

West Lothian College

29 November 2018

Audit Committee

Minute of Meeting of the Audit Committee held on **Thursday 6 September** at 9.30am in the Barbour Suite.

Present: Graham Hope (Chair)
 Sue Cook
 Simon Ashpool
 Colin Miller
 Norman Ross

In attendance: Jackie Galbraith (Principal & Chief Executive)
 Jennifer McLaren (Vice Principal, Finance & Curriculum Services)
 George Hotchkiss (Vice Principal, Curriculum & Planning)
 David Eardley (Scott-Moncrieff, Internal Auditors)
 Ruth Holland (Mazars, External Auditors)
 Emily Purdie (Health & Safety Officer) 18.35 only
 Karine McNair (Board Secretary)

18.31 Welcome/Apologies

The Chair welcomed Jackie Galbraith to her first committee meeting in the capacity of Principal and Ruth Holland representing Mazars.

18.32 Declarations of Interest

There were no declarations of interest.

18.33 Minute of Meeting of 7 June 2018

The Minute of the meeting of the Audit Committee of 7 June 2018 was approved as a correct record.

18.34 Matters Arising from Minute of Meeting of 7 June 2018

Regarding Action 4, the Committee suggested that it would be interesting to circulate the schools information which had been presented to the Learner Attainment Sub Group to the members of the Audit Committee.

Action 1: Board Secretary

All other actions were duly completed and noted.

18.35 Health & Safety Quarterly Report

The Health & Safety Officer presented paper 3 highlighting that there had been a decrease in reported accidents at the College since 2017. The next review of all Health & Safety procedures will take place in 3 years' time unless there are any major changes which need to be updated in the meantime.

The Health & Safety Officer confirmed that further to the action raised at the last Committee meeting, she had obtained a report regarding the completion of training courses to ensure that all mandatory training had been completed by staff that needed it. The reports had been checked by Vice Principal, Finance & Curriculum Services, Facilities Manager and the Health & Safety Officer who concluded that the majority of staff were looking to enhance or refresh their skill set. All Centre Heads had been given a deadline for them to ensure that everyone who had requested training completed the courses.

The College plans to use the Learning & Development Package of West Lothian Council's new HR system. However until such time as it is in place, and the Health & Safety Officer will work with the Learning & Development Officer to record the information. The Learning & Development Officer will also capture Health & Safety training needs for 2018-19 as part of undertaking a general Training Needs Analysis with Centres and Departments.

The Committee commented that while the report statistics were for April – June 2018, the contextual information in the report could reflect a more up to date position for the Committee. Vice Principal, Finance & Curriculum Services agreed that this would be done for the next meeting.

Action 2: Vice Principal, Finance & Curriculum Services / Health & Safety Officer

Regarding individual incidents, the Health & Safety Officer confirmed that remedial action had been taken regarding a low hanging sign to make it more visible. There was a reporting delay which made it appear that a door had been repaired 4 days after the accident when actually action had been taken on the day of the accident. The incidents arising at a student sport event had mainly been due to individual responsibility and the Health & Safety Officer confirmed that a full Health & Safety assessment had been carried out before the event and all correct procedures had been followed on the day.

It was pointed out that there were some outstanding actions on Appendix 2 and the Health & Safety Officer confirmed that these were being monitored

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but had been delayed due to the return of students. Progress was being made towards completion.

The Committee were pleased to hear that in general the College is adopting a more Health & Safety aware culture and thanked the Health & Safety Officer for an excellent report.

The Committee noted the report.

18.36 Internal Audit – Student Enrolment and Induction

The Internal Auditors presented paper 4 noting it was the final part in their review of the student recruitment process at the College. In general, there were examples of good practice and the College demonstrated a desire to improve the experience for students.

The key findings were that there was encouraging engagement across the whole College in the recruitment process and that the 'keep warm' communications campaign was a very positive initiative. Vice Principal, Curriculum & Planning confirmed that most timetables and induction plans had been published on the website over the summer in response to student feedback as part of their preparation for starting College. When final figures are available, if the acceptances to actual enrolments statistics showed improvement it is likely that some of this improvement would be down to the 'keep warm' campaign.

The Internal Auditors noted that there needed to be more evidence in future of recommendations being actioned. They commented that the actions were inherent in most of the improvements implemented by the College but factual evidence would be helpful to be able to judge the success of the recommendations.

The Committee commended all staff for the positive outcome and noted the report.

18.37 Strategic Internal Audit Plan 2018-19 to 2020-21

The Internal Auditors presented paper 5 mentioning that the plan was reviewed annually to ensure that it was up to date and relevant for the College. The Internal Auditors aimed for consistency with staff as far as possible and highlighted Appendix 1 in particular for discussion.

The Committee queried why 16 days were allocated to 'Credits and Students Funds', which amounted to a third of the total days allocated to Internal Audit.

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The Internal Auditors confirmed that within that heading there were a number of student funds (bursary, childcare, discretionary) which required to be audited as well as the FES return. Satisfying the audit requirements laid down by SFC was a time consuming process.

