

Audit Committee

A pre-meeting was held to meet members of the Eco House Project Team, who gave an overview of the new Eco House Project. Presentation was welcomed, and a follow up meeting is planned for a future Board Meeting.

Minute of the Meeting of the **Audit Committee** of the Board of Governors held on **Thursday 3 March 2022 at 10.30am** via Zoom online.

Present: Richard Lockhart (Chair)
Lynne Hollis
Colin Miller
Seonaid Crosby

In attendance: Jackie Galbraith (Principal and Chief Executive)
Alex Linkston (Board Chair)
Sarah-Jane Linton (Vice Principal, Learning and Attainment)
Jennifer McLaren (Vice Principal, Finance & Corporate Services)
Simon Earp (Vice Principal, Performance & Improvement)
Bill Dunsmuir (Head of Information Systems and Digital Infrastructure) – Item 4.1 on Agenda
David Eardley (Azets, Internal Auditors)
Emily Purdie (Health and Safety Officer) – Item 4.2 on Agenda
Lesley Aitkenhead (Board Governance Advisor)
Lucy Nutley (Mazars, External Auditor)

1 Welcome/Apologies

The Chair welcomed everyone to the meeting, and gave a special welcome to Virginia Toyi as a new Board Member and observer. Sue Cook gave apologies due to illness.

2 Declarations of Interest

There were no declarations of interest.

3 Minute of Meeting of 2 December 2021

The Minute of the meeting of the Audit Committee of 2 December 2021 was approved, with some minor amends noted.

4 Matters Arising from Minute of Meeting of 2 December 2021

All actions were on track, or recommended to close. Action A8 was agreed to close, and further detail was captured in the minute of the previous meeting on 16 September 2021 to confirm closure of action A9.

5 Infrastructure and Cyber Security Report

The Head of Information Systems and Digital Infrastructure joined the committee to present Paper 3.

The committee welcomed the report and the updates provided in relation to Information Security and Digital Infrastructure.

The committee welcomed the continued investment in digital capacity, following a full review of the asset registers in the last quarter 2020-21. The presenter was asked if the college will meet the IT needs of students and confirmed that the additional 210 laptops on order will satisfy current demand.

The presenter advised of ongoing discussions with West Lothian Council in terms of disaster recovery (DR) and plans to expand current capacity, with an increase from 2 to 3 servers at the Civic Centre and development of a new DR site in Bathgate. When completed, this work will reflect an increase in capacity and security.

The presenter advised that the college continues to invest in skilled resource with the appointment of a new Chief Information Security Officer who brings industry experience of Cyber Threat Intelligence.

The committee agreed that this was timely given the increased global threat and welcomed the appointment.

Committee members advised that they had attended the College Development Network Cyber Security Conference on 2 March 2022 and found it to be beneficial.

Action 1: The Board Governance Advisor will share the link to the video recording of the event with all Board Members, for information.

The presenter advised that the college has increased the current threat level, to be prudent, but there is nothing in existing information sources to suggest that the threat has increased for the college sector or West Lothian.

The presenter advised of the work to consolidate existing student data from a range of systems to a central platform. Initial feedback has been positive and is aimed at providing greater insight and access to predicative data, aimed at improving the student experience, and reducing the administrative overhead of staff.

The committee asked about the risk of increased FOI or GDPR breaches from the capture and use of personal information and was advised that a Data Protection Impact Assessment has been completed and confirmed that the change of approach is included in the current Privacy Notice, and no further action is required.

The committee thanked the presenter for the report and update and noted the significant effort involved in reducing the level of risk for the college.

6 Health & Safety Report – Quarterly Report

The Health & Safety Officer presented Paper 5 covering the period October to December 2021. COVID continues to be a main focus and impacts daily activity, with an increase in walk arounds completed in the last quarter. The presenter advised that the college continues to attend external sector updates on COVID and has delivered a range of staff experience health and wellbeing workshops, including epilepsy training.

It was noted that additional training is required for fire marshals but this is in plan for the next quarter. An update will be included in the next quarterly report in June 2022.

