City of Glasgow College

Board of Management

Meeting of the Audit Committee

MINUTE OF 4th MEETING HELD ON WEDNESDAY 16 MAY 2018 AT 1700 HRS (AC4)

Present	
George Black (GB)	Graham Mitchell (GM)
Colin McMurray (CM) (Convener)	Anne Peters (AP)
In attendance	
David Archibald, Henderson Loggie (SI, IA)	Sheila Lodge (SL) (Items 6-16 only)
Paul Clark, College Secretary (PC)	Alex Stewart (AS)
Gary Devlin, Scott-Moncrieff (GD, EA)	Stuart Thompson (ST)
Julia Henderson (JH) (Items 1-8 only)	Ann Butcher (AB) (Minute)
Apologies for absence	
Paul Little (PL)	Eric Tottman-Trayner (ETT)

Item AC4-1	Apologies for Absence	
Paper No:	Lead: Convener	Action requested: Note
Decision/Noted	Apologies were received from PL and ETT.	

Item AC4-2	Declarations of Interest	
Paper No:	Lead: Convener	Action requested: Note
Decision/Noted	None.	

Item AC4-3	Items to be Discussed Privately with Auditors	
Paper No:	Lead: Convener	Action requested: Note
Decision/Noted	There were no items raised to be discussed privately with the auditors.	

Item AC4-4	Minute of the Audit Committee meeting held on 21 February 2018	
Paper No: AC4-A	Lead: Convener	Action requested: Approve
Decision/Noted	The minute was approved.	

Item AC4-4	Matters Arising	
Paper No: Verbal	Lead: Convener	Action requested: Discuss
Decision/Noted	**Report on Financial Regulations Authorised Limits** Clarification on the proposed internal audit on College expenditure was sought, and it was agreed that this would be undertaken during 2019-20 specifically in relation to expenditure for overseas travel, hospitality, and entertainment.	

Item AC4-5	Data Protection Policy	
Paper No: AC4-B	Lead: J Henderson	Action requested: Approve
Discussion/ Matters Arising	JH introduced the new Data Protection Policy which has been fully revised to comply with the new data protection legislation. The Policy, which provides a framework of governance and accountability for data protection compliance across the College, was reviewed in detail. It was agreed that under item 4.6, the phrase 'for the lifetime of the student' would be further clarified. Following discussion, it was also agreed that under item 6.1, the term 'all users of College information' would remain. It was noted that the Internal Auditors would continue to audit management of privacy and data protection risks and compliance. With reference to marketing information, College clients will be contacted to confirm continuation of information received from CoGC. A dedicated page has been created on the College website for Data Protection where all relevant information, including the Policy, will be held. A full report on implementation of the GDPR will be submitted at a future meeting of the full Board. The Committee also noted that a full data retention schedule is being developed.	
Decision/Noted	To approve the Policy subject to agreed minor amendments.	

SL arrived during the following discussion.

Item AC4-6	Strategic Risk Review	
Paper No: AC4-C	Lead: P Clark	Action requested: Discuss
Discussion/ Matters Arising	PC highlighted the proposed Risk Score changes. The following proposals were agreed: - Risk 5 '*Failure to Complete Project Programme to Schedule'* will now be closed following completion of the new campus project. - Risk 24 '*Failure of Compliance with GDPR'* will be scored lower (8, AMBER). - Risk 25 '*Failure of IT System Security'* will be scored higher (10, AMBER). It was noted that the SSE Committee requested the inclusion of mental health/wellbeing within the Risk Register.	

Decision/Noted	• To agree the proposed risk score changes and associated MAPs.

Item AC4-7	**Freedom of Information Report**	
Paper No: AC4-D	Lead: P Clark/J Henderson	Action requested: Discuss
Discussion/ Matters Arising	PC provided an overview of the Freedom of Information (Scotland) Act 2002 (FOISA) Report 2017-18 which provides information on the nature and volume of requests received in relation to FOISA and Environmental Information (Scotland) Regulations (EIRs). The following points were particularly noted: • The volume of requests has increased significantly over the last three academic years. • Complexity of requests continue to increase with a significant amount of in-house legal expertise now being provided. • The percentage of responses met within the specified 20-day timescale to date is 93 % (a continuing improvement against previous years). PC further reported that the College was the subject of an appeal to the Information Commissioner with the Decision Notice released in November 2017. The College had complied with Part 1 of the response, however the Commissioner's decision was that this request should have been dealt with under Environmental Information Regulations (EIRs). No further action was required. A further appeal was also made in November 2017, however this was deemed invalid by the Commissioner on the grounds that the applicant had used a pseudonym.	
Decision/Noted	To note the Report.	

