

Glasgow Kelvin College

Board of Management

Audit and Risk Committee

Minute

Minute of the meeting held on Tuesday 20 February 2024 at 5pm via MS Teams

1. Sederunt

Dermot Grenham, Chair;
Dr Elaine Clafferty;
Jennifer Lavery, Support Staff Member;
John Hogg; and
Natalie Philips.

In attendance:

Derek Smeall, Principal and Chief Executive;
Linda Ellison, Secretary to the Board;
Jeanette Evans, Vice Principal Operations;
Lisa Clark, Director of Estates and Corporate Services;
Alan Carr, Head of Finance;
David Archibald, Henderson Loggie;
Stuart Nugent, Audit Scotland;
Chris Meechan, Senior Accountant; and
Annette McKenna, Governance & Executive Support Manager (for recording purposes).

2. Apologies

Michael O'Donnell (Vice Chair); and
Michele Stevenson.

The Chair welcomed C Meechan to the meeting and informed members that he was attending as part of his professional development.

3. Audit and Risk Terms of Reference

The meeting was quorate with 5 members in attendance.

The Chair asked members if we had been considering value for money as part of the Committee's role. L Ellison informed members that the Terms of Reference were due for review in November 2024 and that this could be considered then – Secretary to the Board of Management and Director of Estates and Corporate Services.

4. Declarations of Interest

- a) **Interest**
- b) **Connection**

No declarations of interest were raised by members; connections are not minuted. The Chair reminded member that they could raise these at any point throughout the meeting.

5. Minute of the Previous Meeting held on 16 November 2023

D Archibald drew members attention to page 3 of the minute, item 8b, the paragraph in relation to guidance. He noted that his comment related specifically to credit guidance, not guidance in general, particularly around programmes that are delivered remotely. He requested that the word 'credit' be added.

Following the amendment noted above, members accepted the minute as an accurate record of the business conducted at the meeting held on 16 November 2023.

6. a) Matters arising from Minute of Previous Meetings held on 16 November 2023

There were no matters arising from the previous minute.

bi) Action List, Audit and Risk Committee Action List as at February 2024

Members noted the completed action which was denoted in green and agreed that this should be removed from the Action Log.

The Vice Principal Operations informed members that D Archibald would facilitate the Risk Register and Appetite refresh session on 18 April 2024. She added that quotes had been sought for a facilitator and that D Archibald was the first choice in terms of value for money and experience; he had undertaken similar sessions at other colleges. She noted that the risk appetite approach agreed would be disseminated to those who lead departmental registers.

7. Internal Audit Reports

The Chair commented that the outcomes of the four internal audit reports were extremely positive. He invited D Archibald to speak to the reports.

a) Curriculum Planning

D Archibald took members through the content of the report. He highlighted that no recommendations for actions were made; the audit overall level of assurance grading was 'good'. He drew members attention to page 2 of the report and highlighted that the curriculum planning process connected to national priorities and a regular review of the curriculum was undertaken, there is a robust business case in place when developing new programmes. He added that there is also a wider connection with the College budget and its workforce plan. He informed members that it had been a few years since this area had been audited and with the development of the College Operating Plan and the quality enhancement processes everything delivered now was scrutinised and challenged; there is a broader understanding in curriculum areas.

He provided members with an overview of the fifteen strengths contained in the report; there were no significant weaknesses identified.

Members discussed the positive report and the Chair requested that the positive feedback of members be passed to the Vice Principal Curriculum, Curriculum Directors and staff involved. The Principal echoed members comments and informed he would pass these onto to all involved, including teaching and support staff involved in planning.

The Principal apprised members that he was heartened to hear, from an external viewpoint, the positive comments made in relation to the linking of plans and strategies.

Members of the Audit and Risk Committee agreed to approve the content of the Internal Audit Report.

b) Risk Management

D Archibald took members through the content of the report. He highlighted that there is no specific right or wrong way to undertake risk management.

He provided members with an overview of the 4 low grade recommendations, the 13 strengths and the 4 opportunities for enhancement; no significant weaknesses had been

identified and the overall level of assurance grading was 'good'. He highlighted the huge strides undertaken by the College to revamp risk management and get buy in from staff at operational and team levels.

He informed members that he sits on the Risk Management Committee at the GCRB and regularly commends the work undertaken by the College in this area; he sees a big difference in implementation between the College and others in the sector.

He highlighted that it is good practice to review the Risk Appetite annually and score it to allow it to feed back into the Committee's discussion.

He further highlighted, as noted in the opportunities for enhancement, that he recommended adding a column to the Risk Register to allow management to readily identify the specific strategic objective the risk covered.

The Secretary to the Board of Management highlighted the action in relation to the induction of new Board members and the inclusion of risk and the risk register to that process. She confirmed that this would be built into that process.

The Vice Principal Operations noted the few recommendations for improvement and added that the College manage risk management very well and that she is confident with the direction of travel. She noted that this had been embedded within the College procedures and that a column would be added to the Risk Register as recommended in the report.

