University of the
Highlands and Islands
Inverness College

Board of Management

MINUTES of the MEETING of the AUDIT COMMITTEE held in the Boardroom, 1 Inverness Campus, on Tuesday 13 September 2016

PRESENT:	Hazel Allen, Jaci Douglas, Louise James, Lindsey Mitchell, Steve Walsh
CHAIR:	Hazel Allen
APOLOGIES:	-
ATTENDING:	Principal
	Depute Principal
	Director of Corporate Services
	Director of Organisational Development
	Stuart Inglis, Henderson Loggie
	College Secretary

The Chair welcomed Jaci Douglas to her first Audit Committee meeting.

1. **MINUTES - AUDIT COMMITTEE – 24 May 2016**
   The minute was **AGREED** as a correct record and was approved and signed.

2. **SECURE HANDLING, USE, STORAGE AND RETENTION OF DISCLOSURE INFORMATION POLICY**
   A report by the Quality Officer advised that the secure handling, use, storage and retention of disclosure information policy had been reviewed in line with best practice and had gone due college process. There were no changes required.

   The Committee **APPROVED** the secure handling, use, storage and retention of disclosure information policy and noted that the next review was scheduled for April 2019.

3. **FOLLOW UP REPORT ON 2014/15 AND PREVIOUS YEARS' OUTSTANDING INTERNAL AUDIT RECOMMENDATIONS**
   A report by the Director of Corporate Services made reference to the Internal Audit Follow-Up Report which highlighted the work that the internal auditors had carried out in reviewing the recommendations made previously and assessed whether they had been completed or there was, in their opinion, further work to be carried out before they could be deemed to be completed.

   Mr Inglis reported that overall, Henderson Loggie had found that the College had made progress in implementing the recommendations followed-up as part of the review and only two recommendations had been assessed as showing "little or no progress". Explanations were given as to why "little or no progress" had been made.

   There was a discussion on the records management project which had been partially implemented. Although the file classification system was in place the electronic solution was not yet ready. UHI LIS were developing Sharepoint but at a

very slow pace. The risk to the college was that the file classification system was not being maintained.

The Committee **AGREED** that the Chair would include in her letter to the UHI Head of Internal Audit (as agreed at the Chairs meeting on 18 August) reference to the data security and data management risks to the college resulting from the Sharepoint solution not being in place. The Committee also requested that the report be amended to show that the lack of progress by the college was because of the delay in the development of Sharepoint.

The Committee also discussed the recommendation relating to the receipt of quotations with purchase order requests which had only been partially implemented. This matter would be picked up in the Procurement audit planned for the current academic year.

4. **INTERNAL AUDIT ANNUAL REPORT FOR 2015/16**
A report by the Director of Corporate Services referred to the Internal Audit Annual Report which highlighted the work that the internal auditors had carried out during 2015/16.

Mr Inglis advised that overall, the conclusion that Henderson and Loggie had come to for 2015/16 was that "the college has adequate and effective arrangements for risk management, controls and governance" and "Proper arrangements are in place to promote and secure Value for Money".

All work in 2015/16 assessed systems as 'Good' or 'Satisfactory', or provided an unqualified audit opinion on College returns.

The Committee were pleased to **NOTE** the overall conclusion and especially welcomed the outcome of the student experience audit which returned Good grades across all objectives.

5. **OUTSTANDING INTERNAL AUDIT RECOMMENDATIONS FROM 2015/16**
A report by the Director of Corporate Services provided an update of the progress made on the outstanding internal audit recommendations for 2015/16. A total of 13 recommendations had been made. All but four of the outstanding internal audit recommendations for 2015/16 had now been completed. One recommendation was considered but not implemented.

The Committee **NOTED** the position.

6. **INTERNAL AUDIT ANNUAL PLAN 2016-17**
Mr Inglis spoke to the Internal Audit plan for 2016/17 which highlighted the work that Henderson Loggie would carry out over the course of 2016/17.