It was noted that the Commercial Strategy was not being audited in 2018-19 because it had been scrutinised within the last 12 months. The Committee also queried why Cyber Security was not included in the 2018-19 audit plan. Vice Principal, Finance & Curriculum Services confirmed that cyber security had been subject to a Cyber Essentials Gap Analysis and there was a need to implement the actions arising from the analysis before checking the effectiveness of the changes.

The Committee noted the plan.

18.38 External Audit Progress Report – Management Letter 2017-18

The External Auditors presented paper 6 which stated that the majority of audit planning had been completed without any additional risks being identified. Therefore the audit plan presented at the last Committee meeting remained relevant with no changes. The Audit will start early October and a report will be delivered at the next meeting along with the Statutory Accounts.

Subsequent to writing paper 6, the Technical Guidance Note has been issued and there are no major changes.

Vice Principal, Finance & Curriculum Services confirmed that the works identified as 'urgent' in the College Estate Condition Survey have now been undertaken. The future works have been identified as replacement windows and a new boiler system, both of which are being looked into by the College.

The Committee were concerned about the overall financial impact of National Bargaining and Job Evaluation on the College sector.

The Committee noted the report.

18.39 College Audit Rolling Action Plan

Vice Principal, Finance & Curriculum Services, presented paper 7 noting that one item regarding the Commercial Strategy had not yet been completed against target. It was accepted that Vice Principal, Curriculum & Enterprise had been focussing on concluding an important contract for the College and that the new Principal required some time to input into the new strategy but it

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was expected that the Commercial Strategy would be finalised for the next meeting.

The Committee noted that point number 7 had the same text copied into 'background' and 'recommendations'. Vice Principal, Curriculum & Planning confirmed that the recommendation was for the Admissions Committee to review the whole interview process and Vice Principal, Curriculum & Enterprise was overseeing the Committee's progress.

The move to electronic enrolment was discussed by the Committee and it was noted that it has been implemented inconsistently across the sector. There has been a national discussion of centralising online admissions but no definitive initiative has yet been communicated to the sector.

The Committee agreed to note the report.

18.40 Financial Regulations and Scheme of Delegation

Vice Principal, Finance & Curriculum Services presented paper 8 stating that there had been no significant changes to the Financial Regulations. Input had been obtained from the College's GDPR Officer in relation to updating the GDPR responsibilities in relation to security.

The Committee agreed to recommend the paper to the Board.

Action 3: Board Secretary

18.41 2018-19 Strategic Risk Register

Vice Principal, Finance & Curriculum Services presented paper 9 on a revised risk register for 2018-19 as discussed by the Senior Team. The Principal sought the views of the Committee regarding the format of the Strategic Risk Register.

The Committee remarked that the 'Lead Committee' and 'Risk Owner' provided transparency of responsibility for the risk and were generally supportive of the new format of the report. However, the Committee were unsure how the Audit Committee would obtain reassurance from the 'Lead Committee' to satisfy their need for reassurance that the risk was being monitored effectively. The Principal stated that the Audit Committee would still have strategic oversight of the risk register.

The Principal stated that the intention of the new design is to make the Risk Register more visible to the managers and staff of the College so they feel

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more accountable to the delivery against their risks. The Internal Auditors suggested adding a column to note planned or future information. .

It was decided that the Strategic Risk Register would be brought to the next Committee meeting after taking into account the Committee's views at this meeting and further discussion with the Audit Committee Chair, Internal Auditors, Principal and Vice Principal, Finance & Curriculum Services.

Action 4: Principal

The Committee noted the paper.

18.42 Key Financial and Non-Financial Performance Indicators 2017-18

Vice Principal, Finance & Curriculum Services, presented paper 9 noting that the College had invested £180k rather than the budgeted £78k mainly due to the success of the Commercial Team.

Vice Principal, Curriculum & Planning confirmed that the Non-Financial KPIs for 2017-18 were still being finalised but updated figures showed a small improvement to most of the figures. Once some internal data cleansing had taken place and the SFC and SQA had confirmed final certification, final figures would be available.

Vice Principal, Finance & Curriculum confirmed that the College's submission of final data to the SFC had a deadline of 5 October 2018 and it was agreed to circulate the final KPIs to all Board Members on that date.

Action 5: Vice Principal, Curriculum & Planning

18.43 Any Other Business

There were no items of other business.

18.44 Review of Meeting, Supporting Papers and Training Needs

The Audit Committee was content with the meeting and supporting papers presented.

The Committee were still keen to visit a Partnership Centre however since the November Committee meeting had an extensive agenda, a visit should be considered for 2019.

Action 6: Vice Principal, Curriculum & Planning

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18.30 Date of Next Meeting

The next meeting would take place on Thursday 29 November at 9.30am.

Note: There were no matters discussed during the meeting, during which Members declared any conflict of interest, or the Secretary to the Board was aware from the Register of Interests that discussion could give rise to such a conflict.

Signed
Chair, Audit Committee

Date