

Audit Committee Meeting

Date of Meeting	Monday 13 June 2016
Paper Title	Updates from assigned college audit committees
Agenda Item	16
Paper Number	AC3-L
Responsible Officer	Robin Ashton, Executive Director
Status	Disclosable
Action	For discussion

1. Report Purpose

- 1.1. Consider updates on key items of business undertaken by the audit committees of the assigned colleges.

2. Recommendations

- 2.1. The Committee is invited to **note** this report.

3. Background

- 3.1. At its meeting on 31 August the Committee requested the provision of updates from the audit committees of the assigned colleges on key matters considered at each of their meetings, in order to support identification of opportunities for cross-region collaboration in areas of shared interest.

4. City of Glasgow College

- 4.1. The Committee met on 2 March 2016.

- 4.2. The key items considered by the Committee were:

- Internal Audit Review Reports: Internal Communications; Green Travel; New Campus – Post Migration.
- Internal Audit Progress Report
- Strategic Risk Review

5. Glasgow Clyde College

- 5.1. The Committee met on 9 March 2016.

- 5.2. The key items considered by the Committee were as follows:

- Risk Management Discussion - The Committee had a detailed discussion at its meeting on the College's Risk Management. The College Risk Register was considered and the College's risk appetite was discussed. An internal audit on risk management is being completed as part of the 2015/16 internal audit plan.
- Internal Audit Needs Assessment and Strategic Plan 2015 to 2018 – The College internal auditors Henderson Loggie provided the Committee with this plan which covered the main areas where the College is exposed to risk that can be managed through internal control and provided an outline internal audit plan for areas to be covered for the three years 2015/16 to 2017/18. This plan was approved by the Committee.
- Audit Scotland Section 22 Report – A paper was submitted to the Audit Committee to indicate that it had recently been confirmed that Audit Scotland were preparing a Section 22 report on Glasgow Clyde College in relation to the 2014/15 financial statements. The paper indicated the style of the report and the anticipated timescale for receipt of the report as being the end of March. The report was subsequently published on 23rd March and circulated to Board members.
- Governance Action Plan Update – The Committee received an update on the College's Governance Action Plan. The plan was prepared following the Scottish Government Policy Note on 8 October 2015 and updates were reported on to the first meeting of the new Board in October and then in December where it was agreed that the Governance Action Plan would then be monitored by the Audit Committee through to full implementation. In the update to the Audit Committee of the 23 action points listed in the plan (some covering similar points), 14 were completed and 9 were ongoing/partially implemented and the majority of those were due to the absence of a Clerk to the Board at that point who has since taken up post in late March.

6. Glasgow Kelvin College

6.1. At the meeting on 29 March 2016 the key items considered by the Committee were:

- The Committee noted correspondence between the Principal and the SFC in respect of the severance payments made to legacy College senior staff.
- The updated Audit Action Plan was discussed in detail and the Committee welcomed the progress made in respect of addressing the number of outstanding recommendations. 15 out of 31 outstanding recommendations had been assessed by the auditor as fully implemented, including the two high grade recommendations.
- 3 Internal Audit Reports on the Follow up Review of Outstanding Recommendations, Student Activity Data and Absence Management and Payroll were considered in detail.
- The Internal Auditor's Report on progress against the audit plan for the year was noted.

- The Risk Register was reviewed in detail and it was again highlighted that the appointment of suitably qualified and experienced Board Members remained a risk for the College. In particular it was noted that the Board had not recruited an appropriately qualified or experience finance professional.
- The Audit Scotland technical bulletins were considered in detail.

7. Risk Analysis, legal implications, financial implications and Regional Outcome Agreement implications

- 7.1.** Other than as reported above, there are no specific aspects to be considered under these headings.