Item AC4-8	**Internal Audit Review Reports**	
Item AC4-8.1	**Student Engagement/Students' Association**	
Paper No: AC4-E	Lead: D Archibald	Action requested: Discuss
Discussion/ Matters Arising	DA provided the Committee with an overview of the review of the framework of student engagement structures and activities within the College, including the work of the Students' Association. Members observed the range of strengths identified and noted that no significant weaknesses (which require recommendation) were raised. Some areas of improvement that were identified are already being addressed and progress is underway. The overall level of assurance was noted as 'Good'.	
Decision/Noted	To note the Report.	

Item AC4-8.2	Business Development/International Activities	
Paper No: AC4-F	Lead: D Archibald	Action requested: Discuss
Discussion/ Matters Arising	DA provided a summary of the key findings following the review of Business Development and International Activities which were defined as any activity generating non-Scottish Funding Council income. The 9 objectives covered were highlighted with 8 'Satisfactory' levels of assurance and 1 level set at 'Good'. A total of 13 Low Level Priority 3 recommendations were raised and whilst not significant, it was noted that their implementation would improve and enhance existing arrangements. The more significant Priority 2 recommendation - to ensure that the job description of the planned Associate Deans and existing Faculty Directors and Curriculum Head make appropriate reference to business development roles - will be actioned by the end of August 2018. Among the strengths noted were the good commercial and support structure, which includes both Faculty and Commercial Development Team staff with Industry Academy Heads and administration support. It was noted that implementation of an effective Customer Relationship Management system (which is currently being piloted) and a formal comparison of College course prices to competitors' prices will be revisited under the follow up review. Improved interface between the Commercial Development Team and the Marketing Team will be addressed under Objective 4 Recommendation. The overall level of assurance was noted as 'Satisfactory' with some weaknesses present.	
Decision/Noted	• To note the Report. • To submit the Report at the next meeting of the Development Committee.	

Item AC4-8.3	Data Protection/Freedom of Information	
Paper No: AC4-G	Lead: D Archibald	Action requested: Discuss
Discussion/ Matters Arising	DA provided an overview of the high-level review of the College's preparedness for implementation of the GDRP by 25 May 2018. Assessment on the adequacy and effectiveness of the processes and procedures in place to ensure compliance with FOISA and EIR were reviewed. **GDPR** Whilst the College has reviewed the requirement of the GDPR and identified areas where work is required to comply (which is set out in a detailed action plan), it was noted that the College does not currently have an approved Information Security Policy. An interim measure has been put in place with a draft Policy to be finalised by the second half of 2018. As appropriate action is being taken, no recommendations have been made. It was acknowledged that, in future, embedding of GDPR policies and overall compliance may require further review. It was suggested that this	

could be incorporated within future internal audit planning.

Freedom of Information
The Committee noted that a member of staff has been formally appointed with overall responsibility for FOISA/EIR. Systems are also in place to capture, record and appropriately reply to FOISA/EIR requests received. 6 Low Level Priority 3 recommendations have been agreed.

Decision/Noted
- To note the Report.
- To amend Objective 4, Management Response Date to February 2019.

JH left the meeting at this time.

Item AC4-9	Internal Audit Progress Report	
Paper No: AC4-H	Lead: D Archibald	Action requested: Discuss
Decision/Noted	To note the progress with the annual plan for 2017-18.	

Item AC4-10	Business Continuity: External Review and Report	
Paper No: AC4-I	Lead: P Clark	Action requested: Discuss
Discussion/ Matters Arising	PC provided an overview of an external review of Business Continuity Management (BCM) which was undertaken at the College during March 2018 by Ashton Resilience for the College's insurers, UMAL. The review looked at the activities and operations of the College, its current recovery capability and the degree to which the BCM has been implemented. The detailed findings and recommendations were reviewed by the Committee. It was noted that whilst all elements of incident management were graded as 'Good', the Business Recovery Plans, previously developed for former College campus sites, will need to be developed for the new campuses.	
Decision/Noted	• That a draft Plan be submitted to SMT to agree action dates for implementation, with reportage to the Board as appropriate. • To consider an Internal Audit Review during next session.	

