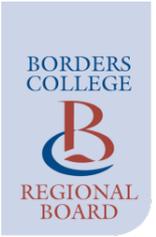


# A



## Audit Committee

Meeting at 17:30 on Thursday 4 February 2021  
MS Teams

### Actions

Item	Action	Responsibility and Date	Action Status
07/21	20/21 Internal Audit plan to be updated to show changes to schedule and brought to May 2021 meeting.	VP Finance & Corporate Services / S McCready	Agenda item for 20/5/21
09/21	SSJs will be incorporated into future committee reports as part of the overall procurement process documentation.  The combined Procurement Strategy and Policy paper will be brought to Audit Committee.  Non-contracted spend to be reviewed.	VP Finance & Corporate Services  VP Finance & Corporate Services  VP Finance & Corporate Services	For Sept 2021 Value for Money report.  Agenda item for 20/5/21  For Sept 2021 Value for Money report.
12/21	Monitoring Follow-up Report - Revised dates for DPIA and email etiquette would be updated to May 2021.	VP Finance & Corporate Services	Completed.

## Audit Committee

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### MINUTES

ITEM	MINUTES
Present	Paul Scrimger (Chair) Carol Gillie David Johnson Ann Letham Jen MacKenzie Bryan McGrath
In Attendance	Angela Cox (Principal) Hazel Robertson (Vice Principal – Finance & Corporate Services) Ingrid Earp (Regional Board Secretary) Scott McCready (Wylie & Bisset) Lorraine Sulo (Minutes)
	Members met with the auditor separately prior to the start of the meeting.
01/21	<b><u>Chair's Welcome</u></b>  The Chair welcomed new Board Member, Carol Gillie, to her first Audit Committee meeting.
02/21	<b><u>Declaration of Conflict of Interest</u></b>  No declarations were received.
03/21	<b><u>Register of Members' Interests</u></b>  No items raised.
04/21	<b><u>Apologies for Absence</u></b>  All members were present.
05/21	<b><u>Minutes of Meeting held on Thursday 26 November 2020 – Paper A</u></b>  The minutes from the previous meeting held on 26 November 2020 were approved.
06/21	<b><u>Matters Arising</u></b>  No matters were arising.

<p><b>07/21</b></p>	<p><b><u>Internal Audit Plan Update (verbal)</u></b></p> <p>The VP for Finance &amp; Corporate Services sought views on changing the scheduled value for money study, in relation to the Curriculum, with a study on commercial income through the Department for Enterprise and Business Innovation (previously BDU). The current impact of COVID-19 on the curriculum and the capacity of staff meant the timing of the audit was not suitable. Management would look to re-profile the audit at a later time.</p> <p>The Committee approved the proposed change. The audit plan would be updated accordingly and brought to the next meeting in May 2021.</p> <p style="text-align: right;"><b>ACTION: VP F&amp;CS &amp; SM</b></p> <p>Following the recent risk register discussions and workshops, comments would also be sought, on behalf of the Regional Board, from Internal Audit on the revised Risk Policy. It was agreed that this could be included within the Risk Management audit which was scheduled within the 21/22 plan.</p> <p>The VP Finance &amp; Corporate Services advised that there had been a delay with the updating of the Financial Procedures Manual due to staff capacity, however, this should be completed later this year. She also advised that having an internal audit input on financial controls could be beneficial. S McCready confirmed that, if required, this would be possible.</p>
<p><b>08/21</b></p>	<p><b><u>Internal Audit Assignment – MIS - Paper B</u></b></p> <p>An overview of the report was provided by S McCready. The audit which was carried out in December 2020, reported a strong level of assurance on the effectiveness of procedures for student applications and enrolments. No recommendations were made with eight areas of good practice highlighted.</p> <p>It was noted that the previous audit had resulted in some recommendations, therefore, members were extremely pleased with the results, given that this was a high risk area for the College.</p> <p>Following a question regarding the impact of remote audits, S McCready advised that audits did take slightly longer to complete, but overall there was no significant difference.</p> <p>The Committee approved the internal audit report.</p>
<p><b>09/21</b></p>	<p><b><u>Internal Audit Assignment – Purchasing &amp; Procurement – Paper C</u></b></p> <p>An overview of the report was provided by S McCready. The audit which was carried out in December 2020, reported a strong level of assurance on the effectiveness of the College’s purchasing procedures with two low level recommendations made:</p> <ul style="list-style-type: none"> <li>• That the College ensures the correct process is followed when processing purchase orders for its green orders;</li> <li>• That the College update the Financial Regulation's to include the Single Source Justification process.</li> </ul>

