

MINUTES

Minutes of the Audit and Risk Committee meeting held on Thursday 9 September 2021 at 3.30pm via Microsoft Teams.

Present: Susan Mitchell (Chair), Brian Fisher, Evelyn McPhail, Samantha Mowbray

In Attendance: Hugh Hall (Principal), Susan Dunsmuir, David Eardley (Azets), Rachel Wynne (Ernst & Young), Marianne Philp

1 Welcome

The Chair welcomed those present to the first meeting of the academic year.

2 Minutes of the Previous Meeting: 3 June 2021

The minutes of the previous meeting were approved as an accurate record.

3 Matters Arising / Actions Outstanding

The contents of the paper that had been circulated were noted.

4 External Audit

4.1 Response to Letter from External Auditor

The contents of the papers that had been circulated were noted. Some changes to the draft letter were discussed, in particular to question 3 where it could be confirmed up front that there were no changes or reductions in effectiveness of the controls.

Decisions: To approve the letter subject to the proposed change and arrange for it to be signed by the Chair of the Committee and sent to the external auditor.

Responsibility: Director: Governance and Compliance **Deadline:** 17 September 2021

5 Internal Audit:

5.1 Update on Internal Audit Actions: Exception Report

The contents of the paper that had been circulated were noted. Attention was drawn to page 22 of the Boardpack where it was noted that one action had passed its due date for implementation. It was noted that the deadline had been extended to October 2021 to fit with other work that was linked to this work (and had been discussed at the last Committee meeting). The Internal Auditor confirmed that they were satisfied that progress had been made on this action since the last meeting and management confirmed that all actions due for completion in October 2021 were on track and would be completed on time.

A suggestion was made that the colours used for “Not Yet Due” and “Incomplete” were very similar and the report would benefit from differentiating these more.

5.2 Estates Strategy and Project Management

The contents of the report that had been circulated were noted. Good practice had been identified as outlined on page 48 of the Boardpack and some areas for improvement had also been identified. Three grade 2 recommendations had been made and these had been accepted by management.

There was a general discussion about the Project Management approach within the college and the steps that would be taken to resource projects and standardise the approach. It was noted that training would be key to ensure a clear understanding of various Project roles and responsibilities.

5.3 Internal Audit Annual Report

The contents of the paper that had been circulated were noted. Attention was drawn to page 31 of the report which gave the overall audit opinion.

Members of the Committee expressed their thanks to staff for being responsive to queries, and congratulated them on receiving such a clean audit report.

6 Strategic Risk Register 2021-22

The contents of the paper that had been circulated were noted. It was confirmed that the top scoring risks on the strategic risk register were the same as for 2020-21. The format of the risk register had been updated to avoid duplication of information and to make the report more visual and easily understood.

Members welcomed the new format of report, confirming that the more visual approach made it easier to read. It was suggested that moving forward, only detailing changes since the last meeting might result in fitting each risk onto one page which would be a further improvement.

The changes within the risks, as highlighted in red font, were reviewed and discussed, and some clarifications were given.

A query was raised about where risk events were logged and whether having a risk event log would be beneficial. It was noted that currently this was done via “lessons learned” following invocation of business continuity plans and/or by capturing these in the risk register detail.

It was confirmed that the Finance, Commercial and Estates Committee had responsibility for Digital / Information Systems issues within the governance structure.