Members of the Audit and Risk Committee agreed to approve the content of the Internal Audit Report.

c) Corporate Planning

D Archibald took members through the content of the report. He provided members with an overview of the 1 low grade recommendation, the 9 strengths and the 4 opportunities for development; no significant weaknesses had been identified and the overall level of assurance grading was 'good'.

He highlighted the one opportunity for development; produce a timetable that sets out the corporate planning process that recognises the College Operating Plan is a dynamic document. This will provide clarity for all, resulting in more buy in from staff and stakeholders. He added that the College Operating Plan is a solid piece of work that supports the College Strategy and is connected to the budget position.

The Principal commented that he was heartened to read the recognition in the report and commended the work of the Senior Management Teams in taking this forward and using planning as their guidance. This allows for the College to stand out from others; the external view of how this is working is welcomed.

Members of the Audit and Risk Committee agreed to approve the content of the Internal Audit Report.

d) Staff Development

D Archibald took members through the content of the report. He provided members with an overview of the 2 low grade recommendation, the 11 strengths and the 2 opportunities for improvement; no significant weaknesses had been identified and the overall level of assurance grading was 'good'.

He highlighted that buy in from staff in relation to PDRs showed the process was working well with the approach to training linking into discussions for the skills and knowledge required for specific roles.

He also highlighted that a process for succession planning is in place that identifies individuals who wish to progress and provides opportunities as they arise. He noted that the College was in the process of developing a future management programme to allow for non-management staff to develop and also for development of those who have already been promoted.

Members of the Audit and Risk Committee agreed to approve the content of the Internal Audit Report.

The Chair commended all the staff involved in the work undertaken in the outcome of all four positive internal audits.

8. Audit Action Plan

The Director of Estates and Corporate Services spoke to the content of the report that sought to provide members with the current Audit Action Plan that monitors progress made in implementing recommendations made by the Internal and External Auditors.

She drew members attention to the current Audit Action Plan, appendix 1, accessed via a link in the report. She noted the 20 low priority recommendations; seven of which the College considered fully implemented and four partially implemented. She added that the Audit Action Plan is reviewed fortnightly by members of the Senior Management Team.

E Clafferty commented on the high standard of the audit reports received by members; this was commended and appreciated by members.

Members of the Audit and Risk Committee agreed to:

- i) note the contents of this report and its appendices; and
- ii) approve the Audit Action Plan.

9. Policies

a) Conflict of Interest Policy

b) Code of Conduct

The Secretary to the Board spoke to the content of the report that sought to consider the policies noted above that, in line with the review schedule, were due for review.

L Ellison informed members that both the above noted policies are considered frequently, in detail, as new guidance and model codes are produced. She informed members that they had been reviewed and confirmed they are in order and that no updates are required at present.

The Director of Estates and Corporate Services informed members that following the papers for the meeting being issued to members, a revised and refreshed Model Code of Conduct produced by the Standards Commission had been received by the College. She added that the Code of Conduct would be reviewed again against the refreshed code to ensure all is in order. Any changes which were required would be brought back to the Audit and Risk Committee once this review was undertaken.

Members of the Audit and Risk Committee agreed to:

- i) note the contents of this report; and
- ii) approve the policies as attached in Appendix 1.

10. Risk Management Update and College Risk Register

The Vice Principal Operations spoke to the content of the comprehensive report and reminded members that the College's Risk Register is considered at every meeting of the Committee.

J Evans informed members that a separate Risk Register was held in relation to the Scottish Government Energy Efficiency Grant for the public sector decarbonisation scheme and was overseen by the Project Manager. She provided members with a detailed overview of recent factors, outwith the College's control, that led to the cancellation of the contract with Ameresco and the subsequent decision by the Scottish Government to withdraw all the grant funding; with the exception of expenditure incurred in good faith. She added that the Chair of the Board of Management had been kept abreast of the situation.

The Principal emphasised to members that in his view this is a perfect example of how risk management should work. A comprehensive risk management process had been undertaken and, over a number of weeks, it became apparent that the associated risks of the project were unmanageable and intolerable. He added that the College had liaised with the Scottish Government in the hope to retain some of the funding, it had discharged its public duty.

J Evans reminded members that the College identity had been identified as a risk in the College Strategic Risk Register compiled in December 2022. She noted the vast amount of work undertaken in this area, as listed in section 3 of the report, and recommended this risk be removed from the register. Members discussed and agreed.

She highlighted the reduction in the residual impact of the risk related to student recruitment and retention from 4 to 3, due to the controls and mitigating actions put in place.

She also highlighted the rise in the inherent risk in relation to industrial action / ASOS from 3 to 4. Members discussed the implications of the industrial action on students, in particular the resulting boycott, under ASOS. J Evans noted that a report would be brought to the Board of Management in March that would provide more detail surrounding the ongoing industrial action / ASOS.

L Clark informed members that a closing date for 23 February 2024 has been set for the sale or lease of West Campus.

J Hogg asked in what way the significant financial savings in relation to the removal of manned guards at Easterhouse and East Campus would be achieved. J Evans informed members that the guards are not employees of the College, they are employed by an external organisation, therefore this is a true saving. She noted that there would be mitigating costs in the first year of implementation; for an upgrade to CCTV and the use of mobile patrols in the first instance.

