

AUDIT & RISK COMMITTEE

MINUTE OF MEETING

Minute of Meeting of the Audit & Risk Committee held on Friday 23 February 2024 at 1000 hours via Microsoft Teams.

Present:

Jim Gifford
Iain Watt
Bryan Hutcheson
Dave Anderson
Leona McDermid
Susan Elston
Caroline Laurenson

In attendance:

Stuart Thompson, Vice Principal Finance & Resources
Susan Lawrance, Secretary to the Board
Karen Fraser, Minute Secretary

| Agenda Item | |
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| 28-23 | <p>Apologies for Absence Full attendance was recorded. Committee Chair J Gifford welcomed C Laurenson to her first Committee meeting.</p> |
| 29-23 | <p>Declaration of any Potential Conflicts of Interest in relation to any Agenda Items L McDermid declared a potential conflict of interest by virtue of her position with Aberdeen Foyer.</p> |
| 30-23 | <p>Minute of Previous Meeting – 29 November 2023 The Minute was approved as a true and accurate record.</p> |
| 31-23 | <p>Matters Arising from the Previous Meeting There were no matters arising.</p> <p>Referencing a previous Committee discussion, S Thompson provided a brief verbal update on nurse provision at Fraserburgh Campus, with members noting S Thompson's recent meeting with the childcare provider where financial performance and financial challenges were discussed. S Thompson advised further discussions will be held with preferred options to be presented to the Finance and Resource Committee at their May meeting. S Thompson re-assured Committee that the original point raised through the audit had been answered.</p> |
| | <p>Matters for Decision</p> |
| 32-23 | <p>Strategic Risk Register Members were presented with the SRR in order to discuss and if so minded, agree with the content. S Thompson provided an overview of the updates to risks and risk scores applied.</p> <p>Discussion opened with a request to clarify the Committee's risk tolerance level, based on the need to acknowledge work being undertaken to ease individual risks, but the reality being that targets may have been set to an unachievably</p> |

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| | <p>low level for the next 12-18 months. It was suggested mitigation of the risks as opposed to total elimination is reasonable. The concept of setting a timeline target and for this to be reviewed annually in conjunction with the Committee's risk appetite was mooted.</p> <p>Being new to the Committee and seeing the SRR for the first time, C Laurenson sought transparency with regards to a key to the numbers. The idea of presenting the Opportunities Register alongside the SRR to the Committee was noted. The need to differentiate between current and future actions was observed.</p> <p>Taking all feedback on board, S Thompson agreed to add more categorised detail so as to encompass openness, capturing the rationale behind any applied adjustments to the risks and risk scores in the covering Paper's summation. A further discussion at RB level with regards to targets and parameters would be welcomed.</p> <p>Action: A summary of rationale of any changes to be built into future Strategic Risk Register presentations for Board and Committee.</p> <p>Decision = Committee Members were content to accept the risk scores as presented at this time.</p> |
| 33-23 | <p>Internal Audit Plan Update</p> <p>Members were asked to consider the updated plan, scope and associated timings of internal audit undertakings.</p> <p>Discussion points included the audit topics selected and omitted, potentially lessening the audit scope as a cost-saving measure and the possibility of reducing the audit volume in future years. It was noted that the recognised schedule provides assurance and any reductions made to either the quantity of audits or the number of days in the programme exposes the College to higher risk.</p> <p>Members agreed Internal Audit Reports are to be submitted to both May and September Committee meetings, along with follow-up reviews.</p> <p>Decision = Committee Members were in agreement with the plan, scope and timings as presented.</p> |
| 34-23 | <p>Internal Audit Tender Documentation</p> <p>The need to issue a tender in order to appoint a new internal audit service from 01/08/24 was outlined so as to enable the Committee to discuss future plans.</p> <p>An update with regards to the publication of the new APUC framework agreement was noted, with Henderson Loggie having been ranked as the #1 audit provider. Options with regards to either selecting Henderson Loggie directly or launching a mini tender competition were presented and discussed.</p> <p>Decision = a recommendation from this Committee to appoint Henderson Loggie as the #1 ranked bidder is to be presented to the Regional Board at the 20/03/24 Meeting.</p> <p>Action: ST to provide an updated Report for decision at the 20/03/24 meeting.</p> |
| | Iain Watt left the meeting at 11:29am |
| 35-23 | <p>External Audit Plan</p> <p>The Committee were tasked with discussion and agreeing with the proposed actions put forward to ensure a more effective YE Audit following the previous years' delivery.</p> <p>S Thompson provided a summation of the proposals, detailing a desire to be more proactive with the external auditors.</p> <p>Decision = the draft plan is to be reviewed at the 29/05/24 A&R Meeting.</p> |
| | Matters for Information |
| 36-23 | There were no matters for information presented. |

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| 37-23 | Any Other Business No items were raised. |
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| 38-23 | Summation of Actions A summary of identified actions was provided by S Lawrance. |
| | Meeting ended at 11:38am |

Signed:.....J Gifford (Chair of Audit and Risk Committee)

Dated:.....29 May 2024