

**South Lanarkshire College  
Audit Committee (Board of Management)  
Monday 22<sup>nd</sup> February 2016**

**Present**      Jeanette Evans  
                    Robert Ralston

                    Stewart McKillop  
                    Angus Allan  
                    Keith McAllister

**Apologies**    Ian Todd

Also in attendance –  
                    Chris Brown and Kirsty Steele (Scott-Moncrieff – internal auditors)

**1. Declaration of Members' Interests**

No declarations were received.

**2. Minutes of the Previous Meeting**

The Minute of the meeting held on 30<sup>th</sup> November 2015 had previously been agreed by the Board of Management.

**3. Internal Audit Reports**

Internal Audit Report 2015/16 - Performance Management

Scott-Moncrieff presented the Internal Audit Report 2015/16 on Performance Management as carried out in December 2015. This had been distributed with the papers.

Ms Steele drew members' attention to the content of the audit.

Background - The Strategic Plan 2014-2020 is a key document articulating SLC's objectives and sets out the College's strategic direction for the lifetime of the plan. In order to demonstrate progress against the Strategic Plan, the College must have a sound performance management framework in place. This should include review of performance measures such as Quality Indicators and Key Performance Indicators which are clearly linked to strategic and operational plans and agreed outcomes. Therefore in line with the 2015/15 Internal Audit Plan. Scott-Moncrieff have assessed the extent to which SLC's performance management arrangements have helped to monitor progress against the delivery of the Strategic Plan.

She stated that overall this was an excellent report with no key areas for concern. There had been reference made to some objectives which had not been

considered to be SMART. Mr Ralston stated that not all measures could be SMART as they may be progressive, a view shared by College Management. Mr Allan stated that the headings within the Operational Plans had been changed to encourage the use of SMART.

The Principal stated that the College did have 9 Key Performance Indicators in place which had been shared. He added that this was the first time the College had gone through a Performance Management Audit and it had been extremely useful especially in light of Scott-Moncrieff being a new set of eyes.

Members agreed that this was an excellent report and an extremely useful audit.

#### **4. The Finance Manager's Report**

##### Risk Management

The latest update of the College's Risk Register had been distributed with the papers. Mr McAllister took members through the key changes and stated the main change to the identified risks was the situation in relation to national bargaining.

Members were then informed that it was the intention to create a pan-Lanarkshire Risk Register. Draft proposals for this document had been presented at the Regional Strategic Body planning event in January 2016 and will involve the College working with New College Lanarkshire.

Discussion took place on who would hold responsibility for this pan-Lanarkshire register. It was explained that this would lie with The Lanarkshire Board and that South Lanarkshire College would continue to hold, monitor and control its own Risk Register.

It was agreed that Mr McAllister would pass the presentation from the Regional Planning event to the Audit Committee members.

##### Quality Enhancement Group Report

The Quality Enhancement Group Report had been presented to the Academic Board meeting which was held in November 2015. Members agreed that it was useful for the Committee to receive this report.

The Principal took members through the content highlighting that 12 audits had been arranged, carried out and closed off.

He added that at present the College was seeking to have a wider portfolio of courses and was at present diversifying into City and Guilds awards. Members were informed that these qualifications came with excellent teaching materials.

## Audit Service Appraisals

Mr McAllister stated that these documents had been distributed as suggested appraisal documents for external and internal audit. He added that Audit Scotland issued a questionnaire every second year to colleges to seek their opinion on the conduct of the external audits although this year's appraisal would not be submitted to Audit Scotland. He reminded members that it had been suggested at a previous meeting that the College should undertake this as part of the standard annual process. Ms Evans welcomed this documentation and members went through giving response for Mr McAllister to compile a completed document.

## Skills Development Scotland Compliance Audits on the Modern Apprenticeships and Employability Fund Programmes

Members noted the paperwork and that no issues had been raised in either report.

## Bulletin from Audit Scotland

An extract from Technical Bulletin 2015/4 had been issued by Audit Scotland and had been distributed to the Committee. Mr McAllister stated that the only issue of note was the new remuneration report that colleges are required to incorporate into the audited Financial Statements. Members noted that the College complied with the requirements of the FReM.

## **Recommendations**

It was recommended that the Audit Committee –

- Review the internal audit report submitted by Messrs Scott-Moncrieff and note the Management Action Plan points and that there were no weaknesses identified.
- Review the work being done on the updating of the College's Risk Register and confirm that risk is being adequately addressed. Note that initial work being undertaken to develop a risk register for the Lanarkshire Region.
- Consider the work to be undertaken re the assessment of the internal and external audit functions.
- Note that there were no recommendations made in the SDS audit reports.
- Note the content of the further education section of the Technical Bulletin issued by Audit Scotland.

The members agreed the recommendations.

There being no further competent business the Chair closed the meeting by thanking everyone for their attendance.