020 at 4pm

P - Papers will be published on the College Website

R - Papers will not be published for reasons of commercial confidentiality or for reasons associated with data protection legislation

A/P - Already published on the College Website

C/P - Confirmed minutes will be published on the College Website

Reserved Items on the next page.