Glasgow Kelvin College

Board of Management

Audit and Risk Committee

Minute

Minute of the Audit and Risk Committee meeting held at 5pm on 22 February 2022 via Microsoft Teams

1. Sederunt

John Hogg (Chair);
Michael O'Donnell;
Dr Elaine Clafferty;
Dermot Grenham; and
Fiona Taylor.

In Attendance:

Derek Smeall, Principal and Chief Executive;
Jeanette Evans, Vice Principal Operations;
Lisa Clark, Director of Corporate Services;
Linda Ellison, Secretary to the Board;
David Archibald, Henderson Loggie (from item 10 onwards);
Gary Devlin, Scott Moncrieff; and
Annette McKenna, Governance & Executive Support Manager *(for recording purposes).*

2. Apologies

Deborah Thomson (Vice Chair).

The Chair welcomed members to the meeting of the Audit and Risk Committee.

3. Terms of Reference

It was noted the meeting was quorate with 5 members in attendance.

4. Declaration of Interest

F Taylor declared an interest in item 11 as she is a member of the Foundation Apprenticeship (FA) Team.

G Devlin noted that, although not a direct declaration of interest, one of his colleagues at Azets is currently the Interim Director of Finance at the Scottish Funding Council (SFC), although they are not involved in college audits.

The Chair reminded members that they could declare an interest during the meeting.

5. Draft Minute of the previous meeting held on 30 November 2021

Members accepted the minute as an accurate record of the business conducted at the meeting held on 30 November 2021.

6. a. Matters Arising from the Minute of the Previous Meeting held on 30 November 2021

There were no items arising from the previous meeting held on 30 November 2021.

b. Action List – Audit and Risk Committee Action Log as at February 2022.

Members noted the four outstanding 'live' actions.

L Clark provided members with an update on the issue related to the land at the Springburn Campus.

F Taylor asked how members identified strategic risks in relation to new ways of delivering programmes related to the green agenda. The Vice Principal Operations explained that any risks would be identified in reports brought to the Board of Management and its Standing Committees. The Chair reminded members that this had been considered at the recent Board Risk Management session when reviewing the risk appetite and it was agreed that innovative propositions were welcomed and that any appropriate associated risks would be considered by the Board of Management. The Principal added that the College's commitment to the green agenda was clear in the College Strategy 2022/27.

7. Code of Conduct, Standing Orders, Conflict of Interest Policy and Register of Interests

The Director of Corporate Services spoke to the content of the report that sought to provide an update in relation to various key governing documents which are due for review or that require to be amended in line with revisions made to the Code of Conduct for Members of Devolved Public Bodies.

L Clark informed members that she, L Ellison and A McKenna had reviewed the College Code of Conduct in conjunction with the revised Model Code of Conduct for Members of Devolved Public Bodies produced by the Scottish Government and Guidance and Advice Notes produced by the Standards Commission. She added that it was found easier to adopt the revised Code of Conduct in its entirety with some slight tweaks noted in her report and highlighted in blue text. She highlighted that the deadline for compliance with the revised Code of Conduct was Friday 10 June 2022.

She informed members that she had registered to attend a workshop facilitated by College Development Network (CDN) on 22 March 2022 to consider the revised Code of Conduct further and she would inform members if any further relevant information was made available at the workshop.

G Devlin raised a point regarding breaches of the Code of Conduct, could this be handled at college level prior to it being referred to the Standards Commission. L Clark agreed to raise this at the CDN workshop and feed back if appropriate.

Members agreed with the approach to adopt the revised Code of Conduct in its entirety.

The Secretary to the Board of Management highlighted that the Standing Orders state that if the business at a Board of Management meeting goes over a two-hour period, members should stop and take a vote to continue. The Chair also stated that some organisations have a maximum time for discharging an item as well as the maximum

time to suspend standing orders. Members discussed and agreed this was for discussion and decision by the Board of Management.

Members of the Audit and Risk Committee agreed to:

i) note the content of this report, links and appendices;
ii) endorse the Code of Conduct, Standing Orders, Conflict of Interest and Register of Interests documentation as contained in the appendices of this report; and
iii) note that these documents will be on the agenda "for approval" at the Board of Management meeting in March 2022.

8. Audit Action Plan

The Director of Corporate Services spoke to the content of the report.

L Clark informed members that as at February 2022 there were 2 medium grade actions and 2 low grade actions outstanding. She added that the Quality Assurance Audit had been delayed and would be reported to the Audit and Risk Committee meeting in May 2022.

The Chair commented that it was impressive that so few actions were outstanding and members echoed his comments.

Members of the Audit and Risk Committee agreed to:

i) note the contents of this report and its appendix; and
ii) approve the Audit Action Plan at Appendix 1.

9. Internal Audit Reports – Henderson Loggie

a. Student Support

The Vice Principal Operations spoke to the content of the Student Support Audit Report in the absence of D Archibald, Internal Auditor, Henderson Loggie.

