

# Audit Committee, Quarter 4, 2024-2025

Wednesday 4 June 2025, 16:30 - 18:30

Teams

## Attendees

### Chair

- Claire Christey (Chair of Audit Committee)

### Board Members

- Mason Robbins (Vice Chair of Audit Committee)
- Valerie Nicolson (Vice Chair of Learning, Teaching, and Research Committee)
- Amanda Hawick (Vice Chair of Human Resources and Remuneration Committee)
- Mark Green (Independent Director)

### Co-Opted Members

- Fiona Macleod (Co-opted Member) Graeme Howell (Co-opted Member)

### Management Team Member

- Katrina Short (Head of Finance)

### Ex-Officio

- Jane Lewis (Principal - Shetland UHI)

### Staff In Attendance

- Kevin Briggs (Depute Principal Tertiary (Maternity Cover))
- Gemma MacGregor (Vice Principal Operations)
- Matt Sierocinski King (Board Secretary)

### Also In Attendance

- Deepsari Selvam (Representative of Internal Auditors)

## 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 member

Ms Christey (Chair of Audit Committee) welcomed Mr Howell to the Committee as a new Co-opted member of the Committee.

## 2. \*Terms of Reference

**Noted:** The Terms of Reference were noted.

## 3. Declarations of Interest

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

## 4. Minutes of the Previous Meetings

### 4.1. Quarter 2

Ms Christey (Chair of Audit Committee) asked members of the Committee to review the Confidential minutes of the Quarter 2 meeting of the Committee for matters of accuracy. The Chair of Audit Committee asked members of the Committee to review the Non-Confidential minutes of the Quarter 2 meeting of the Committee for matters of accuracy.

**Decision:** The Committee approved the Confidential minutes as a true and accurate record of the Quarter 2 meeting of the Committee.

**Decision:** The Committee approved the Non-Confidential minutes as a true and accurate record of the Quarter 2 meeting of the Committee.

### 4.2. Quarter 3

Ms Christey (Chair of Audit Committee) asked members of the Committee to review the Confidential minutes of the Quarter 3 meeting of the Committee for matters of accuracy. The Chair of Audit Committee asked members of the Committee to review the Non-Confidential minutes of the Quarter 3 meeting of the Committee for matters of accuracy.

**Decision:** The Committee approved the Confidential minutes as a true and accurate record of the Quarter 3 meeting of the Committee.

**Decision:** The Committee approved the Non-Confidential minutes as a true and accurate record of the Quarter 3 meeting of the Committee.

## 5. Matters Arising

### 5.1. Internal Effectiveness Review

Mx Sierocinski King (Board Secretary) introduced this agenda item, and spoke about an amended timeline for the results of the Internal Effectiveness Review to either come to the 2024-2025 Q4 meeting of the Board of Management or the 2025-2026 Q1 meeting of Audit Committee depending how quickly results can be compiled.

The Committee discussed the Internal Effectiveness Review.

**Decision:** The Committee approved the Internal Effectiveness Review for delivery to the Board of Management of Shetland UHL.

**Action:** The Board Secretary shall roll out the Internal Effectiveness Review for the Board of Management to complete.

## Committee Matters

### 6. Training for Members

Ms Christey (Chair of Audit Committee) promoted the CDN Audit Training course to Mr Howell (Co-opted Member) and Mr Green (Independent Director) for them to complete.

**Action:** Mx Sierocinski King (Board Secretary) is to send Mr Howell (Co-opted Member) and Mr Green (Independent Director) the link to the CDN Audit Training Course.

**Action:** Mr Howell (Co-opted Member) and Mr Green (Independent Director) are to complete the CDN Audit Training Course.

## Audits

### 7. Audit and Verification Activity

Professor Lewis (Principal) introduced the paper, and highlighted its various contents as a paper for information. She offered the Committee the opportunity to request specific reports to the Committee separately, if desired by the Committee. Mr Howell (Co-opted Member) asked a question about learning across audits and identifying themes, to which the Principal responded to.

**Noted:** The Committee noted the paper.

### 8. Internal Audit

#### 8.1. Estates Management Audit

Ms Selvam (Representative of Internal Auditors) presented the report on behalf of Ms Robertson (Representative of Internal Auditors), and spoke to the findings given in the report. She spoke about the meeting held between management and internal auditors, and appreciated the feedback from the last meeting. Ms Christey (Chair of Audit Committee) sought confirmation from Professor Lewis (Principal) regarding the acceptance of recommendations, to which the Principal responded to with a focus on delivering upon the recommendations in a proportionate manner. Mr Green (Independent Director) asked a question regarding the resource level to complete the processes, to which the Principal responded to positively. The Chair of Audit Committee gave her support to proportionate actions.

**Noted:** The Committee noted the paper.

## **8.2. Strategy Planning Audit**

Ms Selvam (Representative of Internal Auditors) spoke to this report, highlighting the report assurance level, findings and recommendations. Professor Lewis (Principal) gave the perspective of management on the response to the report, and gave reassurance to the Committee in its management of strategic planning. She highlighted an number of areas where recommendations were useful. Ms Christey (Chair of Audit Committee) challenged why the medium finding for strategic goals, was rated accordingly, to which the Principal and the Representative of Internal Auditors responded to. Ms Nicolson (Vice Chair of Learning, Teaching, and Research Committee) and Mrs MacLeod (Co-opted Member) gave their perspectives on the matter.