The plan was based on the proposed allocation of days for 2016/17 set out in the Final Audit Needs Assessment (ANA) and the Strategic Plan for 2015 to 2017, with the following exceptions:

- The Health & Safety audit was carried out in August 2016 (the first month of 2016/17 rather than in 2015/16) to enable the new H&S Manager to establish an audit plan and commence H&S audits prior to the internal audit of H&S

- The Estates and Campus audit was rescheduled for 2016/17 in order to allow time for the College to work with the SFT and GTFM to ensure GTFM complied with the NPD reporting requirements and delivered in accordance with the contract

The Committee **APPROVED** the Internal Audit Annual Plan 2016-17 and **AGREED** that a copy of the Plan be sent to UHI with a request for a named point of contact for the IT Network Arrangements Audit.

7. **HEALTH AND SAFETY ANNUAL REPORT 2015/16**

A report by the Director of Organisational Development provided the Committee with an annual report on matters pertaining to health and safety. The main issues were summarised as follows:-

- There were 2 Reported RIDDOR accidents/incidents during the reporting year.
- Between August 2015 to July 2016, hand and finger injuries accounted for 33% of the College's recorded accidents and incidents.
- There had been a further increase in the number of reports relating to accidents/incidents and near misses in comparison to the previous year (August 2015 - July 2016 – 101, August 2014 - July 2015 – 78). The greater emphasis on reporting accidents/near misses was welcomed but there were still issues regarding the accuracy of reporting. It was proposed that the HSE software be looked at in order to provide a much more robust system.
- Of the accidents/incidents and near misses, the percentage relating to students was 71%, staff 24% and others 5%. This was in line with previous years.
- Particularly during the last half of the reporting year there was now clear direction in terms of the management of health and safety. Having adopted the HASMAP (Health and Safety Management profile) developed for higher education institutes which mapped to the 3rd edition of HSG65, the College was now following a proper structure, specific to what it does and which could also be used as a valuable auditing tool.

There were a lot of positives to take forward into the new academic year including the aim of reducing the amount of hand/finger injuries across the college by raising awareness using various different methods. The H&S software system currently going through the procurement process was seen as an exciting step forward for the College and would further improve the management of essential H&S information. The involvement of staff and especially the technicians to continually improving the safety culture of the College was to be commended.

The Committee welcomed the positive report and congratulated the Health and Safety Manager on the progress being made.

8. **RISK MANAGEMENT AND BUSINESS CONTINUITY**

A report by the Director of Corporate Services provided an update of risk management and business continuity within the college.

Risk Register

The Committee **APPROVED** the recommendation that the Arms Length Foundation should not be included within the register and **NOTED** that in relation to BREXIT, further discussion would take place at management level, following which, a

recommendation would be made to the next meeting of the committee in November.

The Committee discussed and **APPROVED** the proposed changes to the wording in relation to the following two risks within the register

- New campus building does not operate in line with expectations
- Outcome of national pay bargaining

The Committee discussed at some length and **AGREED** that a new strategic risk should be added to the register. This key strategic risk is that the College is unable to continue to deliver locally relevant, quality, higher and further education; and that it is not directly accountable to its community for that delivery; as a result of a constitutional structure which is not fit for purpose.

The Committee also requested that the risks within the register be numbered, that it be reordered so that significant risks were shown first and that the scoring mechanism be included in future reports.

Business Continuity Plan Update
The business continuity plan had been updated to include, amongst other things, new contact details following the move to the new campus as well as a number of changes in personnel. The plan had been considered and approved by the SMT at its meeting at the end of August.

One of the key changes in the plan related to the new ICT infrastructure. Significant improvements had been made to the robustness of the wide area network during the 6 months to May 2016 and these had been shared at the previous two Audit committee meetings in February and May.

The Committee **AGREED** to **APPROVE** the changes to the Business Continuity Plan.

9. **MINUTES OF MANAGEMENT COMMITTEES**
The Committee **NOTED** the minutes of the following management committees:-
a. Health and Safety Committee – 13 June 2016
b. ICT Steering Group – 3 June 2016

10. **DATE OF NEXT MEETING**
Tuesday 29th November 2016 at 8.30 a.m.

Signed by the Chair: _____

Date: _____20/12/16_____