

Audit Committee, Quarter 3, 2024-2025

Wed 30 April 2025, 16:30-18:30

Teams

Attendees

Chair

- Claire Christey (Chair of Audit Committee)

Board Members

- Valerie Nicolson (Vice Chair of Learning, Teaching, and Research Committee)

Management Team Member

- Katrina Short (Head of Finance)

Ex-Officio

- Jane Lewis (Principal - Shetland UHI)

Staff In Attendance

- Matt Sierocinski Kinging (Board Secretary)

Also In Attendance

- Claire Robertson (Representative of Internal Auditors)
- Deepasri Selvam (Representative of Internal Auditors)

Apologies

- Mason Robbins (Vice Chair of Audit Committee)
- Amanda Hawick (Vice Chair of Human Resources and Remuneration Committee)
- Mark Green (Independent Director)
- Fiona Macleod (Co-opted Member)
- Graeme Howell (Co-opted Member)

Non-Confidential Meeting minutes

Opening Items

1. Welcome, Apologies, and Announcements

Ms Christey (Chair of Audit Committee) welcomed everyone to the meeting.

1.1. Welcome to new members

This agenda item was postponed due to inquoracy.

Action: Mx Sierocinski King (Board Secretary) shall add the welcome to new members agenda item to the agenda of the next meeting of Audit Committee.

2. Declarations of Interest

Ms Christey (Chair of Audit Committee) asked members if they had any declarations of interest with items on the agenda. No such declarations were made.

3. Minutes of the Previous Meeting

This agenda item was postponed to the next meeting due to inquoracy.

Action: Mx Sierocinski King (Board Secretary) shall add the minutes of the Q2 meeting of the Committee to the agenda of the next meeting of Audit Committee.

4. Matters Arising

Mx Sierocinski King (Board Secretary) updated on cyber security regarding downloads and laptops. The Committee discussed the matter.

Decision: The Committee decided that the issue of laptops for members is to be raised at the next meeting of the Board of Management.

Action: The Board Secretary shall add the issue of laptops for members as an agenda item at the next meeting of the Board of Management.

5. *Terms of Reference

Noted: The Committee noted the Terms of Reference of the Committee.

Committee Matters

6. Training for Members

The Committee realised that the two members of the Committee present had already completed their Audit Committee Training.

Action: Mx Sierocinski King (Board Secretary) shall add the Training for Members agenda item to the agenda of the next meeting of the Committee.

Audits

8. Audit and Verification Activity

Professor Lewis (Principal) spoke to the matter, and confirmed that the paper will be updated accordingly for the next meeting of the Committee. She spoke about the positive review regarding

the Health and Safety Internal Audit. The Committee discussed the paper, with a focus on the good practice identified.

9. Internal Audit

9.1. Estates Management

Ms Robertson (Representative of Internal Auditors) spoke to the report and highlighted good practice found in the audit. She moved on to speak about the findings including the medium level findings, robust estates reporting, repairs completion, repairs policy and procedures, and a robust maintenance plans. Professor Lewis (Principal) challenged the acceptances of the findings made within the report, with a focus on the finding regarding Shetland UHI not having timescales for undertaking repairs.

The Committee discussed the establishing a prioritising system of maintenance issues. The Representative of Internal Auditors responded and felt the prioritising system suggested is helpful and understood the geographical and staffing challenges faced by UHI Shetland. The Principal spoke to the new maintenance recording systems in place, with Mrs Nicolson (Vice Chair of Learning, Teaching, and Research Committee) speaking about her experience regarding in the change in systems of maintenance reporting within Shetland Islands Council.

Decision: The Committee decided that the Estates Management Internal Audit shall return to the next meeting of the Committee.

Action: The Senior Management Team shall look at categorising and prioritising systems for repairs in line with the Committee's suggestions.

Action: Mx Sierocinski King (Board Secretary) shall add the Estates Management Internal Audit to the agenda of next meeting of the Committee.

9.2. Curriculum Planning

Ms Robertson (Representative of Internal Auditors) spoke to this audit noting the good practice identified. She moved on to speak about the two findings in the report regarding the FTE calculations of 12FTE students being the threshold for financially viable courses, and about the processes of establishing new/withdrawing old courses.

Professor Lewis (Principal) spoke to the FTE calculations matter, with a focus on how that figure is put together by UHI. She spoke to the work to separate the committee structures within Shetland UHI regarding course management.

Ms Robertson (Representative of Internal Auditors) and the Principal spoke about the viability calculations of courses, with differences of opinion expressed between them. Ms Christey (Chair of Audit Committee) spoke to try and clarify where the differences of opinion lie between them, with the Principal, Ms Robertson (Representative of Internal Auditors) and Ms Short (Head of Finance) responding accordingly.