J Evans highlighted the positive report that had been graded 'good' with no recommendations. She added that the College had invested in developing the student support services using the reinvestment funds saved from the recent Voluntary Severance Scheme. She noted that the Senior Management Team were delighted to see this come into fruition.

The Principal added that the findings of the report were incredibly impressive given the current circumstances; Covid19 pandemic. He formally thanked M McKerlie, Head of Student Support Services, her team and all involved in the work undertaken to support the students.

Members agreed the report was excellent, comprehensive and showed the positive interventions in place for the College students.

The Chair requested that feedback from the Committee be fed back to those involved. He added that it was reassuring and heartening to know that students were being supported; this would become increasingly important due to the current rising cost of living in the UK.

11. Risk Management Update

The Chair reminded members that F Taylor had declared an interest for this item. He informed members that she would leave the meeting when the item related to FAs was being considered, then rejoin.

F Taylor left the meeting at this point.

The Vice Principal Operations informed members that the Executive Committee had met on 10 February 2022 to consider the proposals to alter the regional arrangements for the future delivery of the FA programmes and the impact on the College and the staff within the FA Team.

J Evans reminded members that FA programmes are currently managed by the College on behalf of the Glasgow region. She provided members with an overview of the current funding methodology and the move by SFC to fund this programme through credits going forward. She provided members with detailed feedback on discussions held at numerous meetings within the region and the five options discussed that related to future delivery of the FA programmes. She noted that it was agreed, at a regional level, that the three colleges would continue to deliver the strategic principle of a collaborative approach to FA programmes to avoid competition. However, it was also agreed that a physical team was not required to coordinate and administer the programmes, instead a virtual team approach would be used to deliver regional coordination.

She provided members with an overview on the possible implications for the seven staff within the FA Team who are employed by the College. She added that she has been meeting fortnightly with the staff involved and that this is an evolving situation. She highlighted the possible risks for the College.

The Chair informed members that he had attended the Executive Committee meeting and the report presented by the Senior Team was detailed and showed due diligence and mitigation for the options discussed and agreed. He added that an update report on the FA delivery would be brought to the Board of Management meeting being held on 14 March 2022.

F Taylor rejoined the meeting at this point.

J Evans continued to provide members with a summary of the risks contained in the report that included: risk management activities; Risk Register review; NJNC – formal notification of dispute; budget cuts for 2022/23; SFC In-year redistribution of credit activity for AY 2021-22; Air Handling Unit installation; Fire Risk Assessment; cladding; and vandalism at East End Campus.

Members noted that the revised format for the Risk Register was easier to navigate and more accessible to read.

In a response to a question, J Evans provided members with an overview of the possible proportion of in-year distribution of credits claw back and the ways in which the College could mitigate the reduction in funding. She added that the Quarter 2 Forecast, currently being produced, would provide members with a better understanding of the amounts involved. She noted that the Quarter 2 Forecast would be brought to the Board of Management meeting being held on 14 March 2022.

The Chair noted that one of the actions on the Committee's Action Log was to allow members the opportunity to have a deep dive into one or two risks at future meetings of the Committee. He asked members to reflect on this and feedback any comments to him directly.
Members of the Audit and Risk Committee are recommended to note the contents of this report, links and appendices provided for members information.

Actions:

- **FA Delivery Update report to the Board of Management meeting being held on 14 March 2022 – Vice Principal Operations;**
- **Quarter 2 Forecast report to the Board of Management meeting being held on 14 March 2022 – Vice Principal Operations;**
- **Members to feedback to the J Hogg, Chair, on deep dive into one or two risks at future committee meetings.**

D Archibald joined the meeting at this point.

10. Internal Audit Progress Report – 2021/22 Annual Plan

D Archibald, Internal Auditor, Henderson Loggie spoke to the content of the report.

He informed members that an audit of the College's student support services had been completed. He added that he was impressed on how well the College had adapted to the restrictions of Covid19 and had tailored their procedures to continually support its learners.

He also informed members that the field work for the Quality Assurance audit had been completed and would be reported to next meeting of the Audit and Risk Committee in May 2022. He noted that the outcome of the audit was positive and reflected well on the College in times of significant external changes in quality frameworks and processes.

He added that the bulk of the audits would be undertaken prior to the summer break.

The Chair raised the point that the timing of the Asset Fleet Management Audit was tight in terms of turnaround; fieldwork planned for 3 May 2022 and reporting to the Committee on 17 May 2022. He asked would it make more sense to push this back to September 2022. Members discussed and agreed to the proposal made by the Chair.

Members of the Audit and Risk Committee noted the content of the report.

Action: Asset Fleet Management Audit to be undertaken in September 2022.

12. Governance Update

The Director of Corporate Services spoke to the content of the report that sought to provide members with an update in relation to various areas of corporate governance.

L Clark took members through the content of her report. She highlighted that the College had submitted its response to the Protect Duty Consultation Response by the deadline date. She added that the Government had published its response on 27 January 2022 and drew members attention to the link to that document noted in her report.

