

Final Version

MINUTES

Minutes of the pre-meeting with internal auditors and non-executive Audit and Risk Committee members held on Thursday 6 June 2019 at 3.00pm in the Boardroom, Fife College, Dunfermline.

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

Apologies: Bryan Poole

In Attendance: Marianne Philp, Sue Reekie, David Eardley (Scott Moncrieff), Nicola MacKenzie (Scott Moncrieff)

1 Internal Audit Process

The Chair welcomed those present to the meeting. Those present were reminded that this was a one-off meeting due to the internal auditors having been appointed at the start of this academic year, to check that the working relationship between the College and internal auditors was developing well.

The internal auditors confirmed that good working relationships had been developed, and that the key contacts for each organization were both open and easy to deal with. There had generally been good engagement and positive feedback during audits. A few minor issues had been raised following on from audits, but steps had been taken to address these. These issues were considered to be part of the process of learning to work together.

The internal auditors advised that they had also delivered a managing risk workshop which had been well attended.

Committee members queried whether the internal auditors had experienced any differences between campuses when speaking to staff. The internal auditors advised that they had not picked up on anything relating to this.

Committee members asked the internal auditors what kept them awake at night. They advised that there was nothing significant in relation to Fife College. However main concerns related to the financial stability of the sector overall, as a result of the impact of national bargaining, the backlog of maintenance for estates, and the shrinking funding pot.

The internal auditors advised that there were NED Forum/Seminars available built around themes and that these might be of interest to Committee members.

It was confirmed that there were no additional points to raise, and the meeting was closed.

Decision: To send the dates of the NED Forum/Seminars to the Director: Governance and Compliance for circulating to Committee members.

Responsibility: Internal Auditors

Deadline: 12 September 2019

MINUTES

Minutes of the Audit and Risk Committee meeting held on Thursday 6 June 2019 at 3.30pm in the Boardroom, Fife College, Dunfermline.

Present: Susan Mitchell (Chair), Bob Black, Tony Martin, Ross Taylor, David C Watt (ex officio)

Apologies: Bryan Poole

In Attendance: Hugh Hall (Principal), Susan Dunsmuir, Marianne Philp, Sue Reekie, David Eardley (Scott Moncrieff), Nicola MacKenzie (Scott Moncrieff), Grace Scanlin (Ernst & Young)

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.

Decision: The Director: Governance and Compliance to contact all members who had not yet completed online training to seek a progress update. Members were requested to complete this as soon as possible as this action had been outstanding for considerable time.

Responsibility: Director: Governance and Compliance/All **Deadline:** ASAP

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 there were a total of 22 agreed actions, 18 of which were not yet due for implementation, 3 of which were complete and 1 of which was partially complete.

4.2 Strategy for School Course Provision

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 16 of the Boardpack. Four management actions had been agreed, three of which were grade 2 and one of which was grade 1.

There was a discussion about the skills of College and school staff, which will be different. The internal auditors confirmed this was outwith the scope of the audit. Reference was made to page 14 of the Boardpack where links between national and local strategies were made which appeared to be in line.

Reference was made to the new Dunfermline campus project and discussions with various partners about the shared vision for the new campus. The Principal agreed to circulate this for information.

Decision: To circulate the shared vision document relating to the new Dunfermline campus.

Responsibility: Principal

Deadline: 30 June 2019

4.3 Performance Management - Curriculum

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. Four management actions had been agreed, all of which were grade 2.

4.4 Student Enrolment and Induction

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 43 of the Boardpack. Two management actions had been agreed, both of which were grade 2.

Committee members were pleased to see that changes to the student admissions process were being made, and that systems and processes were being considered from the perspective of applicants.

There was a discussion around the new student portal. It was confirmed that this project is on track for completion for session 2019-20. The new portal will be a front facing interface for students to use which is in addition to the student records system.

4.5 Student Marketing

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 54 of the Boardpack. One management actions had been agreed, which was grade 1.

It was noted that a more targeted marketing approach had been developed to reflect different types of students, and to adapt to changing markets.

The internal auditors confirmed that the scope of the audit was to look at processes and systems, not offer comment on specific campaigns or targeting.

4.6 Internal Audit Plan 2019-20

The contents of the paper that had been circulated were noted. Members were reminded that the internal audit plan had been agreed previously, and that some minor changes had been made to the audits planned for 2019-20. It was confirmed that the internal audits had been aligned to ensure like areas were audited in the same year to maximise coverage in the time available.

Members commented that there had been four internal audit reports on today's agenda and these had been from areas that were not dissimilar, and asked if this was disruptive for management. It was confirmed that no difficulties had been encountered, and that the plan for 2019-20 similarly looked manageable.

Decision: To approve the internal audit plan for 2019-20.

Responsibility: Internal Auditors

Deadline: 1 August 2019

5 External Audit Plan and Fee

The contents of the paper that had been circulated were outlined in detail and noted.

Decision: To approve the External Audit Plan and Fee for the year ended 31 July 2019.

Responsibility: External Auditors

Deadline: 31 July 2019

6 Accounting Policies

The contents of the paper that had been circulated were noted. It was confirmed that there was no change proposed to the Policies.

Decision: To approve the accounting policies.

Responsibility: Chief Financial Officer

Deadline: 31 July 2019

7 Strategic Risk Register 2018-19

The contents of the paper that had been circulated were noted. It was highlighted that there were no significant changes made to the risks. For risk 12 (relating to implementation of GDPR and the Data Protection Act 2018), the scoring had reduced. Members queried if this risk should now fall off the risk register. It was confirmed that the Executive Team had considered this but, as the gross risk score is so high, recommended that it remain on the risk register meantime. As the risk related to new legislation coming into force, and this date had now passed, it could perhaps be reworded for 2019-20 and scored on that basis. Committee members agreed that where a risk scoring falls below the agreed threshold, it should remain on the register for one reporting cycle so that the reporting is formally noted, and would thereafter fall off the register.

Decision: To review the wording of risk 12 and score it accordingly and give an update at the next meeting.

Responsibility: Chief Financial Officer

Deadline: 12 September 2019



Fife College

8 Update on Assurance Mapping Proposal

It was confirmed that progress was being made with Assurance Mapping. Since the last meeting, Business and Risk Owners had been asked to collate information into a spreadsheet. This work was continuing and would be reported to the Committee in due course.

Decision: To receive an update on assurance mapping at the next meeting.

Responsibility: Chief Financial Officer

Deadline: 12 September 2019

9 National Fraud Initiative Update

The contents of the paper that had been circulated were noted. It was confirmed that the exercise had found no occurrences of fraud or error.

10 Update on Arm's Length Foundation

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

11 Self-Evaluation 2018-19

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

Members confirmed that the remit remained relevant and no changes were required.

A comment was made about ensuring reports were streamlined and avoiding duplication of information wherever possible, and opportunities for developing this will continue to be explored.

Decisions:

- To issue the Performance and Effective Review checklist by email for completion by members. Results will be collated and circulated with papers for the next meeting.
Responsibility: Director: Governance and Compliance **Deadline:** 30 June 2019
- To discuss with the Chief Financial Officer opportunities for summarising the internal audit reports to reduce the amount of reading and avoid duplication.
Responsibility: Internal Auditors **Deadline:** 31 August 2019

12 Date of Next Meeting

Thursday 12 September 2019 at 3.30pm within the Boardroom, Fife College, Dunfermline.