

Audit Committee

Minute of Meeting of the Audit Committee held on **Thursday 16 September 2021** at 10.30 am via Zoom.

For information: A pre-meeting was held with Committee Members and representatives from the Student Funds Team. The Committee thanked the team for providing insight into how the college supports students financially. The team provided an overview of the Student Funds Team including bursaries and child care. The team gave some specific examples of how the college works in partnership within the local community, including agreeing special arrangements with child care providers for students. The team highlighted the challenges for some students, including government policy on access to housing benefit and asked for Board support in raising the issue with the Scottish Ministers. The discussion also highlighted the importance of recognising students who do not qualify for additional funding, but still require support. The Student Association agreed to raise this issue with the NUS.

Present: Richard Lockhart (Chair)
Lynne Hollis
Colin Miller (joined at 11am)
Julia Simpson

In attendance: Jackie Galbraith (Principal and Chief Executive)
Alex Linkston (Chair)
Sarah-Jane Linton (Vice Principal, Learning and Attainment)
Jennifer McLaren (Vice Principal, Finance and Corporate Services)
Bill Dunsmuir (Head of Information Systems and Digital Infrastructure)
David Eardley (Azets, Internal Auditors)
Emily Purdie (Health and Safety Officer) – Item 5
Lesley Aitkenhead (Board Governance Advisor)
Alyce Russell (Mazars, External Auditor)

1 Welcome/Apologies

The Chair welcomed everyone to the meeting, and a special welcome to Julia Simpson as her first Audit Committee meeting. Sue Cook and Elaine Cook sent apologies. The committee noted the absence of Seonaid Crosby and sent congratulations on the announcement of her new arrival.

2 Declarations of Interest

There were no declarations of interest.

3 Minute of Meeting of 4 March 2021

The Minute of the meeting of the Audit Committee of 23 June 2021 was approved as a correct record.

4 Matters Arising from Minute of Meeting of 4 November 2021

All actions noted as being completed or on track.

5 Health and Safety

(i) Quarterly Health and Safety Report

The Health and Safety Officer presented Paper 3 which provided an overview of health and safety at West Lothian College from April 2021 to June 2021.

The committee noted the key points, acknowledging that Covid remained the main theme of the report and a key priority for Health and Safety. The presenter highlighted the business continuity test exercise completed by Zurich involving members of staff and the management team. The test was used to stress the college's preparation for a major incident and provided an opportunity to learn in a test environment. The test identified some recommendations that will be incorporated into business continuity plans and future tests. The committee discussed the H & S arrangements planned for 2021, and the delay to the review of policies and procedures. The committee was assured that only minor updates to existing policies and procedures would be required, including the fire assessment and did not increase the risk to the college. The delays were the result of additional work required for Covid, which was acknowledged as the priority.

Action 1 H & SO: The committee agreed the need to extend the date for completion on policy and procedure updates for 3 months, to ensure staff had adequate time to complete. The H&S Officer will update the scheduled plan to reflect the revised dates ahead of the next H&S Report to Audit Committee and confirm completion.

The committee noted the work on Prevent as of benefit to staff and recommended completion of the mandatory training by Board Members.

Action 2 BGA: The BGA will arrange for all Board Members to have access to mandatory training on PREVENT for completion by 31 December 2021.

The committee noted the inclusion of Student Mental Health in the report as an area of focus, and also noted the increase cases in Covid, which was consistent with figures from across Scotland. The committee noted the exceptional work of the H&SO and thanked the presenter for the report.

6 External Audit Strategy Memorandum 2021-21

The external auditor presented Paper 4 for noting. The presenter advised that the content and timeline was similar to previous external audit plans, with no material changes.

The presenter referred to page 3, highlighting the use of remote working, the planned operating model for 2021-2022, and the positive ongoing engagement with management.

The committee noted that there were no issues in meeting the required timetable for preparing the annual accounts, and welcomed the report as a good summary.

The committee thanked the external auditor and noted the paper.

7 Internal Audit Contract

The internal audit team presented Paper 5 for approval as the proposed internal audit plan for 2021-22 to 2023-24. The presenter advised that the plan was the output of ongoing discussions with management and reflects an assessment of the key areas of risk. It was presented later than normal, as the previous meeting (23 June 2021) needed to approve the new contract with the Internal Audit service provider, before the plan could be prepared.

The presenter highlighted the key areas of the plan and commented that it was a fair programme, aimed at giving added assurance to the Board, on the effectiveness of the key controls.

The committee noted some minor areas of formatting, including column titles and use of repeat heading for future reports.

