

# **UHI | INVERNESS**

## **MINUTES of the AUDIT COMMITTEE held via Microsoft Teams on Tuesday 10 September 2024**

**PRESENT:** Janette Campbell, Amy Goodbrand, Gillian Galloway, Innis Montgomery

**CHAIR:** Janette Campbell

**APOLOGIES:** Chair of the Board of Management, Sally Blyth, Wendy Grindle, Information Systems Manager

**IN ATTENDANCE:** Principal  
Vice Principal – Curriculum, Student Experience and Quality  
Director of Finance and Estates  
Claire Robertson, BDO  
Phil Mason, Deloitte  
ICT Services Manger  
Operations and Commercial Manager  
Information Development Manager  
Roger Sendall, Director of Corporate Governance and Deputy Secretary, UHI  
Governance Officer

The Chair welcomed everyone to the meeting and introductions were made.

There were no declarations of interests, statements of connections or transparency statements noted.

### **Risk Management Presentation – Committee Creative Space**

The Committee was provided with a Risk Management Presentation from Director of Corporate Governance and Deputy Secretary, UHI (Note of Session: CSN-01-

092024).

**1. MINUTES FOR APPROVAL**

**a) Minutes of the Meeting of the Audit Committee held on 04 June 2024**

**Decision:** The Minutes of the Meeting of the Audit Committee held on 04 June 2024 were **AGREED** as a correct record and were **APPROVED**.

**b) Confidential Note of the Meeting (CN-01-062024) held on 04 June 2024**

**Decision:** Confidential Note of the Meeting (CN-01-062024) of the Meeting of the Audit Committee held on 04 June 2024 were **AGREED** as a correct record and were **APPROVED**.

**c) Confidential Note of the Meeting (CN-02-062024) held on 04 June 2024**

**Decision:** Confidential Note of the Meeting (CN-02-062024) of the Meeting of the Audit Committee held on 04 June 2024 were **AGREED** as a correct record and were **APPROVED**.

**d) Confidential Note of the Meeting (CN-03-062024) held on 04 June 2024**

**Decision:** Confidential Note of the Meeting (CN-03-062024) of the Meeting of the Audit Committee held on 04 June 2024 were **AGREED** as a correct record and were **APPROVED**.

**2. a) OUTSTANDING ACTIONS**

- **Risk Register Training – COMPLETE** - The Governance Officer advised that UHI Executive Office will be asked to present this to the Committee as part of the March 2024 creative space session.

**Update:** Creative Space took place on 10 September 2024.

**Decision:** It has been **AGREED** that this item can be removed from the list.

- **Longman Site sold December 2023 – ONGOING** - Audit Committee will monitor for next two years any future sales of the site. Closing date: December 2025.
- **External Audit – Complete** - Deloitte to provide a written plan for audit 2023/24, with risks and mitigation aspects from college and auditors perspective identified, alongside audit's timeframe.

**Update:** Update had been provided on 10 September 2024.

**Decision:** It has been **AGREED** that this item can be removed from the list.

- **External Audit – SUPERSEDED** - Deloitte to contact OSCR in regard to late financial statements and UHI Inverness being labelled as institution at risk in order to resolve it.

**Update:** This action had been superseded as per request from the Director of Finance and Estates.

**Decision:** It has been **AGREED** that this item can be removed from the list.

#### **b) RECOMMENDATIONS LIST – INTERNAL AUDIT – to follow**

The Director of Finance and Estates informed the Committee that this report will follow in due course.

### **3. INTERNAL AUDIT 2024/25**

#### **a.) Terms of Reference – Fraud Strategy**

BDO provided the Committee with the Internal Audit Terms of Reference – Fraud Strategy report in which audit background, purpose of the review, scope area, key risks, approach, key contacts and planned timeline had been identified and outlined.

**Decision:** The Committee **APPROVED** the Terms of Reference – Fraud Strategy report.

**b.) Terms of Reference – Core Financial Controls – to follow**

BDO confirmed that Terms of Reference – Core Financial Controls will follow.

**c.) Terms of Reference – Staff Wellbeing – to follow**

BDO confirmed that Terms of Reference – Staff Wellbeing will follow.

**d.) Terms of Reference – Cyber Review – to follow**

BDO confirmed that Terms of Reference – Cyber Review will follow.

**e.) Terms of Reference – Incidents Management – to follow**

BDO confirmed that Terms of Reference – Incidents Management will follow.

**f.) Internal Audit Report – Sustainability – Final Report**

The audit identified numerous areas of good practice: joining the Race to Zero campaign, integration of the Equality Impact Assessment form into the policy development process and Sustainability workshops at Staff Conference.

The review recognised that the College has only recently established formal processes relating to sustainability and these are yet to be fully embedded. The College has taken steps towards promoting sustainability within its practices. Recommendations will support the College in achieving its wider sustainability objectives and enhance the quality of monitoring and reporting of sustainability metrics.

**Decision:** The Committee **APPROVED** the Internal Audit Report – Sustainability – Final Report.

**g.) Internal Audit Report – Professional Development – Final Report**

The audit identified three findings of medium significance, relating to review and update of the College's managerial oversight in training compliance and resolution approach, compliance of Professional Learning and Development

Request Form (PD1 form), and review of role-based training matrix approval process. Areas of good practice had been recognised such as College's framework for staff development, which is underpinned by clear, accessible policies and procedures, and the establishment of development pathways for all roles.

As a result, BDO provided moderate assurance over the design and operational effectiveness of the College's arrangements in place in relation to professional development.

