Item 5

GLASGOW KELVIN COLLEGE

BOARD OF MANAGEMENT

AUDIT AND RISK COMMITTEE

MINUTE

Minute of the meeting held on 30 November 2021 at 5.30pm via Microsoft Teams

1. Sederunt

John Hogg (Chair);
Deborah Thomson (Vice Chair);
Dr Elaine Clafferty;
Dermot Grenham;
Fiona Taylor; and
Michael O'Donnell (from 6pm).

In Attendance:

Derek Smeall, Principal and Chief Executive;
Jeanette Evans, Vice Principal - Operations;
Lisa Clark, Director of Corporate Services;
Doreen Shiels, Director of Human Resources;
Alan Carr, Head of Finance;
Linda Ellison, Secretary to the Board;
Gary Devlin, Azets;
David Archibald, Henderson Loggie; and
Donald Higgins – Durnan, Team Leader – Administration *(for recording purposes).*

2. Apologies

There were no apologies received in advance of the meeting.

3. Terms of Reference

It was noted the meeting was quorate with six members in attendance.

4. Declaration of Interest

There were no declarations of interest declared prior to the commencement of the meeting. The Chair reminded members that they could declare an interest during the meeting.

5. Draft Minute of the previous meeting held on 21 September 2021

Members accepted the minute as an accurate record of the business conducted at the meeting held on 21 September 2021.

6.

a) Matters Arising from the Minute of the Previous Meeting held on 21 September 2021

There were no matters arising from the previous meeting held on 21 September 2021.

b) Action List

i. Audit and Risk Committee Action Log as of November 2021

G Devlin highlighted some actions within the log were not timebound. Discussion followed and it was agreed that the persons responsible for the action would update wording to accurately reflect the actions required by the College and confirm due dates as appropriate.

7. Audit and Risk Terms of Reference, Policy and Strategy Review

The Secretary to the Board spoke to the content of the report, which sought endorsement from members in relation to a minor change to the Committee's Terms of Reference. L Ellison advised that the change made was following on from the decision taken at the October 2021 Board Meeting, delegating authority for routine changes made to policies being approved by the relevant Board Standing Committee.

L Ellison advised that this action formed part of formal governance arrangements and drew members attention to the appendix within the report, which detailed the College policies and the suggested Standing Committee that would approve routine changes going forward.

The Chair thanked L Ellison for her update and welcomed comments/questions from members.

A question was raised in relation to the completeness of the list of policies detailed in the appendix of the report, as it did not refer to the Communications or Email Etiquette Policy. The Director of Corporate Services confirmed the list was complete and advised that a robust register of policies was maintained and provided clarification that policies would go to the Board, whereas procedures did not appear at the Board or its Standing Committees. The Director of Corporate Services agreed to check these documents and confirm to provide assurance.

It was also highlighted that the Business Continuity Plan (BCP) included in the table on page eight of the report had no dates for approval/renewal etc. The Director of Corporate Services informed members this was a 'live' document. Members requested that any detail or N/A be added to the relevant fields for completeness.

Members agreed to endorse the change to the Terms of Reference subject to the relevant checks being made by the Director of Corporate Services.

Action: Director of Corporate Services to check Communications/Email Etiquette documents, confirming these are not policies and to update the table within the report with the relevant information relating to the BCP.

8. Annual Audit and Risk Committee Report – Financial Year 2020-21
NOT IN THE PUBLIC DOMAIN

The Vice Principal – Operations spoke to the content of the report on behalf of the Chair. J Evans advised members that the report summarised the extensive work carried out by members of the Audit and Risk Committee for academic year 2020-21, acknowledging the contribution of both the internal and external auditors, adding that the report provided assurance to both the Board of Management and the Scottish Funding Council of the work undertaken.

Members discussed at length the format of the report and if in fact, the report was too detailed. Members agreed the report was comprehensive and noted that the content covered the work undertaken during a very challenging year with the pandemic. The Chair opined that perhaps the level of detail required for future reports would be a

question for the Board and L Ellison agreed. J Evans agreed to reframe future reports to meet the needs of the Committee and the Board as required. During the discussions held, it was recommended for future reports to include an executive summary at the beginning of the report providing a high-level overview.

Action: Executive summary to be included in future annual Committee reports going forward and consideration to be given to streamlining this report. (Chair/Vice Principal – Operations).

9. Risk Management Framework

The Vice Principal – Operations spoke to the content of the report, which sought approval of the new Risk Management Framework that is intended to replace the previous Risk Management Strategy.

J Evans reported that the framework detailed the College's approach to identifying, evaluating, managing, and reporting risk, which was not present within the previous strategy. She added that the framework also included the revision of the Risk Appetite and the new Risk Register format and drew members attention to the revised Terms of Reference for the College Risk Management Committee, included as appendix two of the report.

