

Architecture & Design Scotland

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ARCHITECTURE & DESIGN SCOTLAND

MINUTES OF AUDIT COMMITTEE MEETING (27)

Bakehouse Close, 146 Canongate, Edinburgh

9.00 am on Monday 8 May 2017

Present : Martin Crookston, Chair (MC), Andrew Burrell (AB), Sue Evans (SE), Karen Anderson (KA)

Staff : Jim MacDonald, Chief Executive (JMacD), Lynne Lineen (LL), Sue Reynolds (SR),
Andrea Hepburn (AH - Minutes)

Guests : Gillian Callaghan, TIAA Ltd (GC)

1 APOLOGIES

Apologies were received from Graham Hill and Audit Scotland.

2 MINUTES OF MEETING ON 13 FEBRUARY 2017

The Minutes of the previous Meeting were AGREED.

3. MATTERS ARISING

Actions 1-4 are on today's agenda.

Action 5 – dates and timings for future meetings have been agreed.

4. CEO QUARTERLY GOVERNANCE STATEMENT

The quarterly CEO Governance Statement was tabled. MC enquired whether the Evaluation Framework should be considered by Audit Committee. JMacD advised that this, along with Balanced Scorecards and Project Reviews, will show as being in operation from August's report.

ACTION 1 : Evaluation Framework to be added to Agenda from August.

The Report was NOTED.

5. 2016/17 Q4 MANAGEMENT ACCOUNTS TO 31 MARCH 2017

The Q4 2016/17 Management Accounts were tabled.

Budgeted income was £1,978,000 with total spend to 31 March 2017 of £1,761,000 (89% of total income) with a further £210,000 committed by Purchase Orders at 31 March 2017 (11%). The total income not spent or committed is £7,000 (0.3% of our total income). This will be carried forward to 2017/18 and allocated to projects authorised by the Management Team.

Within the committed expenditure is an amount of £43,000 in respect of the dilapidations provision for the lease end at Bakehouse Close – as agreed last year with our previous auditors. Audit Committee asked that this provision be reviewed for possible inflation of costs.

ACTION 2 : Review the amount set aside for dilapidations to take into account inflation rates.

The Report was NOTED and the team were thanked for managing the expenditure to the year end effectively.

6. INTERNAL AUDIT UPDATE

GC met with JMacD & SR recently to set the framework for the internal audit plan. Audit Committee felt that it was preferable to review HR Policies and Procedures prior to Core Financial Controls which includes payroll and budgetary controls.

ACTION 3 : Revise the Internal Audit Plan to enable HR Policies and Procedures to be audited before Core Financial Controls.

This is the final year of the current Internal Audit contract with TIAA which will be re-tendered by the end of this financial year. SR to review what is required for the procurement of Internal Auditors and what work should be included for the next three years.

ACTION 4 : Check procurement regulations for tendering for new Internal Auditors.

ACTION 5 : Three year forward Internal Audit work plan to be added to August Agenda.

The Report was NOTED.

7 STRATEGIC AND CORPORATE RISK REGISTERS

The Strategic and Corporate Risk Registers were tabled. The Strategic Register will be presented to the Board this afternoon. The Management Team review the Risk Registers monthly.

The Report was NOTED.

8 SICKNESS ABSENCE RATES IN COMPARABLE ORGANISATIONS

As requested at the February 2017 Audit Committee meeting, we have obtained sickness absence statistics from other public sector organisations for comparable purposes. The A&DS absence rate for all employees including long term sickness to 31 March 2017 was 9.88% which is marginally higher than other comparable organisations but is explained as resulting from three employees being off long term sick within a relatively small workforce of 24 employees.

The A&DS sickness absence rate excluding long term sickness is 1.9% and is comparable to other comparable public sector bodies.

Audit Committee requested that this information is provided annually and that we consider reviewing our Employee Return to Work procedure.

ACTION 6 : A&DS Employee Return to Work procedure to be reviewed by CST.

The Report was NOTED.

9 DATA MANAGEMENT PROJECT UPDATE

The Data Management Project update was tabled. A&DS need to submit our Records Management Plan to the Keeper of the Records of Scotland by 30 September 2017. In subsequent years, a Records Improvement Plan will be submitted as the Keeper requires continuous improvement.

An implementation plan is being put in place for a phased roll out of new procedures and ways of working. Currently Corporate Services Team are testing the new procedure for File naming Convention and Version Control which will then be reviewed before being implemented across all of A&DS.

ACTION 7 : Data Management Project update to be reported at next Audit Committee meeting.

The Report was NOTED.

10 CYBERCRIME AND CLOUD STORAGE

Cybercrime has been identified as a significant risk and a review was completed to determine factors which A&DS can put in place to try to reduce this risk.

Staff awareness was identified as being critical so all staff have recently undertaken an awareness training session which included to a new password system being implemented to make our systems more secure.

Cloud storage is being investigated and considered and we have attended a session on Office365 at Microsoft's offices. Further investigation is required and we are considering bringing in a consultant to guide us on the way forward with this.

The Report was NOTED.

11 BUSINESS CONTINUITY PLAN

An updated Business Continuity Plan was tabled and includes both IT and physical disruptions.

