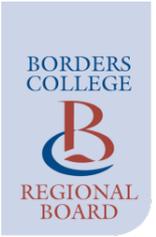


# A



## Audit Committee

Meeting at 17:30 on Thursday 6 February 2020

Location: Board Room, Scottish Borders Campus, Galashiels

### Actions

Item	Action	Responsibility and Date	Action Status
03/20	Register of Interest to be updated.	Chair	Completed
11/20	Data Breach – A verbal report would be provided to the Regional Board on 18/02/20. A malware search would be completed and a case study would be provided for local planning partners.	VP Finance & Corporate Services	Completed
12/20	Procurement Practices - Detail of cash savings to be confirmed.	VP Finance & Corporate Services	On-going

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### MINUTES

ITEM	MINUTES
Present	Paul Scrimger (Chair) Bryan McGrath Jane Gaddie
In Attendance	Angela Cox (Principal) Hazel Robertson (Vice Principal – Finance & Corporate Services) Ingrid Earp (Regional Board Secretary) Stephen Pringle (Wylie & Bisset) Lorraine Sulo (Minutes)
	Members met with the auditors separately prior to the start of the meeting.
<b>01/20</b>	<b><u>Chair's Welcome</u></b>  The Chair welcomed everyone to the meeting.
<b>02/20</b>	<b><u>Declaration of Conflict of Interest</u></b>  No items were raised.
<b>03/20</b>	<b><u>Register of Members' Interests</u></b>  The Chair advised that he had recently changed jobs and would be updating his Register of Interest accordingly.  <b>ACTION: Chair</b>
<b>04/20</b>	<b><u>Apologies for Absence</u></b>  Apologies had been received from J MacKenzie and A Letham.
<b>05/20</b>	<b><u>Minutes of Meeting held on Thursday 21 November 2019 – Paper A</u></b>  The minutes from the previous meetings held on 21 November 2019 were approved.
<b>06/20</b>	<b><u>Matters Arising</u></b>  All actions had been completed.

07/20	<p><b><u>Review of Terms of Reference for Audit Committee – Paper B</u></b></p> <p>The Board Secretary advised that a review had been completed of the current Terms of Reference. Following reference to the Scottish Government Audit Committee handbook, the inclusion of a specific reference to risk within the remit of the Committee was recommended. The Terms had also been reorganised to a clearer format and brought up to date with current terminology.</p> <p>The Committee approved the recommended changes.</p>
08/20	<p><b><u>Internal Audit Assignment – Corporate Governance – Paper C</u></b></p> <p>S Pringle provided an overview of the Corporate Governance audit, which confirmed a strong overall conclusion with no recommendations made. Twelve areas of good practice were highlighted within the report.</p> <p>The Committee approved the report.</p>
09/20	<p><b><u>Internal Audit Assignment – Commercial Income – Paper D</u></b></p> <p>S Pringle provided an overview of the Commercial Income audit, which confirmed a strong overall conclusion with one low level recommendation for commercial income targets for all portfolio areas to be set and monitored throughout the year. Management had agreed that this would be helpful and timely for the 2020-21 budget discussions.</p> <p>The Committee approved the report.</p>
10/20	<p><b><u>Strategic &amp; BREXIT Risk Registers – Paper E</u></b></p> <p>The College’s Strategic Risk Register had been updated since the previous Board meeting in December 2019 with a new summary page introduced. The VP Finance &amp; Corporate Services provided an overview of the risks which remained above target along with the reasons and mitigation as outlined in the executive summary.</p> <p>There is still concern regarding the availability of funding for ICT in the longer term with challenges for infrastructure replacement. The review of the bursary lap top scheme had been completed with course costs significantly higher than the sector, therefore work to reduce these costs was being progressed.</p> <p>Updates had been made to the BREXIT Impact Assessment with actions from the previous report highlighted. Arrangements were underway for data which is currently stored within the EU to be returned to the UK free of charge. Information on commodities which may be at risk continues to be provided by APUC.</p> <p>The Committee approved the report and the closure of risk 3c, 3d and 4c.</p>
11/20	<p><b><u>Data Breach – Paper F</u></b></p> <p>VP Finance &amp; Corporate Services updated the Committee on a recent data breach which had been reported in January 2020. The full report was contained within the paper with all relevant bodies notified.</p>

	<p>Other colleges had been notified through the Information Governance Group. The F&amp;GP Committee would be provided with a copy of the Executive Summary, with a verbal report provided at the next Regional Board meeting. A case study would also be provided for local planning partners.</p> <p style="text-align: right;"><b>ACTION: VP F&amp;CS</b></p> <p>The Committee agreed that the response had been carried out very effectively. A malware search should also be completed.</p> <p style="text-align: right;"><b>ACTION: VP F&amp;CS</b></p> <p>The Committee noted the contents of the report.</p>
12/20	<p><b><u>Procurement Practices and Value for Money – Paper G</u></b></p> <p>The VP Finance &amp; Corporate Services updated the Committee on activities in ensuring best practice and value for money through the College’s Procurement function.</p> <p>Non-contracted spend for period 5 had dropped to 23% with contracted spend increased to 77%. These were favourable results given that the College only has one part-time procurement officer. A forward contract plan is in place and PECOS spend had significantly improved from the previous year. New purchasing thresholds were also being implemented.</p> <p>An analysis of collaborative spend across the university/college sector by APUC confirmed that the College achieved 60% against a sector average of 41%. The report also confirmed cash savings of £253k for the College, the detail of which would be confirmed.</p> <p style="text-align: right;"><b>ACTION: VP F&amp;CS</b></p> <p>The next APUC Operational Procurement Review will be held in March 2020.</p> <p>The Committee noted the contents of the report.</p>
13/20	<p><b><u>Internal &amp; External Audit Follow up Report – Paper H</u></b></p> <p>The VP Finance &amp; Corporate Services provided an update on progress with the outstanding recommendations from both internal and external audits.</p> <p>The complex programme of IT works was progressing well to the revised deadline of end February 2020. The commencement of work on the Financial Procedures Manual had been further delayed due to staff turnover but would be progressed by the Finance Business Partner.</p> <p>A full annual accounts timetable would be prepared prior to the May 2020 Committee meeting.</p> <p>The Committee noted the contents of the report.</p>

14/20	<p><b><u>Equality &amp; Diversity (Standing item)</u></b></p> <p>No items were raised.</p>
15/20	<p><b><u>Committee Papers for Publication (Standing item)</u></b></p> <p>The Board Secretary confirmed that all papers except F and H would be published.</p>
16/20	<p><b><u>Any Other Business</u></b></p> <p>No items were raised.</p>
17/20	<p><b><u>Date of Next Meeting</u></b></p> <p>The next meeting will be held at 17:30 on Thursday 21 May 2020 by video conference.</p>

Signed..... Signed.....  
Chairman Board Secretary