

**West College Scotland**

**Audit & Risk Committee**

**Minute of Meeting held on Wednesday 27 March 2024, via Teams**

**Present:** R Leitch [RL] (Chair)  
J Russell [JR]  
T Dillon [TD]  
B Logan (Cooptee) [BL]

**In** L Connolly, Principal [LC]  
**Attendance:** A McDonald, Vice Principal Operations [AM]  
V Mulholland (Head of Finance & Student Funding) [VM]  
S Pringle, Wylie & Bisset (Int Auditor) [SP]  
S Whitehead, Procurement Manager [SW]  
(Item AR762 only)  
S McDonald, Governance Manager [SM] (Minutes)

**AR757 Welcome & Apologies**

The Chair welcomed everyone to the meeting. There were no apologies noted.

**AR758 Declaration of Interests**

The standing declarations of interests of members, as available on the Register of Interests on the College website, were noted as current. There were no specific interests declared regarding the items on the agenda.

**AR759 Minute of Meeting held on 31 January 2024**

The minute of the meeting held on Wednesday 31 January 2024 **was approved** as an accurate record of discussions.

**AR760 Actions from the Minute and other Matters Arising**

Updates were given on the following actions:

- AM updated on the focus of Risk Management, particularly with reference to the current financial climate. She noted that a session on risk appetite would be arranged for the Board before the end of this academic session.  
**Action: AM/SM**
- Meetings with Chair/Members - as proposed in later agenda item meetings will be arranged during May/June to coincide with the committee's effectiveness review.  
**Action: RL/SM**
- IT Controls – Business Continuity Planning events are planned.
- Capital Funding – outcome of bids submitted still awaited from SFC.
- Following on from the audit of GDPR – SP forwarded a list of available AI tools. AM advised that AI will be considered on future reviews of policies.

The Committee **noted** the actions taken since the last meeting and **agreed** that the completed actions could now be removed.

**AR762 Procurement – PCIP (Procurement & Commercial Improvement Programme) Audit Report**

Sam Whitehead (SW), Procurement Manager was in attendance for this item. SW spoke to the report previously provided. She noted this audit is undertaken every two years and identifies improvements to procurement processes.

The Committee noted the gold award status, with the scoring increasing from the last audit from 76% to 88%, reflecting the high amount of work undertaken in this area over the last few years.

SW noted there were areas where the College would not ever receive the top mark, setting staffing as an example, due to the size of the College compared to some of the larger universities and therefore could not score higher in certain areas.

The Committee, noting the excellent report, raised the following:

- It was asked where the College sits in relation to others across the sector within the section on Embedding Circular Economy and addressing climate change. SW advised that no comparison information had been received from the assessors, however, she would ask the question and update the Committee. She further noted that the College now has a Sustainability Officer in place. **Action: SW**
- Does PCIP advise on what exemplar positions would be? SW advised that guidance on scoring is received as part of the assessment information. She further advised that questions were asked why some scores were 2.5 as opposed to 3. VM noted that during the last review in 2019 college results were not shared across the sector, and that the WCS report had been used as an exemplar previously. It was to be noted that this round of audits was only starting across the sector and all colleges should be completed by October 2024.
- Noting the commitment of SMT, it was asked how Managers had responded to the changes in process. SW noted that Managers were on board, particularly once the compliance tool analysis had been shared. VM also noted the achievements against the Procurement Strategy with ongoing online training and engagement with staff to increase improvements in supplier contracts.

AM advised the Committee that SW was leaving the College at the end of the month. The Committee thanked SW for her work in this area and wished her well for the future.

The Chair, noting the previous discussions and points raised, noted the Committee's assurance in this area with the College ambition and trending in the right direction.

The Committee **noted** the excellent report and updates provided.

#### **AR763 Risk Register Review**

AM advised that in the current environment there is an opportunity to manage risk differently. She advised that a strong risk framework was in development that would be embedded across the college to ensure more recognition and management of risk. This would include gaining a better understanding of risk across the College, how we manage risk; impact; and preventative measures. The Chair of ARC has agreed to provide support on the process and opened this to all members of ARC.

AM advised that a session on risk appetite would be arranged for Board members in early June. Following approval of the budget for 2024/2025, the management of the risk register would be fully embedded across all levels of the College and Board, hopefully by 31 July 2024.

The Committee **noted** the update and Risk Register provided and looked forward to receiving further updates on the development of the Risk Framework.

**AR764 Governance & Legislative Compliance and SFC Assurance Letter**

AM spoke to the paper provided. She noted that the College is required to provide assurance on compliance to SFC by the end of March 2024. This covered the following:

- SFC Financial Memorandum
- Scottish Public Finance Manual (SPFM)
- Code of Good Governance

She noted that based on the review of the internal control checklist, and the sign off by both Internal and External Auditors, the College was content to sign off the annual SFC assurance certificate as at 31 March 2024. This is a roll forward of the current control environment from the signing of the accounts at the end of last year.

