

**Final Version of the Audit Committee  
held at 12pm on Friday 12<sup>th</sup> June 2020  
via Webex Teams**

**Present:** Scott Matheson (SM) Chair, Tony Dalgaty (TD), Elodie Nowinski (EN), Billie Kirkham (BK)

**Apologies:**

**In Attendance:** Martin Jones (MJ), Ailsa Close (AEC), Elaine Munro (EM), Vicky Daveney (VD)(Secretary)

No	Item	Action
20.2.1	<p><b>Welcome and apologies for absence</b> The chair welcomed members and welcomed Elodie Nowinski and Billie Kirkham to their first committee meeting.</p>	
20.2.2	<p><b>Declaration of interest &amp; to identify if any items deemed to be confidential.</b> There were no declarations of interest. There were no confidential items.</p>	
20.2.3	<p><b>Minutes of the meeting held on 13<sup>th</sup> March 2020 were approved.</b> The minutes to be signed by Chair as an accurate record of the meeting.</p>	VD/SM
20.2.4	<p><b>Matters arising</b></p> <p>(a) <b>Update on draw down of funding for Helensburgh</b> – MJ provided background information relating to the funding which had been awarded by UHI when the centre opened in 2017, but not yet received from UHI. The funding has now been confirmed and is expected to be received within the next week.</p> <p>(b) <b>Nursery update</b> – MJ provided background information about the nursery operation and the eventual decision to close it; having been unable to find a commercial provider to take it on. The nursery closes on 26<sup>th</sup> June, although Covid-19 meant the nursery shut in advance of lockdown due to a number of staff self-isolating. Staff have been furloughed and AEC confirmed there is a further furlough claim to be made.</p> <p>SM stated that the decision to close the nursery had involved a lot of work and board deliberation. SM asked which other positions within the college had been furloughed? AEC confirmed that cleaners, centre admin who mainly provide evening cover and the IT Modern Apprentice are furloughed. SM asked if this is all in line with SFC guidance. MJ responded that SFC had said furlough should be considered where funds are not from public money.</p>	
20.2.5	<p><b>Risk Register</b> SM explained, for the benefit of the new committee members, that the Risk Register is an online UHI tool and that he will pass on to the UHI Audit Chairs meeting that it is being used successfully. SM asked for any comments from the committee and asked MJ for an overview of how the college is responding to Covid-19 from a health &amp; safety and financial perspective and what the new semester might look like in relation to that. MJ confirmed that the difficulty is the built environment, some centres are small, retrofitted and not purpose built; Dunoon being a good example</p>	MJ

	<p>of this. There will be a building by building approach to how centres can best be used and what is achievable in each centre. The Estates Manager is working with her network to share common issues and approaches. All this against changing guidance from government. Argyll College's strength is that we are used to a distributed manner of delivery and can deliver courses to homes rather than centres if required. The SMT are looking through the curriculum to see where difficulties lie and aim to make early decisions about the viability of running each course, where these are insurmountable. EM confirmed that each course is being looked at closely to see where elements can be changed, eg practical work and placements. TD asked if it is too early to assess how application numbers are looking for next year. MJ said they are reasonably buoyant, childcare numbers are lower than usual but this may be due to the placement element. Marketing is continuing with a virtual open day scheduled for 24<sup>th</sup> June. EN asked if there would be extra funding or help to pay for Covid-19 related costs, such as extra PPE, screens or changes to buildings. AEC confirmed that more budget has been allocated for this but there is no specific help at present. MJ reported that SFC has been in regular contact with Principals and the Education Minister has been in attendance at some meetings. SFC have confirmed that there will be no clawback this year and next year for under-performance, if Covid-19 related.</p> <p><b>ACTION:</b> SM asked that a discussion about the Risk Register takes place at the September board meeting (or, if before that date, a Board away day). VD to add to the agenda.</p>	
20.2.6	<p><b>SFC Mid Year Return 2019/20</b> SM asked AEC to clarify that this is the half year return that goes to SFC to highlight any problems. AEC confirmed that SFC want to see how everything is looking against the budget submitted.</p>	Noted
20.2.7	<p><b>Draft Budget 2020/21</b> AEC stated that a breakeven may be achieved but it is a difficult time to forecast due to Covid-19; the extra cleaning and health &amp; safety costs it may require and increased EIS and UNISON involvement and the impact on salaries. SM was pleased to see a breakeven or small surplus at budget stage.</p>	Noted
20.2.8	<p><b>Internal audit plan</b> SM told the committee members that the new Internal Auditors – Henderson Loggie had been appointed. They have been in touch with the SMT and SM had a call with them to help identify key areas where they would focus efforts and check progress on last year's plan. AEC stated that they were unable to start work until the external audit was signed off so they are only starting on reports for 2019/20 now. They are focussing on 3 main areas: Payroll, Staff Development and Health &amp; Safety. TD stressed what a critical area Health &amp; Safety is for the college and asked if the auditors have a specialist team. AEC confirmed that they deal with several colleges so are very knowledgeable. SM said that the plan has the potential to add quite a bit of value and to make a difference.</p>	Noted
20.2.9	<p><b>Update on appointment of external auditor</b> AEC explained that a mini comp was issued as a joint tender for 3 colleges by APUC. Only one bid was received which was very high. The tender was re-issued individually and 2 bids were received. Armstrong Watson Ltd are the chosen supplier. The Audit will start in October.</p>	Noted
20.2.10	<p><b>AOCB</b></p>	

	<b>Signed by</b>  ..... <b>Date</b> .....	
	<b>Chair of Audit Committee</b>	