

## Draft Minute of the Audit and Assurance Committee meeting held on Tuesday 1 October 2024

<b>Present</b>	
Edward McGrachan (Chair)	Sean McGovern
<b>In Attendance</b>	
David Archibald (Internal Auditor)	Mark Laird (External Auditor)
Penny Davis (Board Secretary)	Janie McCusker (Board Chair)
Jim Godfrey (Finance and Resources Director)	
<b>Apologies</b>	
Helyn Thornbury-Gould	Alastair Milloy
Wendy Odedina	

### 1. Introduction and Welcome

Paper Number: Verbal

#### 1.1 Discussion

The Chair welcomed members and attendees to the meeting.

### 2. Apologies

Paper Number: Verbal

#### 2.1 Discussion

Apologies were noted for Helyn Thornbury-Gould, Alastair Milloy and Wendy Odedina.

### 3. Declarations of Interest

Paper Number: Verbal

#### 3.1 Discussion

The Chair reminded members that it is their personal responsibility to indicate to the Chair at any point during the meeting if they have, or may be perceived as having, a conflict of interest under any item on the agenda.

The Committee noted, with reference to item 11 on the agenda regarding a breach of the Financial Memorandum, that David Archibald, Henderson Loggie, is Internal Auditor for Kelvin College.

## 4. Chair's Business

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Paper Number: Verbal

### 4.1 Discussion

The Chair confirmed that since the last meeting of the Committee he had attended the June board meeting and the informal Board meeting in September.

Further to discussions at the informal Board meeting, the Committee noted that GCRB's duties and functions remain unchanged until such time as any Ministerial decision to the contrary may be announced and implemented. GCRB will focus on its stewardship role and carry out its responsibilities in the interim, but it would not be the intention to initiate any new work during this time.

## 5. Minute of the Committee meeting held on 28 May 2024

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Paper Number: AAC1-A

### 5.1 Decision

The minutes of the meeting held on 28 May 2024 were **agreed** as an accurate record.

## 6. Implementation of Internal Audit Recommendations

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Paper Number: AAC1-B

### 6.1 Discussion

The Finance and Resources Director presented the paper.

The Committee discussed RAAC concerns. The Finance and Resources Director explained that the West End campus closure was a decision of Glasgow Kelvin College and was not RAAC specific. Glasgow Clyde College had been taking appropriate action to address RAAC issues within its estate. The situation was being monitored by the Performance and Resources Committee and had been taken account of in the SFC's national estate condition survey.

The Committee discussed City of Glasgow College's Charles Oakley building, disposal of which was still pending. The Finance and Resources Director advised the Committee that recent changes in Scottish Government policy may mean that proceeds could be retained for investment in the estate.

### 6.2 Decision

The Committee **noted** progress against internal audit recommendations.

## 7. Internal Audit Progress Report

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Paper Number: AAC1-C

### 6.1 Discussion

The Internal Auditor presented the report, explaining the background to limited progress being made in some areas. The Committee noted:

- Thematic Review of Governance: the SFC's new Financial Memorandum was still in draft form hence the delay with progressing this review.
- Influencing Student Outcomes: discussions around student outcomes and quality of learning and teaching were now largely being taken forward by SFC directly with colleges, therefore, there was no longer a strong basis for this audit.
- Risk Session: this would be taken forward prior to the January 2025 Board meeting.

The Committee discussed the possibility of undertaking an audit of transitional planning in next year's audit plan, the role of the colleges versus GCRB in financial planning, and the need to maintain flexibility in relation to audit planning over the coming period.

### 6.2 Decision

The Committee **noted** the progress report and that the Internal Auditor would not be able to provide an overall audit opinion in his annual report due to the discussed changes and delays which were outwith GCRB's control.

## 8. SFC Accounts Direction 2023-24

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Paper Number: AAC1-D

### 8.1 Discussion.

The Director of Finance & Resources presented the report and outlined implications for reporting as set out in the accompanying Ministerial letter, including changes relating to Fair Work disclosures and funding of job evaluation exercises. The Committee noted that the Employers' Association job evaluation process begun in 2018 was ongoing.

### 8.2 Decision

The committee **noted** the Accounts Direction 2023-24.

## 9. Audit Scotland - Scotland's Colleges 2024

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Paper Number: AAC1-E

### 9.1 Decision

The Committee **noted** the report and the need for Scottish Government and SFC to identify priorities in the context of regional change.

## 10. Review of Governance Framework

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Paper Number: AAC1-F

### 10.1 Discussion

The Board Secretary presented the report, highlighting the status of implementation of the Scottish Government's governance changes across the sector and the confirmation received from HEFESTIS of a new DPO for GCRB following Mairead Wood's departure.

### 10.2 Decision

The Committee **noted** the report.

## 11. FM Breach – Glasgow Kelvin College

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Paper Number: AAC1-G

### 11.1 Discussion

The Director of Finance & Resources outlined the status of communications relating to the FM breach. The College had confirmed what action would be taken and the SFC was content with their approach, therefore, the matter was now closed.

### 11.2 Decision

The Committee **noted** the conclusion of this matter.

## 12. Updates from College Audit Committees

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Paper Number: AAC1-H

### 12.1 Discussion

The Finance and Resources Director advised the Committee that the Glasgow Clyde College report was not available due to the timing of meetings. It was confirmed that while all audit reports would be subject to publication requirements under Freedom of Information legislation they were not actively shared between assigned colleges. The Internal Auditor confirmed, however, that the shared audit service provided a basis for sharing of best practice.

### 12.2 Decision

The Committee **noted** the report.

## 13. Review of Assigned College Risk Registers

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Paper Number: AAC4-I

### 13.1 Discussion

The Finance & Resources Director presented the report. All updated risk registers had been available in time for the meeting. There were an increased number of risks graded high. Principal areas of concern were financial sustainability, staffing matters and student outcomes.

Glasgow Kelvin College were progressing arrangements to recruit a new Principal in good time before Derek Smeall's departure.

### 13.2 Decision

The committee **noted** the report.

## 14. Long Term Agenda

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Paper Number: AAC4-J

### 14.1 Decision

The Committee **agreed** the long term agenda and **noted** that aspects of Committee business may be subject to review in the context of a Ministerial decision on the outcome of the current consultation.

## 15. Review of Disclosable Status

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Paper Number: Verbal

### 15.1 Decision

The Board Secretary confirmed that the following paper was non-disclosable:

- AAC1-G – FM Breach Glasgow Kelvin College

## 16. Date of Next Meeting

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Paper Number: Verbal

### 16.1 Decision

The next meeting was confirmed as 14 January 2025.