

MINUTES

Meeting: Audit and Risk Committee

Date: Thursday 2 June 2022 at 3.30pm

Location: Microsoft Teams

Present: Susan Mitchell (Chair), Brian Fisher, Evelyn McPhail, Samantha Mowbray

In Attendance: Hugh Hall, Susan Dunsmuir, David Eardley (Azets), Rachel Wynn (Ernst & Young), Marianne Philp

1 Welcome

The Chair welcomed those present to the meeting.

2 Minutes of the Previous Meeting: 3 March 2022

The minutes of the previous meeting were approved as an accurate record.

3 Matters Arising / Actions Outstanding

The contents of the paper that had been circulated were noted.

4 Any Emerging Themes

No business was transacted.

5 Strategic Risk Register Update

The contents of the paper that had been circulated were noted. It was noted that risks 2 and 14 remained outwith risk tolerance levels, and these were outlined in detail, as detailed on pages 8 and 9 of the Boardpack. Updates were given on national pay discussions, the new campus and workforce planning.

An observation was made that the risks have remained fairly static over a lengthy period and that new risks may emerge and old risks should be removed.

6 Internal Audit

6.1 Update on Internal Audit Actions: Exception Report

The contents of the paper that had been circulated were noted. It was highlighted that good progress continues to be made on closing off actions. One action that was not due as yet had been carried forward.

6.2 Internal Audit Plan

The contents of the report that had been circulated were noted. Attention was drawn to Appendix 1 of the report which showed the areas being suggested for audit during 2022-23. The note on page 33 of the Boardpack was also highlighted to members.

There was a brief discussion about the areas that had not been covered by audit over the period. It was confirmed that for some of these areas, other reviews may have covered them. All areas that had been considered a higher risk or priority had been included.

Decision: To approve the internal audit plan for 2022-23.

Responsibility: Internal Auditors/Chief Financial Officer **Deadline:** 1 August 2022

6.3 Non-Pay Expenditure and Creditor Payment

The contents of the paper that had been circulated were noted. Good practice and areas for improvement were outlined on page 50 of the Boardpack. One recommendation had been made and had been agreed by management.

6.4 Safeguarding and Student Wellbeing

The contents of the paper that had been circulated were noted. Good practice and areas for improvement were outlined on page 65 of the Boardpack. Two recommendations had been made and had been agreed by management.

7 External Audit Plan and Fees

The contents of the paper that had been circulated were noted. The external auditor highlighted the work that would be undertaken for the 2021-22 external audit, drawing attention to the audit approach, materiality and risks. It was noted that the external audit fee had increased slightly due to the additional risk regarding valuation of the campus.

Decision: To approve the external audit plan and fees.

Responsibility: External Auditor/Chief Financial Officer **Deadline:** 1 August 2022

8 Accounting Policies

The contents of the paper that had been circulated were noted. It was noted that two adjustments had been suggested.

Decision: To approve the Accounting Policies.

Responsibility: Chief Financial Officer

Deadline: 1 August 2022

9 Review of Remit, Self-Evaluation and Annual Report to the Board

The contents of the papers that had been circulated were noted. Members confirmed that no changes were required to the remit.

It was suggested that the annual report should include a note about the change to the presentation of risk and having the one sheet summary, which had been a useful change.

It was also agreed that a priority for 2022-23 should be the appointment of the Internal Auditor.

Decisions:

- To issue the questionnaire to members for completion over the summer.
- To update the draft annual report with the suggestions made at the meeting and email it to the Chair and Depute Chair of the Committee for finalizing.

Responsibility: Director: Governance and Compliance **Deadline:** 30 June 2022

10 Internal Auditor Appointment: Tender Process

The auditors declared an interest in relation to this item and withdrew from the meeting.

Members agreed with the recommendation within the paper, and noted the process. Brian Fisher and Evelyn McPhail both offered to be involved in the process. It was noted that management should commence the work, and notify Committee members when input was required.

Decision: To proceed with option 2, as recommended in the paper.

Responsibility: Chief Financial Officer **Deadline:** 1 August 2022

11 Review of Meeting

Members commented that the flow of the meeting had been good and having emerging themes and risk at the top of the agenda made for a more focused meeting.

Decision: To note the impact of the change of the meeting within the next relevant reports.

Responsibility: Director: Governance and Compliance **Deadline:** December 2022

12 Date of Next Meeting

Thursday 8 September 2022 at 3.30pm

The Depute Chair, on behalf of all Committee members, thanked the Chair for her input to the Committee over the years and for providing help and guidance to all members. The Chair thanked members for their input and commented that she had enjoyed working with them.