As we have servers in both offices which replicate each other this makes retrieval of data easier in event of an IT issue and as staff work on laptops they can access the server from home.

The Report was NOTED and the Committee were pleased that a plan was in place for use in an emergency.

12 CHAIR'S REPORT ON SG IMPROVEMENT GROUP FOR AUDIT COMMITTEES

The Chair of Audit recently attended a seminar organised by Scottish Government for Chairs of the Audit Committees of NDPBs, etc. His Report was tabled and his recommendations were as follows:-

- People & Skills: that the report be made available to Succession Committee with particular reference to the paragraph on people and skills.
- Risk & Assurance: that a report be made to Board on the approaches outlined, in particular with regard to strategic risk and "risk appetite".
- Internal Audit: that Management Team consider the issues for Internal Audit identified and prepare a report for subsequent meeting of Audit Committee.

- Board remit: that Audit Committee consider this report in any review of its Terms of Reference for the coming year (2017-18) at November 2017 Audit Committee meeting.

The recommendations in the Report were AGREED.

13 ANY OTHER BUSINESS

There was no other business.

The next meeting is scheduled to take place in Edinburgh at 9.30 am on Monday 14 August 2017.

The Meeting closed at 10.25 am.

Signed:.....

MARTIN CROOKSTON, CHAIR, AUDIT COMMITTEE

Date:.....

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ARCHITECTURE & DESIGN SCOTLAND

MINUTES OF AUDIT COMMITTEE MEETING (28)

Bakehouse Close, 146 Canongate, Edinburgh

9.30 am on Monday 14 August 2017

Present : Martin Crookston, Chair (MC), Andrew Burrell (AB), Graham Hill, Sue Evans (SE), Karen Anderson (KA)

Staff : Jim MacDonald, Chief Executive (JMacD), Lynne Lineen (LL), Sue Reynolds (SR), Andrea Hepburn (AH - Minutes)

Guests : Carol Grant, Audit Scotland (CG)

1 APOLOGIES

Apologies were received from Gillian Callaghan (TIAA Ltd).

2 MINUTES OF MEETING ON 8 MAY 2017

The Minutes of the previous Meeting were AGREED.

3. MATTERS ARISING

Actions 1 & 7 : on today's agenda.

Actions 2 & 6 : will be updated for the November 2017 meeting.

Action 3 : TIAA will be carrying out the HR Audit at the end of August 2017 – there are no further updates from the internal auditors.

Actions 4 & 5 : SR advised that we are in discussions with SG re the procurement of new Internal Auditors from April 2018 – an update will be provided at the November 2017 meeting.

4. CEO QUARTERLY GOVERNANCE STATEMENT

The quarterly CEO Governance Statement was tabled, this will also be on this afternoon's Board meeting agenda.

The Report was NOTED.

5. AUDIT SCOTLAND - ANNUAL AUDIT REPORT TO 31 MARCH 2017

CG reported on behalf of Audit Scotland and apologised for the late paper. The Annual Audit Report is a standard document with standard set headings.

CG noted Audit Scotland required A&DS to effect a change of accounting treatment from previous years for certain items which included deferred income and accrued holiday pay. CG said once the Audit Report was finalised it would be circulated to the Audit Committee for approval.

Greater transparency is now required in the Annual Financial Statements, which now includes disclosure information on all the salaries of the Management Team.

The publication of Board Minutes was also discussed and it was agreed that a paper on Wider Transparency should be on the November 2017 Audit Committee Agenda.

The Report was NOTED.

ACTION 1 : Final Audit Report to be circulated to Audit Committee for formal approval once received.

ACTION 2 : Paper on Wider Transparency to be prepared for the November 2017 Audit Committee Meeting.

6. ANNUAL REPORT AND FINANCIAL STATEMENTS TO 31 MARCH 2017

The draft Annual Report and Financial Statements were presented to the Audit Committee.

These statements are final subject to a small number of draft disclosures in the notes.

It is proposed to formally sign the Annual report and Financial Statements at the Board Strategy Meeting on 11 September 2017.

The Report was APPROVED subject to the minor corrections discussed.

MC formally thanked LL and SR for their hard work throughout the year in relation to managing the finances of A&DS and for producing the annual financial statements

ACTION 3 : Annual Report and Financial Statements to 31 March 2017 to be signed on 11 September 2017.

7 Q1 MANAGEMENT ACCOUNTS TO 30 JUNE 2017

The 2017/18 Q1 accounts to 30 June 2017 were tabled.

Income

The report shows that the total budgeted income for 2017/18 was £1,879,000.

This includes grant monies of £209,000 carried forward from 2016/17 which have all been committed by purchase orders dated prior to 31 March 2017. Grant funding in 2017/18 includes £1,365,000 from A&P, £175,000 for Schools and £130,000 for Health.

Expenditure

The total actual spend for the period to 30 June 2017 was £365,000 representing 19% of total income.

A further £1,243,000 of expenditure was committed by Purchase Orders at 30 June 2017 (66%).