The Chair of Audit Committee asked Ms Robertson (Representative of Internal Auditors) to speak about the timeframe challenges, to which she responded to. The Head of Finance added her perspective on the matter. The Principal added her thoughts and her surprises regarding additional requests from BDO for Internal Audits. Ms Selvan (Representative of Internal Auditors) spoke to her experience of requesting additional evidence, and why it occurred, to which the Principal challenged the account being given by Ms Selvan (Representative of Internal Auditors). The Chair of Audit Committee suggested that a separate meeting to be held between the Senior Management Team and BDO to iron out the issues that need mediating between the Senior Management Team

and BDO, and that an account of such a meeting is provided as part of the progress report from BDO for the next meeting of Audit Committee.

Action: The Senior Management Team and BDO are to meet regarding the differences of opinion held between them in how the internal audits for Shetland UHI are carried out.

Action: The Representatives of Internal Auditors are, as part of their progress report to the next meeting of Audit Committee, provide an account of the meeting held between Senior Management Team and BDO regarding the differences of opinion held between them in how the internal audits for Shetland UHI are carried out.

9.3. 2024-2025 Timeline Update

Ms Robertson (Representative of Internal Auditors) spoke to the update to complete the remaining internal audits for Quarter 4. The Committee discussed the timing of the follow-up report and annual report, with Mx Sierocinski King (Board Secretary) giving expertise.

Action: The Board Secretary and the Representative of Internal Auditors are to meet to discuss timing of Internal Audit reporting at meetings for next academic year.

9.4. Strategic Planning Terms of Reference

Noted: The Committee noted the Terms of Reference for the Strategic Planning Internal Audit.

Risk Management

10. Code of Good Governance

Mx Sierocinski King (Board Secretary) updated the Committee on the progress of towards assigination by improved compliance with the Code of Good Governance, by highlighting that Audit Committee had submitted the 2023-2024 Annual Internal Audit Report to SFC along with the 2023-2024 Audit Committee Report to the Board of Management. The Board Secretary also confirmed that the Board Extensions policy had been updated at the last meeting of the Board of Management.

11. Risk 4 - Key Staff Member

Professor Lewis (Principal) spoke to the risk, with no major updates of note.

12. Risk 10 - Student Experience

Professor Lewis (Principal) spoke to the risk and its regular review of the risk, with the Principal highlighting the key actions, and commenting that it was a living document. Ms Christey (Chair of Audit Committee) suggested that student surveys are added to the risk as measure of control, to which the Principal accepted. The Committee discussed the inclusion of HISA to this risk, with no particular conclusion.

Action: The Principal shall add student surveys to the Student Experience risk

13. Risk Register Summary

Professor Lewis (Principal) spoke to the paper, and confirmed that the Committee had received a more up to date version at the Board of Management meeting earlier in the month, and that the paper would be updated accordingly for the next meeting of the Committee.

Other Items

14. Internal Effectiveness Review

Due to the meeting being inquorate, the matter of the Internal Effectiveness Review could not be determined.

Action: Mx Sierocinski King (Board Secretary) is to circulate the Internal Effectiveness Review paper for decision by the Committee via correspondence.

16. *Health and Safety Committee Minutes

Noted: The Committee noted minutes of the Health and Safety Committee December meeting.

Closing Items

17. Any Other Business

There was no additional business.

18. Date of Next Meeting

The date of the next meeting is Wednesday 4th June 2025 at 16:30 on Teams

Agenda Item	Action	Responsible	Progress
1.1	Add the welcome to new members agenda item to the agenda of the next meeting of Audit Committee.	Mx Sierocinski King (Board Secretary)	
3	Add the minutes of the Q2 meeting of the Committee to the agenda of the next meeting of Audit Committee.	Mx Sierocinski King (Board Secretary)	

4	Add the issue of laptops for members as an agenda item at the next meeting of the Board of Management.	Board Secretary	
6	Add the Training for Members agenda item to the agenda of the next meeting of the Committee.	Mx Sierocinski King (Board Secretary)	
9.1	Look at categorising and prioritising systems for repairs in line with the Committee's suggestions.	Senior Management Team	
9.1	Add the Estates Management Internal Audit to the agenda of next meeting of the Committee.	Mx Sierocinski King (Board Secretary)	
9.2	Meet regarding the differences of opinion held between them in how the internal audits for Shetland UHI are carried out.	Senior Management Team and BDO	
9.2	As part of their progress report to the next meeting of Audit Committee, provide an account of the meeting held between Senior Management Team and BDO regarding the differences of opinion held between them in how the internal audits for Shetland UHI are carried out.	Representatives of Internal Auditors	
9.3	Meet to discuss timing of Internal Audit reporting at meetings for next academic year.	Board Secretary and the Representative of Internal Auditors	
12	Add student surveys to the Student Experience risk	Principal	
14	Circulate the Internal Effectiveness Review paper for decision by the Committee via correspondence.	Mx Sierocinski King (Board Secretary)	Complete