Item AC4-11	External Audit Plan 2017-18	
Paper No: AC4-J	Lead: G Devlin	Action requested: Discuss
Discussion/ Matters Arising	GD summarised the work plan for the 2017-18 external audit for CoGC. Core elements include an audit of the 2017-18 financial statements and related matters, a review of arrangements for governance and transparency, financial management, financial sustainability and value for money. The audit strategy and detailed processes were highlighted. The key audit risks in the financial statements were also discussed, in particular the voluntary severance scheme. External audit will review the voluntary severance packages to ensure they are accounted for correctly in the financial statements, and will also ensure that governance processes for the approach of the scheme and individual packages are in line with SFC guidance.	

Under the wider scope of audit, EU withdrawal, new financial powers, ending of public sector pay cap, response to cyber security risks and openness and transparency will also be considered.

Decision/Noted	To note the External Audit Plan for 2017-18.

Item AC4-12	**Governance of Strategy Delivery**	
Paper No: AC4-K	Lead: P Clark	Action requested: Discuss
Decision/Noted	To note the Governance of Strategy Delivery Report which was submitted at the PRNC meeting on 30 04 18.	

Item AC4-13	**Update from GCRB Audit Committee – 06 03 18**	
Paper No: AC4-L	Lead: P Clark	Action requested: Note
Decision/Noted	To note the GCRB Audit Committee update from the meeting held on 06 03 18.	

Item AC4-14	**Any Other Notified Business**	
Paper No: Verbal	Lead: Convener	Action requested: Discuss
Discussion/ Matters Arising	**Foundation Grant Agreement** The Committee discussed conditions of the grant funding attached to the recent College Foundation Grant Agreement (provided under Section 4) for voluntary severance funding which has been accepted by ELT. The Chair of the Board has also confirmed his agreement to these conditions, however CM requested that acceptance be sought from all Board members. It was noted that the conditions are currently non-disclosable due to a confidentiality term, however permission has been sought from the Foundation for disclosure. It was agreed that once permission has been received, the Grant Agreement will be circulated to all Board members for confirmation of acceptance.	
Decision/Noted	To circulate the Grant Agreement for approval of conditions once the confidentiality clause has been lifted.	

Item AC4-15	**Disclosability of Papers**	
Paper No:	Lead: P Clark	Action requested: Note
Decision/Noted	It was agreed that Papers AC4-A and AC4-K were non disclosable.	

Item AC4-16	Date of Next Meeting	
Paper No:	Lead:	Action requested: Note
Decision/Noted	Wednesday 12 September (to be confirmed via Board approval on 06 06 18)	

The meeting closed at 1920 hours

.

Item AC4-16	Date of Next Meeting	
Paper No:	Lead:	Action requested: Note
Decision/Noted	Wednesday 12 September (to be confirmed via Board approval on 06 06 18)	

ACTION POINTS ARISING FROM THE MEETING

Item	Description	Owner	Target Date
AC4-8.2	**IA Business Development/International Activities:** Submit report at next meeting of Development Committee.	PC	Dev Comm Mtg 31 10 18
AC4-10	**Business Continuity: External Review & Report:** SMT to agree action dates for submission to the full Board.	PC	BoM Mtg 22 08 18
AC4-14	**AONB – Foundation Grant Agreement:** Circulate for approval of conditions once confidentiality clause is lifted.	PC	ASAP

ACTION POINTS ARISING FROM PREVIOUS MEETINGS

Item	Description	Owner	Target Date
AC3-6	**Strategic Risk Review**: Submit any proposed changes to relevant Committee for review.	PC	Ongoing **Complete**
AC3-7	**Committee ToRs:** Submit proposed change to BoM for approval.	PC	06 06 18
AC3-9	**Report on Whistleblowing Allegation:** Submit updated IT Equipment processes for feedback at the next meeting.	PC/FS	12 09 18
AC3-10	**ESF Project – Repayment:** Email Board members following the outcome of the decision.	PC/ST	23 02 18 **Complete**
AC3-11	**Report on Financial Regulations Authorised Limits**: Include College Expenditure on overseas travel, hospitality and entertainment audit within next session's Internal Audit Plan.	ST/DA	ASAP