**Decision:** The Committee **APPROVED** the Internal Audit Report – Professional Development – Final Report.

#### **h.) Internal Audit Report – Risk Management – Final Report**

In terms of risk management policy and procedures at UHI Inverness the audit highlighted that currently there is no clear alignment to strategic objectives or procedural guidance to document the processes in place for risk identification, training arrangements and escalation protocols. Also, there is need for a defined risk appetite. In terms of risk management training the audit highlighted that currently UHI Inverness have no identifiable training arrangements in place for risk management, including at induction, nor is management aware of when the most recent training had taken place for Board and staff. Additionally, BDO identified opportunities for improvement during their review of the College's risk register and with respect to formalisation of risk identification.

**Decision:** The Committee **APPROVED** the Internal Audit Report – Risk Management – Final Report.

#### **i.) Internal Audit Report – Health & Safety – Final Report**

The BDO provided their final Health & Safety report to the Committee on 10 September 2024. As part of their audit work, they identified three findings, one finding was assessed as medium risk relating to level of completion of staff training. Two were of low risk relating to completion of risk assessment forms and review and update of the H&S policy. The audit also identified some areas

of good practice relating to logging of accidents and near-misses, communication of training requirements and application of H&S procedures.

As a result, BDO provided moderate assurance over the design and operational effectiveness of Inverness College's arrangements in place in relation to Health and Safety.

**Decision:** The Committee **APPROVED** the Internal Audit Report – Health & Safety – Final Report.

**j.) Internal Audit Report – Follow Up Review – Draft – September 2024 – to follow**

BDO confirmed that Internal Audit Report – Follow Up Review – Draft – September 2024 will follow.

The Chair welcomed all final reports and thanked BDO for their detailed updates.

**4. RISK REGISTER UPDATE (CONFIDENTIAL)**

The Director of Finance and Estates spoke to his CONFIDENTIAL report (CN-01-092024) which provided the Audit Committee with an update on the college risk register.

*The Vice Principal – Curriculum, Student Experience and Quality left the meeting.*

**5. EXTERNAL AUDIT**

The Director of Finance and Estates introduced the report which provided the Committee with the draft external audit planning report for the 2023/24 external audit. This is the second year of the five-year contract college has with Deloitte, which was procured by Audit Scotland.

Deloitte reported that the 2023/24 audit planning stage had been finalised in August 2024, with interim meetings taking place in September 2024 and final meetings in October/November 2024. The delays which occurred during the work on 2022/23 had been reviewed, lessons learnt exercise had taken place and contingencies are being put in place to avoid any delays this year.

The Chair clarified the timeline with Deloitte and welcomed the assurance that regular meeting had been scheduled with the Director of Finance and Estates. In case of any delays the Committee would like to be notified as a matter of urgency.

*The Vice Principal – Curriculum, Student Experience and Quality joined the meeting.*

The Chair asked for the contact details of the audit team and list of resources allocated by Deloitte to be shared with the Director of Finance and Estates.

*The Operations and Commercial Manager joined the meeting.*

The Director of Finance and Estates confirmed that sufficient time has been allocated before the Joint Audit & FGP meeting scheduled for Monday 09 December 2024 and the final approval of the Board on 17 December 2024. The Committee welcomed this update.

**Decision:** The Committee **APPROVED** the External Audit report.

## **6. KPI MATRIX**

Operations and Commercial Manager spoke to his report which provided the Committee with an update on performance measures year to date as at period 12, July 2024. The report highlighted missing finance measures, which will be completed early/mid-September after year-end adjusting entries have been processed, and student outcomes which are delayed as resit exam boards are still being convened.

*The Information Development Manager joined the meeting.*

A short discussion in regard to specific performance measures took place.

The Committee welcomed the update on positive application figures, credit targets and growing numbers of apprenticeships.

**Action 1: Detailed split per course and area: PhDs, degrees, FE & HE, GAs and MAs to be provided.**

**Action 2: Curriculum breakdown of FE & HE courses to be provided to the whole Board.**

The Chair thanked the Operations and Commercial Manager for his detailed report.

**7. ANNUAL COMPLIANCE REPORT – DATA PROTECTION**

The Information Development Manager spoke to her report which provided the Committee with a breakdown of annual data/security incidents reported and statistical data regarding Subject Access Requests. In addition, a summary of the compliance auditing that has been undertaken and attached. It had been stated that this report links to legal compliance regarding the processing times for subject access requests and for recording data breaches & information security incidents. By analysing incidents, the Information Development Manager can see where the organisational risk exists in relation to how data breaches occur.

*The Principal and the Director of Finance and Estates left the meeting.*

The Chair thanked the Information Development Manager for her detailed report.

*The Information Development Manager left the meeting.*

**8. DRAFT ANNUAL AUDIT COMMITTEE REPORT**

The Governance Officer spoke to her report which provided the Committee with draft Annual Audit Committee Report for Academic Year 2023-24. The Audit Committee is required, in accordance with Scottish Funding Council guidance to report annually to the Board of Management and updated report will be presented to the Board on 01 October 2024 for approval. Once approved, the report will be shared externally with BDO and Deloitte.

The Chair thanked the Governance Officer for her detailed report.



**9. FEEDBACK FROM COMMITTEE EVALUATION – to follow**

The Governance Officer provided a short update in regard to Committee and Chair Evaluations confirming that the period has now been extended till the end of October due to low response rate.

**10. PUBLIC INTEREST DISCLOSURE UPDATE (CONFIDENTIAL)**

The Governance Officer spoke to her CONFIDENTIAL report (CN-02-092024) which provided the Audit Committee with an update on the recent Public Interest Disclosure.

**11. AOCB**

Nothing raised.

**12. DATE OF NEXT MEETING – Joint Audit and Finance and General Purposes Committee Meeting – Monday 09 December 2024.**

**Signed by the Chair:**



**Date: 04-03-2025**