She also drew members attention to the Claims Digest – UMAL newsletter provided as a link in her report and noted that senior staff are aware of the matters contained within this document.

In addition, she highlighted the funds received by the College in relation to its Business Interruption Claim as discussed earlier in the meeting.

Members of the Audit & Risk Committee agreed to note the content of this report, its link and appendix.

13. ICT Update (Appendix 2 – NOT IN THE PUBLIC DOMAIN)

The Chair welcomed the Director of Digital Services to his first meeting of the Audit and Risk Committee. Members went round the 'virtual' table and introduced themselves.

The Director of Digital Services spoke to the content of the report that sought to provide members with an update on Cyber Resilience matters within the College.

J Quinn provided members with an overview of the threat outlook with regard to ransomware and added that phishing can prove costly to organisations. He took members through the mitigations implemented by the College to reduce the impact of a cyber-attack.

He highlighted that the College had been successful in recertification of its annual Cyber Essentials Plus Accreditation and noted this is a requirement for public sector bodies. He commended the work undertaken by the ICT Team in relation to securing the accreditation on behalf of the College.

He spoke to the Network Penetration Test undertaken by the College; report attached as appendix 2. He provided a summary of the report and highlighted that the remedial action on the thirteen recommendations identified had been completed by the ICT Team.

In addition, he took members through the future plans for the College in relation to improving network security that included engaging in an external technical review of its security controls, to be held in May 2022.

In a response to a question, J Quinn informed members that his first thought of the College cyber resilience protocols was that it was strong, he was impressed with the legacy left behind by his predecessor.

In a further response to a question, J Quinn informed members that in relation to training for students regarding phishing, a programme on Moodle for cyber resilience was being delivered. He added that the current induction process for students is being reviewed, in conjunction with curriculum staff, to include cyber resilience.

The Chair thanked the Director of Digital Skills for his comprehensive report.

Members of the Audit & Risk Committee agreed to note the contents of this report, its appendix/links.

14. Freedom of Information Requests Monitoring January 2021 - December 2021

The Director of Corporate Services spoke to the content of the report that sought to provide reassurance to members that Freedom of Information (FoI) requests received are responded to in accordance with the requirements of the Act.

L Clark provided members with a summary on the number of requests received by the College between January 2021 and December 2021. She noted that seventeen out of the eighteen responses had been dealt with in the relevant timescale. She added that one of the responses had been sent on time but was not delivered due to an ICT error; it had been held in the College server and was not delivered to the requestor on the due date but had gone the next day.

The Chair noted the positive outcome of the report and that it reflects well on the College.

Members of the Audit & Risk Committee agreed to:

i) note the contents of this report;
ii) note the number of FOI requests received for the period January 2021-December 2021;
iii) note that the College has produced the required quarterly reports for the Information Commissioner; and
iv) note that the College will continue to have due regard for the Freedom of Information (Scotland) Act 2002 and adhere to timescales required.

15. Audit Scotland

a. Technical Bulletin 2021/3

b. Technical Guidance

The Internal and External Auditors did not make comment of the above Audit Scotland reports. Members noted the content.

G Devlin highlighted the recent report published by Audit Scotland on *Planning for Skills*; how Skills Development Scotland and SFC work together to share outcomes and possible solutions going forward. D Archibald echoed G Devlin's comments and added the outcome of the audit could have repercussions for the workforce of the future. G Devlin added that the years ahead for funding and public sector bodies will be tough. The financial challenges will mean more difficult choices.

16. NJNC - Side Table (Lecturing) - Formal Notification of Dispute

The Principal spoke to the content of the correspondence and provided members with an overview of negotiations; he is one of two college Principals on the Negotiating Committee. He added that Unison have also provided notification of dispute and highlighted the risk of industrial action.

Members noted the content of the correspondence.

17. Colleges Scotland - Collating Information re. Budget Cuts for 2022/23

The Principal spoke to the content of the correspondence provided for members information. He added that work was being undertaken to lobby the Scottish Government on the cuts to the sector. He noted that he and the Chair of the Board of Management have been meeting with local elected members to keep them up to date on the disproportionate effect the cuts will have on the College deprived communities.

Members noted the content of the correspondence.

18. SFC - In-year Redistribution of Credit Activity for AY 2021-22

Members noted the content of the correspondence that had been considered whilst discharging the agenda.

19. Risk Management

Members agreed that no risk management issues had arisen as a consequence of the business conducted at the meeting held on 22 February 2022.

20. Equality Management

Members agreed that no new equality management issues had arisen as a consequence of the business conducted at the meeting held on 22 February 2022.

21. Data Protection

Members agreed that no new data protection issues had arisen as a consequence of the business conducted at the meeting held on 22 February 2022.

22. Closure

The meeting closed at 6.45pm with the Chair thanking members for their attendance and contribution. He noted that next meeting of the Committee was scheduled for 17 May 2022 at 5pm.

External meeting took place with Audit and Risk Committee members and the Internal and External Auditors**.**