All risk assessments are complete and the committee were advised that a revised plan on updating procedures was now completed and matters arising A5 is now closed. The committee thanked the presenter for the significant effort in updating the procedures, during a period of significant change.

7 Health & Safety Report – Annual Report

The Health & Safety Officer presented Paper 4 highlighting the annual data collection for 2018 to 2021. The committee noted the paper and the significant effort of the Health and Safety Officer in ensuring the college kept up to date with changing regulations, throughout the pandemic.

9 College Rolling Plan

The Vice Principal, Finance & Corporate Services presented Paper 6 for information. The committee was asked to approve a revised deadline for audit action 4, Business Continuity and Disaster Recovery. The committee asked for clarity on the revised deadline and were advised that the action was originally agreed as 31 October 2021, then moved to November 2021 and is now proposed for closure in 30 April 2022.

The move in date is to align with the wider programme of work that is ongoing in terms of the development of a DR site and is not considered to increase the risk to the college.

The committee asked that Paper 6 is updated to make it clear what the committee is being asked to approve. The committee noted approval of the revised date, subject to the updated paper.

Action 2: The Vice Principal, Finance & Corporate Services will update Paper 6 to reflect the required approval and will ensure that future reports to Audit Committee are clear in terms of required approval.

The committee asked about an agenda item on Internal Audit Reports and was advised that a report was due to this committee but has been delayed and will be presented to the June 2022 Committee. The committee suggested that a standing agenda item is included that requires Azets, the college's internal auditors, to give an update on progress on planned audits, and any delays as a standing agenda item. The committee were advised that the audit plan was on track to complete by the end of May and suggested a meeting to confirm plans for an annual risk workshop in June 2022.

Action 3: The Board Governance Advisor will update the agenda to include a standing agenda item for Azets to provide a brief update on progress on planned audits.

Action 4: The Vice Principal, Finance & Corporate Services will agree a date for a Risk Workshop with Azets and the Chair of the Audit Committee.

10 Complaints Report

Vice Principal, Performance and Improvement presented Paper 7 as a report of all the complaints reported from 1 November 2021 to 31 January 2022. The presenter advised of a small amend on the paper to show that the Level 2 complaint was upheld. The committee discussed whether any underlying trends could be identified, but were assured that there was no pattern or trend. The committee noted the report and asked that future reports include any notable trends.

Action 5: The Vice Principal, Performance & Improvement will update Paper 7 and the format of future reports to include trends and to remove the underlying detail

The committee asked if there were any other KPI reports that should be presented to the Audit Committee that were not currently covered.

Action 6: The Vice Principal, Performance & Improvement will review KPI reporting to all committees to ensure all current KPI data is being appropriately reported.

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11 Self-Evaluation of Audit Committee

The Board Governance Advisor asked if there were any comments on the effectiveness of the committee and nothing was noted.

11 Sector Update

Audit and External Audit Teams advised of a sector update, including a recent update from Audit Scotland, which highlighted the key areas of concern across the industry. This included financial sustainability, delivery of credit targets and capital funding (linked to financial sustainability). The committee was advised that a Sector Overview Report is expected to be published next month and is likely to include the issues noted above, particularly on the impact of short-term funding, and issues relating to a lack of investment in estates. The Principal advised that the risks highlighted in the Sector Update were discussed at the Board Committees and are under management by the college.

16 AOB

The committee asked for an update on the current industrial action and the potential impact to the college, if a resolution is not agreed. The Principal and Board Chair provided an update on the current situation.

18 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. The committee noted the importance of ensuring the increasing risks are covered at the Board. Points were noted around the shortened agenda and papers, which was considered a positive, but with a preference for more trend/KPI reporting.

Committee members welcomed the pre-meeting with the Eco House Project but reflected on whether the Committee should consider which areas of the college, linked to the Strategic Risk Register, that could attend future meetings.

18 Matters for Escalation

The risks associated with the current global threat should be noted and escalated to the Board, for inclusion in the Strategic Risk Register.

19 Date of Next meeting

23 June 2022

Signed
Chair, Audit Committee

Date