

MINUTES

Minutes of the Audit and Risk Committee meeting held on Thursday 14 March 2019 at 3.30pm in Room ES02, Glenrothes Campus.

Present: Bob Black (Chair), Tony Martin, Susan Mitchell, Bryan Poole, Ross Taylor

In Attendance: Hugh Hall (Principal), Wendy Brymer, Susan Dunsmuir, Marianne Philp, David Eardley (Scott Moncrieff), Nicola MacKenzie (Scott Moncrieff)

1 Welcome

The Chair welcomed those present to the meeting.

2 Minutes of the Previous Meeting

The minutes of the previous meeting were approved as an accurate record.

3 Matters Arising / Actions Outstanding

The contents of the paper that had been circulated were noted. It was noted that some members had still to complete online training, and that the link would be issued again. Members were encouraged to complete this soon as the deadline previously agreed was now overdue.

4 Internal Audit

4.1 Update on Internal Audit Actions: exception report

The contents of the paper that had been circulated were noted. It was noted that a number of actions had been confirmed as complete by the Internal Auditors as evidence had now been reviewed. Actions 8, 9, 12 and 22 were complete, but at the time of preparing the report for the Committee, the evidence was yet to be provided to confirm this. Action 16 was progressing but was not yet complete, with the Wellbeing Strategy being on track for completion by June 2019.

It was noted that the new system of gathering evidence on an ongoing basis rather than waiting until a follow-up review at the academic year end would be useful in ensuring actions were closed of timeously.

4.2 Non-SFC Income

The contents of the report that had been circulated were noted. It was confirmed that the report was positive overall. Good practice and areas for improvement were highlighted on page 30 of the Boardpack. Three recommendations had been made, all of which were Grade 2.

4.3 SPS Contract Management

The contents of the report that had been circulated were noted. It was confirmed that the contract was well managed and the controls were generally good. Good practice and areas for improvement were highlighted on page 42 of the Boardpack. Three recommendations had been made, one of which was Grade 1 and two of which were Grade 2.

5 Strategic Risk Register 2018-19

The contents of the paper that had been circulated were noted. Changes had been made in red, and these were outlined and discussed by Committee members. It was highlighted that there was a proposal to amalgamate some of the risks, and to revise the risk rating for risk 14. Members commented that it was positive to note these proposals as it demonstrated the risk register was a live document and was seen as flexible to accommodate changes.

There was a discussion about the increased employer contribution in the teaching staff pension and members queried whether this should be added or incorporated into risk 3. It was noted that the costs associated with this had been incorporated into the financial forecast, and that the College was requesting additional funding from the Scottish Funding Council to cover this.

Another potential risk highlighted was with regard to mental health and the failure to focus on the wellbeing of staff and students. It was suggested that this could be a topic for discussion at the Board Development Day in May 2019.

Decision:

- To recommend the changes to the risk register to the Board of Governors for approval and to approve the new format of reporting.
Responsibility: Susan Dunsmuir **Deadline:** 31 March 2019
- To consider adding pension implications into risk 3 or a new risk.
Responsibility: Susan Dunsmuir **Deadline:** 6 June 2019
- To add Mental Health risk to the Board Development Day agenda.
Responsibility: Marianne Philp **Deadline:** 1 May 2019

6 Update on Assurance Mapping Proposal

The contents of the paper that had been circulated were noted. Members commended the proposed approach to be taken by the College. It was noted that the templates that had been prepared would be updated to take account of the changes to the risk register.

There was a discussion about whether both the risk register and assurance mapping framework were required or if these were the same thing. After discussion it was agreed that they were separate. However each should be used as tools that add value, and should only be used to the extent that this happens.



Fife College

Decision: To approve the College's approach to developing an assurance mapping framework and the content of the assurance map templates, which would be updated to reflect the changes to the risk register.

Responsibility: Susan Dunsmuir

Deadline: 6 June 2019

7 **Update on Arm's Length Foundation**

The contents of the paper that had been circulated were noted.

8 **Date of Next Meeting**

Thursday 6 June 2019 at 3.30pm within the Boardroom, Fife College, Dunfermline.
There would be a private pre-meeting with the internal auditors at 3pm on that date.

It was noted that Susan Mitchell would take over the role of Chair of the Audit and Risk Committee with effect from the next meeting. Members thanked Bob Black for his contribution as Chair.