



Glasgow Kelvin College
Board of Management
Audit and Risk Committee
Minute

Minute for the meeting held at 5pm on Tuesday, 13 May 2025, Springburn Campus, Room WG1

1. Sederunt

Dermot Grenham, Chair
John Hogg
Jennifer Lavery
Lesley Quinn
Dr. Elaine Clafferty

In attendance:

Douglas Wilson, Secretary to the Board;
Joanna Campbell, Principal and Chief Executive;
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;
Kirsty McCartney, Audit Scotland;
Graham Gilliespie, Wbg Services; and
Annette McKenna, Governance & Executive Support Manager (*for recording purposes*).

2. Apologies

Natalie Phillips, Vice Chair

Welcome

The Chair welcomed Lesley Quinn, new Board member, to the meeting. In addition, he welcomed Graham Gilliespie from Wbg Services as the College's new Internal Auditor effective from 1 August 2025.

3. Terms of Reference

The meeting was quorate with four non-executive members in attendance.

4. Declarations of Interests and Connection

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

D Archibald and G Gillespie declared an interest in *Item 13 - Internal Audit Tender Appointment* as a consequence of them being appointed as the College Internal Auditors.

The Chair proposed that *Item 13 - Internal Audit Tender Appointment* be taken at this point of the meeting. Members agreed.

D Archibald and G Gillespie left the room.

13. Internal Audit Tender Appointment

The Vice Principal Operations spoke to the content of the report that sought to provide members with the outcome of a mini competition exercise undertaken in relation to the Colleges Internal Audit Services Contract.

J Evans reminded members that Henderson Loggie had been reappointed to continue to provide Internal Audit Services for Student Funding and Credits from 2025 to 2027. The mini competition exercise was in relation to all other Internal Audit Services.

She provided members with an overview of the process and timelines related to the tender as set out in section 2 of the report. It was noted that the contract awarded to Wbg Services would commence on 1 August 2025 for a period of 36 months, with the option to extend for 2 x 12 months. The Contract shall initially expire on 31st July 2028 unless any additional extensions are applied.

She informed members that Wbg Services had scored highly in regard to Added Value & Community Benefits; this would be reported to the Committee as part of the Internal Audit Report.

Members of the Audit and Risk Committee agreed to note the content of the report and its appendix.

D Archibald and G Gillespie returned to the room and rejoined the meeting.

5. Minute of the Previous Meeting held on 11 February 2025

Members accepted the minute as an accurate record of the business conducted at the meeting held on 11 February 2025.

6. a) Matters Arising from the Previous Meeting held on 11 February 2025

There were no matters arising from the previous meeting held on 11 February 2025.

b) Action List

i) Audit and Risk Committee Action Log as at May 2025

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

7. Items for Approval and Endorsement

Internal Audit Reports – Henderson Loggie

Henderson Loggie presented three Internal Audit reports: Estates Strategy – Capital Projects & Planned Maintenance, Student Recruitment & Retention and Staff Recruitment, Retention, Succession Planning and & Sickness Absence.

He provided members with the scope, objectives and overall findings of the reports, noting that all three had received a 'Good' level of assurance.

a) Estates Strategy – Capital Projects and Planned Maintenance

D Archibald commented that this was a substantial audit, and the report produced covered both Capital Projects and Planned Maintenance, which ordinarily would have been two separate audits. He highlighted that this was a positive report with no recommendations and a grading of Good. He referred to the clear linkage between the estates/capital work being done and the supporting strategies which was not commonplace within the sector. He further highlighted the procurement processes in place and the various contracts in regard to planned maintenance. He referred to work currently ongoing to populate a new SFC Infrastructure Strategy.

b) Student Recruitment & Retention

D Archibald highlighted another positive report with a grading of Good with only one minor recommendation. He referred to the various teams that work together to link into the curriculum planning to deliver required activity. He referred to the ability to see the process working well in terms of management information i.e. Power Bi and Columbus. He referred to the admissions process and his comfort in regard to how this operates.

c) Staff Recruitment, Retention, Succession Planning and Sickness Absence

D Archibald highlighted that this audit was effectively three audits in one. He highlighted that this was a positive report with no recommendations and a grading of Good. He referred to recruitment having a clear process and responsibilities with the College being conscious of its financial when creating and filling posts.

D Archibald discussed succession planning and the change in expectations in regard to all business critical roles have a clear successor. In regard to sickness absence, this had been looked at a few years ago and there were pockets where the process was not being applied. D Archibald referred to two actions that were in process at the time of the audit i.e. sickness/absence reporting in regard to contact in the morning which was being taken forward in consultation with unions and the process of guidance in managing and recording absence.

The Chair invited comments or questions from members.