**Noted:** The Committee noted the paper.

## **8.3. Procurement Audit Update**

Ms Selvam (Representative of Internal Auditors) gave an update on the progress of this audit, confirming that a draft report would be issued, once additional evidence had been received.

Mr Green (Independent Director) spoke to the delay in completion of audits, to which the Representative of Internal Auditors confirmed that the turnover of staff at BDO has created the delays, to which Mrs MacLeod (Co-Opted Member) requested that this information was recorded in the report.

**Noted:** The Committee noted the paper.

## **8.4. 2024-2025 Progress Report**

Ms Selvam (Representative of Internal Auditors) gave an update on the timeline with the one audit outstanding, and the follow-up audit to start in July 2025, with Terms of Reference to be issued shortly.

**Noted:** The Committee noted the paper.

## **8.5. 2025-2026 Internal Audit Plan**

Ms Selvam (Representative of Internal Auditors) spoke to the plan for next AY, and detailed when each of the 4 Internal Audits would take place, including the Follow-up Audit. She confirmed that the Senior Management Team had signed off on the plan. Professor Lewis (Principal) confirmed the discussions at a meeting of Senior Management Team regarding the debate between whether the Financial Planning Internal Audit should be completed in 2025-2026 or whether the Fraud Internal Audit should be completed in 2025-2026, with the conclusion resulting in agreeing the recommendation for the Fraud Internal Audit to be conducted in 2025-2026. The Committee discussed this matter further.

**Noted:** The Committee noted the paper.

# Risk Management

## 9. Code of Good Governance

Mx Sierocinski King (Board Secretary) updated the Committee on the progress to comply with the Code of Good Governance hadn't changed since the last meeting of the Committee.

## 10. Risk 14 - Business Continuity

Ms MacGregor (Vice Principal Operations) introduced the risk, and spoke to its owner and causes. She moved on to speak about the actions already in place to minimise this risk. She detailed the 5 action areas, speaking to each one in turn. They were:

1. Identification of all Business Critical Functions
2. Ensure BCP is up to date with correct staff, and that each staff member named has a clear detailed account of their responsibilities during a period of BCP
3. Gold/Silver/Bronze Command structure in the BCP Plan
4. Testing Schedule to be implemented
5. Development of Recovery Time Objective of the UHI Shetland ICT functions

She confirmed that the residual pre action risk level is 16, and that the post action risk level is 9.

There was no discussion about the risk.

**Noted:** The Committee noted the paper.

## 11. Risk 9 - Academic Quality

Mr Briggs (Depute Principal Tertiary - Maternity Cover) presented this risk and highlighted the causes and ownership of the risk, actions to minimise the risks. He spoke in detail about the 7 actions to minimise the risk, which were:

6. Failure to engage with awarding bodies
7. Failure to train staff adequately
8. Quality processes not circulated to staff/ineffective QIC process
9. Not keep up to date with UHI quality discussion and forums
10. Failure to respond to feedback on quality system
11. Overly complex system for quality. Lack of oversight of the system
12. Poor record Keeping.

He noted that the pre mitigation risk score was somewhere from 9 to 12 (inclusive), with a post mitigation score of 4.

Ms Christey (Chair of Audit Committee) felt that the pre-mitigation figure should be either 9 or 12, to which the Depute Principal Tertiary - Maternity Cover accepted, and changed it to 9.

**Noted:** The Committee noted the paper.

## 12. Risk Register Summary

Professor Lewis (Principal) introduced the paper, to which she focused her update upon Risk 2, as it had refocused from whether Shetland UHI had reached the target, to being about the risk of Shetland UHI's FE credits being substantially different (either under or over) the FE credit target.

## Other Items

### 14. \*Health and Safety Committee Minutes

**Noted:** The Committee noted the latest minutes of the Health and Safety Committee.

## Closing Items

### 15. Any Other Business

Professor Lewis (Principal) highlighted to the Committee the student show tomorrow evening, and the creative students exhibition at Shetland UHI on Friday. She also encouraged attendance at an additional event at the Shetland UHI next week with tickets available on Eventbrite.

Mrs MacGregor (Vice Principal Operations) confirmed that the FES Audit is booked from the 1st September, and that she would update the committee on its progress at its next meeting.

**Action:** The Vice Principal Operations shall update the Committee on the progress of the FES Audit at the 2025-2026 Q1 meeting of the Committee.

### 16. Date of Next Meeting

The date of the next meeting is to be determined.

Agenda Item	Action	Responsible	Progress
5.1	Roll out the Internal Effectiveness Review for the Board of Management to complete.	Board Secretary	
6	Send Mr Howell (Co-opted Member) and Mr Green (Independent Director) the link to the CDN Audit Training Course.	Mx Sierocinski King (Board Secretary)	
6	Complete the CDN Audit Training Course.	Mr Howell (Co-opted Member) and Mr Green (Independent Director)	
15	Update the Committee on the progress of the FES Audit at the 2025-2026 Q1 meeting of the Committee.	Vice Principal Operations	