

Draft Minute of the Audit and Assurance Committee meeting held on Tuesday 28 May 2024

Present	
Edward McGrachan (Chair)	Sean McGovern
Helyn Gould	Alastair Milloy
In Attendance	
Penny Davis (Board Secretary)	Mark Laird (External Auditor)
Jim Godfrey (Finance and Resources Director)	Janie McCusker (Board Chair)
Stuart Inglis (Internal Auditor)	Wendy Odedina (Executive Assistant)
	Euan Robertson (External Auditor)
Apologies	
Martin Boyle (Executive Director)	

Private Meeting between committee members and Auditors

There was a short meeting in advance of the committee for the members to meet with the internal and external auditors to raise any matters in private without the executive being present.

There were no matters raised at this time.

The committee discussed with the auditors the potential impact of the recent Ministerial announcement on the future of GCRB.

The external auditor reminded members to respond to his email to confirm if they are or are not aware of any fraudulent activity.

1. Introduction and Welcome

Paper Number: Verbal

1.1 Discussion

The Chair welcomed members and attendees particularly new member Sean McGovern.

The Chair referred to the recent Ministerial announcement and asked the Finance and Resources Director to speak to this matter.

The Finance and Resources Director noted the announcement of the Minister for HE and FE on 16 May of his intention to dissolve GCRB and seek a new collaborative arrangement in Glasgow. He noted that a consultation will launch in coming weeks and it will run for 12 weeks. He highlighted the Minister’s comments that change of this magnitude will not happen overnight and emphasised the importance of working with the GCRB Chair, Board, staff, the SFC, the regional college sector, and other stakeholders, during this time.

The Finance and Resources Director confirmed that it is GCRB's intention to focus on continuing to deliver the core functions of GCRB noting that priorities and focus will inevitably change through this period.

2. Apologies

Paper Number: Verbal

2.1 Discussion

Apologies were noted for Martin Boyle.

3. Declarations of Interest

Paper Number: Verbal

3.1 Discussion

The Chair reminded members that it is their personal responsibility to indicate to the Chair at any point during the meeting if they have, or may be perceived as having, a conflict of interest under any item on the agenda.

4. Chair's Business

Paper Number: Verbal

4.1 Discussion

The Chair confirmed that since the last meeting of the committee he had attended the board meeting and met with the Chair and committee chairs.

5. Minute of the Committee meeting held on 26 March 2024

Paper Number: AAC4-A

5.1 Decision

The minute of the meeting held on 26 March 2024 was **agreed** as an accurate record.

6. Implementation of Internal Audit Recommendations

Paper Number: AAC4-B

6.1 Discussion

The Finance and Resources Director presented the paper referring members to the status of current internal audit recommendations. He noted that these will be affected by the outcome of the consultation on the future of GCRB, and may potentially be 'handed over' to any future arrangement.

The committee discussed potential scenario planning and contingency work to help understand the implications of ministerial decisions and to continue to seek to ensure best value for students and of our funding.

The committee discussed the need to revisit the Internal Audit Plan and consider timescales for internal audit work and recommendations.

6.2 Decision

The committee **noted** the progress made against the previous internal audit recommendations.

It was **agreed** that the Finance and Resources Director should meet with the Internal Auditor and bring a revised internal audit plan back to the next meeting of the committee.

7. External Audit Plan 2023-24

Paper Number: AAC4-C

7.1 Discussion.

The external auditors provided an overview of the external plan 2023-24 laying out the approach to the audit of GCRB as an organisation and the region as a whole. They confirmed that they have considered the impact of the ministerial announcement and confirmed that it does not have an impact on the 2023-24 process.

The external auditors spoke to the technical accounting matters of the audit and also the wider scope elements.

They confirmed the timescale would be in line with previous years with sign off being at the January 2025 board meeting.

7.2 Decision

The committee:

- **noted** the external audit plan for 2023-24; and
- **noted** the proposed external audit fee of £37,700 which represents an increase of 6% compared to the previous year.

8. Review of College Risk Registers

Paper Number: Verbal

8.1 Decision

The Finance and Resources Director confirmed that only one college out of the three has updated their risk register since the last meeting and therefore it was decided to carry this matter forward to the next meeting of the committee when all three would be available.

9. Updates from College Audit Committees

Paper Number: Verbal

9.1 Decision

The Finance and Resources Director confirmed that only one college out of the three has had an audit committee meeting since the last meeting and therefore it was decided to carry this matter forward to the next meeting of the committee when all three would be available.

10. Review of Compliance with Audit Handbook

Paper Number: AAC4-D

10.1 Discussion

The Board Secretary presented the paper for committee's comment noting that the checklist has been pre-populated with responses which confirm overall compliance.

She invited comment on the penultimate questions regarding committee effectiveness.

10.2 Decision

The committee **reviewed** the checklist, and **confirmed** no proposed changes to reflect current compliance or strengthen compliance.

11. Report on Compliance with Code of Good Governance

Paper Number: AAC4-E

11.1 Discussion

The Board Secretary provided an overview of the paper noting that the board is required to confirm compliance with code of good governance as part of the annual report and accounts.

She noted that part of this process stems from the board evaluation and there is an additional column added for more binary questions and to provide further assurance.

She invited members to agree the draft statement at section 5 for inclusion in the annual report, subject to accounts direction which is expected in July.

11.2 Decision

The committee **considered** the report and suggested no further advice or recommendation to the Board in the context of reporting on compliance with the Code within the Corporate Governance Statement in the Annual Report.

The committee **agreed** the draft statement for onward recommendation to Board as part of the annual report.

12. Report on Whistleblowing and Fraud

Paper Number: AAC4-F

12.1 Discussion

The Board Secretary presented the paper confirming no matters of whistleblowing or fraud to bring to the committee's attention.

12.2 Decision

The committee **noted** the report.

13. Long Term Agenda

Paper Number: AAC4-G

13.1 Decision

The Finance and Resources Director presented the long-term agenda noting that, at present, it has been drafted to include the minimum statutory requirements anticipated.

He confirmed that it is subject to change following formal confirmation of the outcome of the consultation on the future of GCRB, and the potential changes that this may mean for the functions of this committee.

The committee discussed risk the substantial risks that have emerged as a result of the ministerial announcement. The Finance and Resources Director noted that the responsibility for the risk register lies with the full board and a paper will be presented at the meeting on 10 June. He further noted that he would intend to discuss this as part of the revised internal audit plan.

14. Review of Disclosable Status

Paper Number: Verbal

14.1 Decision

The Board Secretary confirmed the status of the papers noting the following as non-disclosable:

- AAC4-F – Report on Whistleblowing and Fraud

15. Date of Next Meeting

Paper Number: Verbal

15.1 Decision

It was noted that the board calendar for 2024-25 would be presented to the board meeting on 10 June.