E Clafferty referred to the two systems used i.e. Columbus and Power Bi and sought clarification on the need for both. J Evans advised that Columbus is the data system used across the FE sector and Power Bi is the tool the College uses to extract the data from this in order to see this in graphical/other formats for management ease of use.

D Grenham referred to the three reports and mentioned the "Actions in Progress" contained therein. He queried if there were deadlines against these items, if they were monitored in house and if they should be added to the Internal Audit Action Log. L Clark offered to consider this further and report back accordingly.

D Grenham queried if there was a central contract management database and how this was managed. J Evans advised that contracts were monitored by the Procurement Manager and regular meetings were held between the manager

responsible for the contract and the contractor to ensure service delivery meets expectation i.e. quarterly meetings are held with Baxter Storey.

J Hogg queried if there was a link between the audit reports received, all of which had a 'Good' grading and Continuous Improvement. J Evans commented that the experience of auditors is always welcome and their advice in regard to operations can improve practices. She referred to the hard work that is undertaken and the trend of improvement that had been made.

The Chair thanked D Archibald for presenting his reports.

Members of the Audit and Risk Committee noted the content of the reports.

8. Annual Audit Action Plan 2024-25

Audit Scotland presented their Annual Audit Action Plan that included the audit scope, responsibilities, wider scope and best value.

It was noted that the timetable for audit work, as set out in exhibit 3 of the report, had still to be agreed with management and would be updated accordingly.

Members discussed the impairment related to West Campus and the removal of Job Evaluation funding from the SFC, set out in last year's Financial Statements. It was noted that such challenges were not anticipated this financial year and that these issues were out with the control of the College.

Members discussed the Audit Fee and noted it had increased by 1.9% from last year.

S Nugent explained that the format of the audit was consistent with prior years. Materiality is set out in Exhibit 1 at 2% of gross expenditure based on the 2023-24 Financial Statements. Performance materiality is set at 65% and is the same as last year.

S Nugent went on to ask if there had been any changes in the approach to governance within the College. The reply on behalf of the committee was that there were no changes.

He highlighted paragraph 28, Exhibit 3 sets out the timetable for audit work with some dates to be confirmed. These will be updated when the meetings calendar for 2025-26 is agreed.

The Audit fee, paragraph 29, remains at baseline level of £65,580. S Nugent explained that, while this will not increase, he did not have scope to reduce this.

J Campbell asked the audit fee compared to last year. S Nugent replied that the increase was 1.9% in year three following a 57.5% increase in year one and a 6% increase in year.

J Evans and A Carr attended the audit planning meeting with S Nugent and Kirsty McCartney of Audit Scotland on 23 April. All agreed that, while there were challenges ahead, they were comfortable with what was set out in the audit plan. J Evans stated

that late changes to the Financial Statements last year, which put the Finance Team and Audit Scotland under considerable pressure of last year, were not of our making i.e. Job Evaluation and the Cladding Project. However, we were not anticipating anything like that this year.

D Grenham asked if cladding and job evaluation was still an issue. S Nugent replied that cladding work could impact the buildings valuation; Job Evaluation, although still a risk, isn't expected to change significantly between now and the date of signing the Annual Report and Financial Statements. S Nugent's new role co-ordinating discussion on technical issues within the FE Sector will help inform the College of any risks or changes in accounting treatment.

Members of the Audit and Risk Committee agreed to:

- i) note the contents of this report and its appendices; and
- ii) approve the Annual Audit Action Plan 2024-25.

9. Audit Action Plan

The Audit Action Plan was discussed in detail. It denoted that there is one medium level audit action. In addition, there are 16 low level audit actions at present which included any actions from the Internal Audit Reports presented at the Audit & Risk Committee meeting of 13 May 2025.

It was noted that the College considers 8 of these low-level actions fully complete with another 2 partially implemented. It was further noted that member of SMT review the Internal Audit Action Plan at their fortnightly SMT meetings in order that these are actioned accordingly and deadlines adhered to.

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.

10. Risk Management Update and College Risk Register

Audit and Risk Committee members received a very full and comprehensive update on all matters affecting risk across the College including Risk Management Activities, Risk Management Committee papers reviewed, previous Risk Management Committee approved minute and an overall report on the context the College was operating in, i.e. mental health of the student population continues to be a real concern, fire raising across Glasgow has increased, Real Living Wage increase by 0.60p per hour per person which has had to be factored into College budgets and will apply to contractors staff, Cyber-attack threats remain an ongoing concern, with Artificial Intelligence advances making voice imitation easy, and significant challenges continue to place pressure on the economy and College and student finances and cognisance needs to be taken of all of this when making decisions.