Members discussed the framework and a minor amendment to wording was suggested, which J Evans agreed to change. G Devlin opined that he was impressed with the new framework and it demonstrated that the College was moving along a 'risk maturity curve'. D Archibald concurred that this was a positive change. In response to a question from the Chair, J Evans agreed to review the framework to ensure risks were explicit, so the Board, when taking strategic decisions could identify the link between potential risks within Board reports and the risk appetite.

Members endorsed the Risk Management Framework for Board approval.

10. Internal Audit Reports – Henderson Loggie

a) Student Activity Data (Credits Audit)

D Archibald provided members with an overview of the report, which he advised was positive in terms of accuracy for data returns to the Scottish Funding Council (SFC). He informed members that the report detailed the approach for testing and highlighted one recommendation. He explained further that the recommendation within the report related to the retention of information for distance learning courses and the requirement for data to be held centrally and made available for audit purposes going forward.

D Archibald drew members attention to appendix two of the report, which summarised each of the price groups delivery against targets. He informed members that the figures continued to be similar to that of the previous academic year (2019-20) with further explanation on reasons for variances contained within the body of the report, highlighting some examples. In relation to five recommendations within the previous academic years report, D Archibald confirmed that he was content that these had been fully implemented and closed off.

D Archibald concluded his summary of the report informing members that value for money was not raised as an issue in terms of not meeting credit targets fully, due to the measures taken by the College, reviewing curriculum offering to combat the challenges faced with reaching credit targets as a result of the pandemic.

The Chair thanked D Archibald for his summary and welcomed comments/questions from members.

In response to a question, D Archibald explained that due to challenges faced, the College were not in a position to do more in terms of hitting credit targets, however, continued to ensure value for money and meet strategic objectives. The Principal provided further context in that despite the College operating through a pandemic, the deviation was 0.5 of a percentage. He added that he welcomed the comments from both the internal and external auditors. G Devlin contributed by commenting that the College is well managed but continues to face performance challenges, adding that the College was capable in managing challenges faced.

The Chair thanked everyone for their comments and welcomed the feedback from the auditors, adding that he viewed the feedback as an opportunity for improvement.

Members agreed to approve the Student Activity Data – Internal Audit Report.

b) Student Support Funds (covers EMA and Bursary Audit / Childcare and Hardship)

D Archibald spoke to the contents of the report, which he considered to be positive. He informed members that the Student Support Funds Audit covered a raft of funds as detailed on page one of the report with testing carried out across all these areas and the checking of relevant returns with no reservations found. He confirmed that he also considered the recommendation from academic year 2019-20 to again be fully implemented and closed off.

In response to a question from a member in relation to what stage in the application/payment process is audited, D Archibald confirmed that the audit reviews in-house nursery provision v claiming of costs, applicant eligibility to payments made and conducting a thorough analysis of costs.

J Evans welcomed the positive report, considering the challenging year faced by the staff in the College Finance and Student Support Funds Team. She highlighted the additional student funding received by the College and the effort made by staff members to get additional support payments made to students, emphasising the impact on the student experience and retention.

The Chair thanked D Archibald and J Evans for their comments and wished to offer a note of thanks to the Finance and Student Support Fund Teams for their efforts on behalf of himself and the Committee.

Members of the Audit and Risk Committee agreed to approve the report.

11. Audit Action Plan

The Director of Corporate Services spoke to the content of the report, which highlighted the recommendations captured from audits and provided a management update on progress.

L Clark confirmed there were three outstanding recommendations, and it was anticipated that one of the three recommendations (Business Development – Commercial and External Funding Activities) would be fully implemented and closed prior to the Christmas break.

Members of the Audit and Risk Committee noted the content of the report and approved the Audit Action Plan.

12. Internal Audit Report 2020/21

D Archibald spoke to the content of the report, which summarised the various internal audit reports presented to the Committee throughout the academic year 2020-21.

D Archibald provided assurance to the Committee that his team were independent to the College and fully compliant with the Public Sector Internal Audit Standards. He confirmed that the audit plan for the session was delivered in its entirety despite an extremely challenging year.

D Archibald informed members that overall gradings for reports were good or satisfactory. He stated that improvement actions were all low-level recommendations, adding that the Colleges risk management and governance arrangements were all in order with no concerns for value for money.

The Chair thanked D Archibald for his summary and referred to the positive working relationships between the College staff and both internal and external audit partners. D Archibald and G Devlin echoed these comments and praised the positive working relationships established and the proactive management style.

Members noted the content of the report for information.

13. Risk Management Update – NOT IN THE PUBLIC DOMAIN

The Vice Principal – Operations spoke to the content of the report, which sought to provide members with an update in relation to risk management.