The committee noted the key areas of the internal audit plan, including the ability to adjust activity where necessary, and approved the plan for 2021-22.

8 College Audit Rolling Action Plan

The committee noted Paper 6 and highlighted a number of delays to meeting agreed dates for completion of recommendations.

The Head of Information Systems and Digital Infrastructure provided further detail on each of the red items to provide assurance to the committee. Overall, these are regarded as timing issues that are all linked, rather than a material gap in the control environment.

Item 1 and Item 2 relate to current governance arrangements and a delay to securing the Cyber Essential + accreditation. The CE+ review took place in July and identified some areas of remediation, including the removal of a server for Chip & Pin services, which is no longer used.

The college plans to re-submit the documentation and is confident to obtain CE+ accreditation, following completion of the remedial actions, with support from an external provider, by 31st October 2021.

Item 3 relates to vulnerability and penetration testing, and reflects actions to enhance current external threat management, including removing the use of USB devices. The policy covering use of USB devices will be updated, and confirmed at the Audit Committee on 2 December.

Item 5 and 6 are linked and reflect changes to Disaster Recovery (DR) plans, with offsite backup being located at the council's Whitehall Site. The college is in discussions with West Lothian Council on plans to relocate the council's DR site. In addition, the college has developed a technical specification document that is required to set out the capacity needs for the next 3-5 years, to replace existing servers. The technical specification plan is expected to be in place by 31 December 2021, for implementation in 2022, and will include options for the DR site.

Item 7 relates to the recruitment of a Network Officer, which has been agreed and is expected to be recruited by 31 December.

The committee asked if all issues noted in the audit plan were funded in the current budget and were given assurance that all activity, including DR and server activity was in the budget.

The committee thanked the Head of Information Systems and Digital Infrastructure for insight into the audit issues.

9 Internal Audit Report – Review of Estates Plan

The Internal Audit Team presented Paper 7 for discussion. The committee noted the areas of best practice in terms of estate management, and the minor areas for improvement. The presenter highlighted the level of senior management engagement in the estate management plan, including the involvement of external stakeholders. The points around use of SMART actions and importance of referencing the legislative environment were noted by the committee. The committee highlighted a point of accuracy in the report with reference to a statement from a previous outcome agreement that was no longer accurate. The presenter noted the error and agreed to update the report, removing reference to the statement.

Action 3 Internal Auditor: The Internal Auditor will update the Review of Estates Plan Report to ensure it is accurate reflection of the Outcome Agreement.

10 Information Systems and Digital Infrastructure Update Presentation

The Head of Information Systems and Digital Infrastructure presented Paper 7 for information on Information Systems and Digital Infrastructure.

The committee noted the report and the updates provided previously in relation to the Information Security and Digital Infrastructure, including progress with Cyber Essentials + accreditation. The presenter noted the amount of time and effort committed during Covid, to enable teaching material to be stored on a cloud server and accessed from any device, without the need for USB devices.

The presenter also noted the work to develop Power BI and use for the benefit of the students, and the work with Dundee and Angus College to develop a service design for using data more effectively as a predictive tool. The committee noted that Power BI will be presented to the Board on 21 September 2021. The committee discussed the need for confidential emails within the Board, and use of external email addresses. This was noted as a low risk, but further investigation will be completed on possible approaches to reduce the risk.

Action 4 BGA: The BGA will consider options for communication on confidential material with Board Members and include recommendations in Board Development Plan.

West Lothian College

2 December 2021

The committee confirmed that the update from the Head of information Systems and Digital Infrastructure provided in Paper 7 provided sufficient information and insight into matters of cyber security, which was an action raised at the Board Strategy Day and included in the Board Development Plan.

The Audit Committee agreed to provide updates to the Board on matters arising from this committee in relation to cyber security and to recommend the action in the Board Development Plan is closed. The Chair thanked the Head of Information Systems and Digital Infrastructure and the report was noted.

11 Sector Update

The internal auditors highlighted an issue which was reported externally, that may be of interest in terms of lessons learned. The committee noted the issue, and agreed that it may provide some useful insight for investigation. The external auditors had no further update to add.

Action 5 The Principal: The Principal advise the committee of any potential lessons learned for the college.

The committee noted the update and thanked the audit teams.

10 AOB

No additional matters of business were noted.

11 Review of Meeting, development plan and supporting papers

Committee members discussed the papers, presentations and meeting and commented on the quality of papers and updates provided. No material points were raised and all key actions were captured in the meeting.

12 Date of Next meeting

2 December 2021

Signed
Chair, Audit Committee

Date