The College Strategic Risk Register was discussed in full. It was noted that, as requested by the Board of Management that a risk associated with the Cladding and Curtain Walling issues at Springburn Campus be added to the Risk Register; this also has a separate Risk Register. It was further noted that scores and text had been fully reviewed by the Risk Management Committee and Senior Management

Team and that there were currently 12 risks identified on the College Risk Register. This was reviewed in full and members agreed with the changes proposed and the amendments to the text/scoring.

An annual review of the College Strategic Risk Register by the Standing Committees of the Board was ongoing at the time of the meeting. All pertinent suggestions from these Standing Committees will be documented and presented to the June 2025 Board of Management meeting.

Members of the Audit and Risk Committee noted the content of the report.

Items for Discussion and Noting

11. Governance Update

Members received a corporate governance update on various items that were being progressed at present i.e. UK Data Reform – Key Changes Ahead being reviewed, Copyright and CLA Licence Fee being looked into; Review of the Community Empowerment (Scotland) Act 2015 by the Scottish Government – response made; Shift from Assigned to Regional College – Review of Requirements – full report will be presented at the June 2025 Board of Management meeting; OSCR - Annual Report and Financial Statements 2023-24 – return made by due date; Cladding at Springburn Campus – being taken forward accordingly with a full report going to the June 2025 Board of Management meeting; Externally Facilitated Effectiveness Review – report completed with management responses and this will be presented at the June 2025 Board of Management meeting; Land at Springburn Campus matter is now resolved with the security fencing re-positioned at its correct land boundary line; Cornerstone Telecommunications Ltd. – Multi Skills Visit (MSV) has been requested and is being progressed accordingly with advice being taken and the College Insurance Renewal was submitted by the deadline date.

J Hogg referred to the transition from an assigned college to a regional college and asked if the Secretary to the Board had been provided with the Transition Plan produced by GCRB. D Wilson responded that he had not and referred to numerous documents that need to be updated. J Campbell advised that she had received sight of the Transition Plan and she referred to a meeting being scheduled for Chief Operating Officers in regard to these arrangements; I Patrick will also attend this.

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

12. Governance Action Plan - Update

Members received a report on the progress made against the actions set out on the Governance Action Plan. It was noted that the outcomes of the recent Externally Facilitated Effectiveness Review (EFER) will be reported to the Board of Management on 11 June 2025; any actions pertaining to this review will be included in the GAP.

Members of the Audit and Risk Committee agreed to:

- i) note the content of this report and its appendix;
- ii) consider and note progress against the Governance Action Plan in **Appendix 1**.

14. National Fraud Initiative

Members received an update report on the College's participation with the National Fraud Initiative (NFI) in Scotland. It was noted that Audit Scotland lead on the NFI which is overseen by the Cabinet Office for the UK as a whole. Members were provided with the College completed NFI Self-Appraisal checklists and a summary of the NFI outcomes. It was reported that of the 15,683 invoice transactions uploaded to the database, 111 transactions were queried, all have been investigated and are now closed.

J Evans made further comments on the national initiative which is undertaken every two years. It is a time consuming process to extract the data and process this through the various systems. She referred to the comfort that these checks provide and praised the Finance Team and the Finance and Student Funding Manager for their work in this area.

Members of the Audit and Risk Committee agreed to note the contents of this report and the College participation in the National Fraud Initiative.

Items for Information

15. Audit Scotland

a) [Technical Bulletin 2025/1](#)

b) [Briefing. Section 106: Numbers of charities and sets of accounts in 2023/24](#)

Members noted the content of the publications provided for their information.

Impact on Students, Risk, Equality, Data Protection and Environmental & Sustainability – Discussion

16. Impact on Students – Student impact to be considered as a consequence of the consideration of the above agenda

Members agreed that no issues had arisen as a consequence of the business conducted at the meeting held on 13 May 2025.

17. Risk Management – Risk issues to be considered as a consequence of the consideration of the above agenda

Members agreed that no issues had arisen as a consequence of the business conducted at the meeting held on 13 May 2025.

18. Equality Management – Equality issues to be considered as a consequence of the consideration of the above agenda

Members agreed that no issues had arisen as a consequence of the business conducted at the meeting held on 13 May 2025.

19. Data Protection – Data Protection issues to be considered as a consequence of the consideration of the above agenda

Members agreed that no issues had arisen as a consequence of the business conducted at the meeting held on 13 May 2025.

- 20. Environmental and Sustainability – Environmental and Sustainability issues to be considered as a consequence of the consideration of the above agenda**
Members agreed that no issues had arisen as a consequence of the business conducted at the meeting held on 13 May 2025.
- 21. Closure**
The meeting closed at 5.55pm with the Chair thanking members for their attendance and contribution.
- 22. Date of Next Meeting**
TBC – Board of Management Calendar for AY 2025/26 is currently being prepared.
- 23. Audit and Risk Committee Annual Self Evaluation**
This was a 'members only session' – College staff members departed the meeting.