J Evans referred to the new risk register, within the report and the reduction in the number of strategic risks to 11 following the development of the risk management framework and the recent risk sessions led by Zurich. She added that in future updates, the summary table will include changes since the last meeting so that members will be able to see at a glance those risks that have changed, been removed or added. In addition, the mapping of residual risk to risk appetite allows enhanced analysis and scrutiny. D Archibald offered to work with J Evans in relation to further development of risk appetite mapping.

Action: J Evans to meet with D Archibald to explore further improvements to risk appetite mapping.

J Evans drew members attention to risk items included in the update such as

- the recruitment of a new Director of Digital Services, confirming the appointed person would be in post from January 2022;
- the successful results from the ICT Penetration Test;
- teams were actively pursuing unreturned devices from learners, issued during the pandemic with the move to online learning;
- the College response to the Scottish Fire and Rescue Consultation on Automatic Fire Alarms and potential insurance risk implications (if proposals were implemented.)

J Evans requested members to return any further feedback or updates on the first draft of the new risk register to her by close of business on Thursday, 02 December 2021, prior to the upcoming meeting of the Board of Management.

The Chair thanked the Vice Principal for the update and invited questions/comments from members.

Discussion followed with members praising the new format of the risk register. It was suggested if agreeable to the Chair that the Committee allowed the opportunity to review one or two risks in detail at future meetings. The Chair agreed that this would be beneficial and would be trialed at a future meeting. In relation to risk number 03 - People (page 7 of the report) J Evans responded to a question informing members that the College required to put in place mitigating actions post Covid in relation to people and recruitment i.e. making jobs fulfilling and ensuring the College was a vibrant place to work and attracting desirable candidates. Members opined the benefits of the recent risk sessions and how these shaped the new Risk Management Framework.

Action: Risk Register presented to the Board of Management in full, however, the Audit and Risk Committee allowed the opportunity to review one or two risks in more detail at future meetings as appropriate.

14. Governance Update

The Director of Corporate Services provided members with an overview of various corporate governance activity undertaken since the previous Audit and Risk Committee meeting.

L Clark drew members attention to the following items within the report:

- the College responded to the UK Government's Consultation: Data – A New Direction, providing members with an overview of the key points and the Governments proposal to change Data Protection across the UK;
- meeting held with Paul Sweeney MSP and senior staff from Strathclyde Partnership for Transport in relation to Springburn Train Station Regeneration and Access to Springburn Railway Station (letter of support from Paul Sweeney MSP included as appendix one), adding that members would be kept apprised of any developments;
- further recommended performance indicators in relation to complaints handling per the Scottish Public Sector Ombudsman, including gauging customer satisfaction with the complaints handling process (satisfaction questionnaire included as appendix two); and
- completion of the ICO Accountability Framework (dashboard included as appendix three) with the team now focusing on any areas for development (amber).

Members of the Audit and Risk Committee noted the content of the update for information.

15. Governance Action Plan - Update

The Secretary to the Board provided members with an overview of the Governance Action Plan (GAP) – Update.

L Ellison informed members that the GAP provided assurance to the Committee that all governance actions are captured in one document, and progress routinely monitored. She reported that the GAP was regularly reviewed by the Audit and Risk Committee and shared with the Board of Management.

L Ellison requested Committee members to note the updates to the plan and progress made to date and drew members attention to appendix two, which detailed compliance with the Code of Good Governance checklist and the Externally Facilitated Effectiveness Review and the actions the College had committed to take forward.

Action: The Chair requested members to share feedback with the Secretary to the Board by 5pm, Thursday 02 December 2021, prior to the upcoming Board of Management meeting.

Members noted the content of the update for information.

16. Business Continuity Plan - NOT IN THE PUBLIC DOMAIN

The Director of Corporate Services informed members that the Business Continuity Plan (BCP) was shared for their information and to provide assurance that the College had in place a robust Business Continuity Plan.

L Clark reported that the BCP was regularly tested and had received good reports when audited by the College insurers UMAL via external consultancy - Ashton. She continued to report that BCP testing covered a range of scenarios that would impact on College operations such as cyber attacks etc. In addition, L Clark informed members that a member of her team had also undergone continuous professional development in this area and was BCI qualified, achieving the qualification with distinction.

The Chair thanked the Director for the summary of her report.

Members noted the content of the report for information.

17. Audit Scotland

a) Technical Bulletin 2021/23

Members noted the content of the technical bulletin for information purposes.

18. Risk Management

Members acknowledged that risk management was prevalent throughout discussions held at the meeting particularly in relation to the new risk management framework.

Members were content that risk was being managed well within the College.

19. Equality Management

Members agreed that no new equality management issues had arisen as a consequence of the business conducted at the meeting held on 30 November 2021.

20. Data Protection

Members agreed that no new data protection issues had arisen as a consequence of the business conducted at the meeting held on 30 November 2021.

21. Closure

The meeting closed at 19:10.

The Chair thanked members for their contribution and attendance.

22. Date of Next Meeting

22 February 2022 at 5pm