BL asked if there was any external verification undertaken by SFC or other legislative bodies. AM advised that due to the changes of the financial year of the College and SFC, the College accounts had been signed off at the end of 2023. Assurances had been provided by Auditors, for the next twelve-month period on which the College could rely. AM advised that although the checklist was comprehensive, further review on the processes supporting the Colleges sign off would be undertaken over the summer to highlight evidence required to provide further assurance of the College control environment for the Board.

RL noted the Committee had comfort with the external assurances received from both Internal and External Auditors.

The Committee **noted** the comprehensive process on the review of compliance with SFC Financial Memorandum; SPFM; and the Code of Good Governance and **noted** the return of an unqualified assurance statement to SFC.

**AR766 Annual Review Process Agreement – Internal Auditors and Audit & Risk Committee**

The Committee **noted** the paper provided and **approved** the recommendation to delay the effectiveness review of the Committee and Internal Auditors, as well as the one-to-one meetings with the Chair and individual Committee members to take place during May /June. It is proposed to issue the same questionnaires for the effectiveness reviews as last year, and these will be brought to the May Committee for agreement.

**Action: SM**

**AR767 Fee Policy 2024/2025**

AM advised that the only change to the Fee Policy for 2024/2025 was the proposal to remove refunds for short courses with a value of less than £100. This would encourage completeness of the short courses. Understanding the College audience, and to mitigate any potential associated risks, it was agreed that this would be highlighted at the time of booking of courses and any impact would be monitored. Individuals would also be highlighted to the appeals process where individual claims would be carefully considered.

Taking into consideration the information above, the Committee **approved** the Fee Policy for 2024/2025 noting the proposed change on refunds for short courses.

**AR768 Business Continuity Planning (BCP) Policy**

AM advised that there were no proposed changes to the policy, and it remained relevant at this time. She noted that the plans underpinning the policy will possibly change and should any of these changes require changes to the policy it would be resubmitted to the Committee.

BL asked how regular tests were undertaken and what the reporting mechanism was for the results of these tests. AM advised this would all form part of the new Risk Framework. It was proposed that an internal Risk Committee would be developed, and its remit would include reviewing BCP reporting. Outputs from this committee would be submitted to future Audit & Risk Committee meetings.

The Committee **approved** the review of the Business Continuity Planning Policy.

**AR769 External Audit Strategy 2023-2024**

AM updated on recent discussions with Azets. She advised that there had been a change of partner for this year, Chris Brown, would be taking forward the College's audit. She advised that Chris has a wealth of knowledge and understanding of the FE environment. AM further advised that VM was currently providing support to the Principal Accountant to advise her of requirements for the forthcoming audit.

AM noted that Azets had not yet received instruction from Audit Scotland. This should be received over coming weeks and their Strategy Plan for the 23/24 Audit will be submitted to the next meeting of the Committee.

The Committee **noted** the update provided.

**AR770 Internal Audit Report – Governance**

SP spoke to the report provided. He advised the Committee of the Strong level of assurance surrounding the arrangements in place for governance compliance at the College. Seventeen areas of good practice were noted, with three low level recommendations, which were currently being implemented.

The Committee noted the following:

- Eight board questionnaires received, out of a possible fourteen.
- KPI reporting need to be meaningful without being overwhelming.

LC advised that the Corporate Strategy refresh should help to identify Key performance indicators to be reported to the Board. AM advised it was hoped that a single page on KPIs will be submitted to the April Board resulting from the new Corporate Strategy. It was also noted that the Chair of CDC will be asked to facilitate a session on KPIs for appropriate staff within the College.

**Action: AM/SM**

The Committee **noted** the report.

**AR771 Internal Audit Plan 2023/2024 Update**

SP spoke to the progress report provided. He noted that dates had been arranged for the remaining audits scheduled for the 2023/2024. These being Alternative Income; Student Admissions and Enrolments; and Communication & Marketing Strategy. He confirmed all was on track for completion of 2023/2024 audit programme.

The Committee **noted** the update provided.

**AR772 Rolling Audit Action Plan**

AM noted the report providing an update on the status of recommendations made by auditors. She advised that eight recommendations are awaiting final validation by the auditors. A further eight remain in progress and have requested extensions, these being mainly due to the development of the new Corporate Strategy.

RL asked if the requested extensions were reasonable for completion. LC and AM agreed these were feasible. LC noted that a draft of the new Corporate Strategy would be submitted to SMT and then the April Board meeting for approval. It was noted that the timing may be impacted should the Strategy not be approved.

The Committee **noted** the updates provide and **agreed** to the requested extensions on the eight actions.

**AR773 Schedule of Business**

The Audit & Risk Committee **noted** the 2023-24 Schedule of Business that would be submitted to each meeting.

**AR774 Date of Next Meeting:**

Date of Next meeting: - **Wednesday 22 May 2024, via Teams**

**AR775 Any Other Business**

AM advised the Committee that this would be the last meeting Vivienne Mulholland would be attending as she was retiring at the end of April. AM thanked VM for her high-level input and contributions to the College over the last sixteen years. The Committee also thanked VM for her participation on the Committee and wished her well for the future.

With no further business raised, the Chair closed the meeting