	<p>Following a discussion on the management responses, it was agreed that the reporting of Single/Sole Source Justifications (SSJs) would be reported to the Audit Committee as part of the overall procurement process documentation.</p> <p style="text-align: right;"><b>ACTION: VP F&amp;CS</b></p> <p>It was noted that the Procurement Strategy and Policy which was scheduled to be updated in January 2021 would be completed in the context of the Strategic Ambition. A review of all College strategies had been held in order to reduce the overall amount. The Procurement Strategy and Policy documents would be combined into one and following input from APUC and internal approvals, would be brought to the Audit Committee.</p> <p style="text-align: right;"><b>ACTION: VP F&amp;CS</b></p> <p>The non-contracted spend, as reported in Paper E, was discussed at this point. It was noted that bespoke items can be a requirement across the curriculum with a quick supply time required. Purchasing and procurement performance continues to be scrutinised at monthly meetings along with APUC representation. A review on non-contracted spend would be completed.</p> <p style="text-align: right;"><b>ACTION: VP F&amp;CS</b></p> <p>The Committee approved the internal audit report.</p>
10/21	<p><b><u>Strategic Risk Register – Paper D</u></b></p> <p>The VP Finance &amp; Corporate Services provided an overview of the paper. Following an agreement that the Strategic Risk Register and process required renewal and in order to support implementation of the Board Development Plan, two risk workshops had been held in January 2021 with positive input received.</p> <p>The Regional Board would be provided with the revised Risk Policy for approval. The current risk register was an interim register until the Board could consider the findings of the workshops.</p> <p>The risk scores on the following had been changed:</p> <ul style="list-style-type: none"> <li>• 5c – National Bargaining.</li> <li>• 5l – COVID-19 impact on student achievement.</li> </ul> <p>The extended lockdown impact on student outcomes was a concern. The Senior Leadership Team was working through scenarios for bringing students and staff back on campus. All students, including practical courses, continued to receive on-line learning. An assessment of the potential number of deferrals into 2021/22 was currently underway along with options on how these students could be accommodated within the College. Additional costs may be incurred and if these costs cannot be accommodated within existing budget, a Board decision would be required.</p> <p>The College had recently appointed an Executive Director for Enterprise and Business Innovation who would have a direct impact on partnership engagement.</p>

	<p>The Principal advised that the ministerial task force had met with college sector representatives. Scenario planning at a sectoral level including the financial impact had been presented.</p> <p>The Committee approved the current risk register with no additional risks for inclusion.</p>
<b>11/21</b>	<p><b><u>Procurement Practices and Value for Money – Paper E</u></b></p> <p>The VP Finance &amp; Corporate Services provided an overview of the report. As discussed under item 09/21, SSJs would be included in future reports.</p> <p>The report provided comparisons to the same time last year with a drop in performance which was being investigated. The VP Finance &amp; Corporate Services would be discussing this further with C Gillie as part of her induction.</p> <p>The new procurement journey for PECOS had been replicated for the manual green order process. APUC’s Operational Procurement Review was completed by the College in July 2020 when the score achieved had met the optimal target level of 67%.</p> <p>The Committee noted the contents of the report.</p>
<b>12/21</b>	<p><b><u>Monitoring Internal &amp; External Audit Follow up Report – Paper F</u></b></p> <p>The VP Finance &amp; Corporate Services provided an overview of the report.</p> <p>The actions arising from the external audit had been added to the report and would be a priority. Work on the fixed asset register had been deferred until staff were able to be on site, however, given the current COVID-19 access restrictions this work may take longer to complete.</p> <p>Recent staff turnover in the Finance Department had impacted on capacity to take forward high level recommendations.</p> <p>Revised dates for DPIA and email etiquette would be updated to May 2021. <b>ACTION: VP F&amp;CS</b></p> <p>The Committee noted the contents of the report.</p>
<b>13/21</b>	<p><b><u>Equality, Diversity &amp; Inclusion (Standing item)</u></b></p> <p>No items were raised.</p>
<b>14/21</b>	<p><b><u>Committee Papers for Publication (Standing item)</u></b></p> <p>All papers were for publication.</p>
<b>15/21</b>	<p><b><u>Any Other Business</u></b></p> <p>No items were raised.</p>
<b>16/21</b>	<p><b><u>Date of Next Meeting</u></b></p>

	The next meeting will be held at 17:30 on Thursday 20 May 2021.
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Signed..... Signed.....  
Chairman Board Secretary