J Evans noted that a report would be brought to a future meeting of the Board of Management that provided more detail on the removal of manned guarding.

Members of the Audit and Risk Committee agreed to:

- i) note the contents of this report, appendices and links; and
- ii) approve the College Risk Register, including the changes.

11. Internal Audit Progress Report

D Archibald spoke to the content of the report that sought to provide members with an update on progress made on the Internal Audit Plan for 2023/24.

He informed members that all planned audits were on track to be completed on time; 5 of the 8 planned audits had been undertaken, 3 of which are mandated every year.

The Vice Principal Operations informed members that this academic year's audit plan brings the end of Henderson Loggie's tenure and that the College would look to engage in a tender exercise before the end of the session. She noted that she would contact the Chair with a view to bringing a recommendation to the Committee at the meeting being held on 14 May 2024.

Members of the Audit and Risk Committee agreed to note the content of the Internal Audit Progress Report.

Action: the Vice Principal Operations to contact the Chair in relation to future Internal Audit services with a recommendation being brought to the Committee meeting in May 2024 – Vice Principal Operations.

12. Governance Update

The Director of Estates and Corporate Services spoke to the content of the report that sought to provide members with an update in relation to areas of corporate governance.

L Clark highlighted the following:

- UMAL – members had been provided with links to the safety inspection reports; Property Risk Management and Health and Safety Management. They had also been provided with a link to the presentation slides in relation to the safety inspections. She added that 14 low grade recommendations had been received following the inspections and that 4 had already been actioned, leaving 10 to be added to an Action Plan. She highlighted that organisations the same size as the College would normally receive approximately 50 recommendations; the College is an outlier in a positive way.
- Trade Union Nominees on Boards – EIS/FELA had confirmed the name of their Board member, Unison have still to advise the College.
- Public Sector Climate Change Duties Report – this had been submitted by the deadline date of 30 November 2023.
- Audit Scotland Fees – the reply to the letter from the Vice Principal Operations to Audit Scotland was attached as appendix 2 to the report; the anomalies of fees charged to the College has still to be resolved.
- Insurance Checks – a value for money exercise is currently being undertaken by APUC with regard to the College insurance provider.
- Business Continuity Plan – the Scottish Government have announced a consultation exercise on how organisations take forward the implementation of Martyn's Law.
- Land at Springburn – this issue is still ongoing; no communication has been received from Hydepark Residents Association.

In a response to a question from the Chair, L Clark informed members that having trade union representatives as Board members may cause difficulties in relation to them declaring an interest on matters that may affect them; they may then be required to leave the room during these discussions, not participate in decisions but be bound to support the decision reached. The Secretary to the Board of Management informed members that the Board of Management would be asked to ratify the membership of both trade union

representatives at the Board meeting being held in March 2024. She added that she would undertake induction training with both members prior to their first Board meeting.

The Chair asked if senior staff use WhatsApp for College business; is there any potential risks involved. The Principal informed members that an emergency channel is available for Business Continuity planning purposed and is only used when all other forms of communications fail; it has only been used once and there are no risks involved.

Members of the Audit and Risk Committee agreed to note the content of this report, links and appendices.

13. Audit Scotland

- a) Environmental, Biodiversity and Sustainability Annual Report 2023**
- b) Investing in Scotland's Infrastructure Briefing**
- c) Local Government in Scotland Financial Bulleting 2022.23**
- d) Audit Scotland Technical Bulletin 2023.24**

Members of the Audit and Risk Committee agreed to note the content of items 13a – 13d provided for their information.

S Nugent informed members that the 'wash up' meeting had been held on 8 February 2024 and that the meeting had been positive; additional ways to further improve the audit had been considered. He added that the College Annual Report and Financial Statements for 2022-2023 had been signed off in December 2023. In addition, he informed members that the External Annual Audit Plan would be brought to the Committee meeting being held on 14 May 2024.

Action: External Audit Plan, produced by Audit Scotland, be brought to the Committee meeting being held on 14 May 2024 – Audit Scotland.

14. Impact on Students, Issues to be considered as a consequence of the consideration of the above agenda items.

Members agreed that no issues had arisen as a consequence of the business conducted at the meeting.

15. Risk Management, Issues to be considered as a consequence of the consideration of the above agenda items.

Members agreed that no issues had arisen as a consequence of the business conducted at the meeting.

16. Equality Management – Issues to be considered as a consequence of the consideration of the above agenda items.

Members agreed that no issues had arisen as a consequence of the business conducted at the meeting.

17. Data Protection – Issues to be considered as a consequence of the consideration of the above agenda item.

Members agreed that no issues had arisen as a consequence of the business conducted at the meeting.

18. Environmental and Sustainability – Issues to be considered as a consequence of the consideration of the above agenda items.

Members agreed that no issues had arisen as a consequence of the business conducted at the meeting.

19. Closure

The meeting closed at 6.10pm

The annual informal meeting with committee members and Internal and External Auditors was held at this point; college staff left the virtual meeting.

20. Date of Next Meeting

Tuesday 14 May 2024 in the Springburn Campus, Room WG1.