

Sabhal Mòr Ostaig Audit Committee

Draft Minutes

Date and Time	Friday 9 February 2018
Location	Seòmair Shomhairle, Ionad Iain Nobail
Present	Willie MacDonald, Chair Arthur Cormack (by phone) Iain Graham Sandy Jones (by phone)
In attendance	Louise Carmichael, TIAA (by phone) Karen Kennedy, Director of Finance Marie MacKay, College Accountant
Apologies	Murdo Campbell John Taylor Stuart Inglis, Director, Henderson Loggie, External Audit Partner
Minutes	Christine Mackenzie
Minute status	Draft

Summary of Action Items

Ref. Number	Action	Responsibility	Time line
AUD 18-01 Item 5c	Produce update internal audit plan. Circulate plan for committee approval before next meeting	L. Carmichael and K. Kennedy C. Mackenzie	Jun 2018
AUD 18-01 Item 6	Inform committee when College Risk Register uploaded to UHI.	K. Kennedy	Mar 2018

Agenda Item**1. Welcome and Apologies**

The Chair welcomed the members and those in attendance, in particular Karen Kennedy, who was attending her first meeting as Director of Finance and Planning .

Apologies were received from Murdo Campbell, John Taylor and Stuart Inglis.

2. Declaration of Interests

A. Cormack declared his interest as his son is a student at the College. I. Graham declared his interest as his wife is a tenant of the College.

3. Minutes of the meeting held on 10 November 2017

The minutes were approved as an accurate record.

4. Matters arising not on the Agenda / Action Points

All actions had been completed except for arranging the attendance of the Chair at a Board of Directors' meeting. The next meeting of the Board is on 9 March 2018. It was noted that the Business Recovery Plan had been approved by the Senior Management Team.

5. Internal Audit**a) Final Report 2017/18**

The internal audit final report was noted.

b) Follow-up Review

The follow-up review was noted. Fourteen recommendations had been implemented, six recommendations were in the process of being implemented, and one recommendation was rejected as the cost far outweighed the benefit.

c) Options for Review 2018-19

The committee noted that the rolling strategic plan set out that the following areas be covered in the 2018-19 internal audit (in addition to the SUMS audit which is covered annually): Performance Management; Risk Management Framework; and Budget Monitoring. K. Kennedy informed the committee that the budget setting process was being amended, and therefore Budget Monitoring would be audited later in the year. The College Director of Corporate Affairs had recommended that student admissions be audited this year. The plan can be amended to take account of changing needs over the year. It was agreed that L. Carmichael and K. Kennedy

would liaise over a second draft, which will be circulated to the committee for approval before the next meeting.

ACTION POINT: L. Carmichael and K. Kennedy to produce update internal audit plan.
C. Mackenzie to circulate plan for committee approval before next meeting.

6. Risk Register

The Risk Register was noted and the committee discussed updates and high risk items. It was agreed to move Item 3.2 (Risk to sustainability and management of College with changes in personnel) from medium risk to high risk (likelihood from 3 to 4, and impact from 4 to 5) in light of recent announcements that the Principal and Vice-Principal are both retiring.

K. Kennedy informed the committee that UHI had requested that all Academic Partners integrate common risks into their own risk registers and that explanations be given if a risk is not being considered by an AP. This information has to be uploaded quarterly and the asked that K. Kennedy inform them when this was done.

ACTION POINT: K. Kennedy to inform committee when College Risk Register uploaded to UHI.

7. Whistleblowing Policy

The committee noted the sample whistleblowing policies that had been provided. The committee indicated that they preferred such a policy to be referred to as a public interest disclosure policy. The committee discussed elements of the sample policies that they recommended be included in the College's version, such as clear hierarchy; an ultimate arbiter; and a form for staff to complete. S. Jones offered to assist Nicola Thomson, Director of Corporate Affairs with drawing up a draft policy, which will be circulated to the committee for approval.

8. External Audit Report 2016-17

The external auditors' final report was noted.

9. AOCB

a) Annual Accounts

K. Kennedy informed the committee that preparation of the annual accounts had not been included when the external audit was put out to tender last year. Iain Gordon

had prepared the annual accounts himself, with input from the finance team, but this had involved a greatly increased their workload. The committee agreed that a request be made to the Finance and Estates Committee to include preparation of the annual accounts as an ad-hoc service to the tender.

10. Date of Next Meeting

The next meeting will be held on 1 June.

The meeting adjourned at 3.20pm