Within the committed expenditure of £1,243,000 is an amount of £47,000 in respect of the dilapidation provision for the office property at 9 Bakehouse Close. The accounting treatment of this has been agreed with previous external auditors, KPMG, and reflects the provision agreed to

ensure funds are available to complete contractual dilapidations and repairs at the end of the lease including an inflationary amount of £4,000.

Following discussions with Management Team and Project Heads, it was confirmed a further £167,000 was planned authorised expenditure by 30 June 2017 as per the Business Plan but Purchase Orders had not yet been raised as at 30 June 2017.

Net Income less Spend, Committed and Authorised in Business Plan

The total income not spent, committed or authorised to be spent in the Business Plan 2017/18 as at 30 June 2017 was £104,000.

Management Team is currently looking at projects and other proposals to spend the balance of uncommitted income and is confident this will be spent by 31 March 2018.

The Report was NOTED

8 EVALUATION FRAMEWORK

The Management Team has approved the closure of the Evaluation Project and the level of detail in this will now be applied to projects. The Audit Committee recognised the progress made on the Evaluation process and asked that a more strategic report be presented to the February 2018 Audit Committee covering the Corporate Focus Outcomes outlined at the start of the today's paper.

The Report was NOTED.

ACTION 4 : Strategic Report on Evaluation Framework to be presented to February 2018 Audit Committee meeting

9 DATA MANAGEMENT PROJECT UPDATE

The update on the data management project was tabled and it was noted that this is progressing well and a great deal of work has been completed. It was noted that further significant work has to be done to achieve the submission deadline. Work scheduled in August and September 2017 will include staff training. It was noted this project may require additional external resources and financial provision for this has already been agreed.

It was noted the Keeper will accept our Records Management Plan submission with areas which are work in progress so long as it is evidenced that this will be actioned in future.

The overall project is on track for submission to the Keeper by 30 September 2017. Audit Committee will be updated on the progress of the Records Management Plan.

The Report was NOTED.

ACTION 5 : Audit Committee to be updated on the progress of the Records Management Plan at November 2017 meeting

10 INTERNAL AUDIT UPDATE

This was covered under matters arising.

The Report was NOTED.

11 STRATEGIC & CORPORATE RISK REGISTERS

The Strategic & Corporate Risk Registers were tabled and it was noted that updates had been provided with regard to the consequences of the spending review implications; new staff in place should reduce the risk of work not progressing and a new IT risk with regard to implementing Microsoft 365.

KA requested changes to Board Members could be added as a risk to the Risk Register.

ACTION 6 : Board Member changes to be added to the Risk Register.

The Report was NOTED.

12 ANY OTHER BUSINESS

There was no other business.

The next meeting is scheduled to take place in Edinburgh at 9.30 am on Monday 13 November 2017.

The Meeting closed at 10.55 am.

Signed:.....

MARTIN CROOKSTON, CHAIR, AUDIT COMMITTEE

Date:.....

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ARCHITECTURE & DESIGN SCOTLAND

MINUTES OF AUDIT COMMITTEE MEETING (29)

The Lighthouse, Glasgow

2.30 pm on Monday 11 December 2017

Present : Martin Crookston, Chair (MC), Graham Hill, Sue Evans (SE), Karen Anderson (KA)

Staff : Jim MacDonald, Chief Executive (JMacD), Lynne Lineen (LL), Sue Reynolds (SR),
Andrea Hepburn (AH - Minutes)

Guests : Carol Grant (CG) and Adam Haahr (AH) of Audit Scotland

1 APOLOGIES

Apologies were received from Andy Burrell and Gillian Callaghan (TIAA Ltd).

2 MINUTES OF MEETING ON 14 AUGUST 2017 & MATTERS ARISING

The Minutes of the previous Meeting were AGREED.

Action 1 : Completed.

Action 2 : Due to the postponement of the November 2017 Audit Committee Meeting the wider transparency paper went to the November 2017 Board.

Action 3 : Completed.

Action 4 : Ongoing – this will be on the February 2018 Agenda.

Action 5 : On today's Agenda.

Action 6 : Completed – on today's Agenda.

3. CEO QUARTERLY GOVERNANCE STATEMENT

SR reported that the Governance Statement focuses on the internal controls with updates on the Records Management Plan which has been submitted to the Keeper; health and safety matters, sickness absence rates and updates from the sponsor meetings.

Questions were asked about:

- fire procedures at the Lighthouse – SR confirmed that fire warden training will be given to all A&DS staff;
- whether the meeting with our sponsors later in the week would give any budget indications (there is a separate budget meeting on Thursday at VQ); at which we had hoped to have our budget for 2018/19 confirmed;

- and if we have an up to date Business Continuity Plan – SR confirmed an up-to-date plan was agreed at Board.

JMacD said we would not hear about the budget until 14 December 2017.

SR confirmed there was an up to date Business Continuity Plan and the Committee agreed it should be reviewed on a yearly basis by Management Team.

It was requested that the Board Induction Pack is updated and the website is reviewed to ensure potential Board applicants can find information easily.

ACTION 1 : Finalise updating of Board Induction Pack.

ACTION 2 : Review website to ensure potential applicants can find information they require.

The Report was NOTED.

4. MANAGEMENT ACCOUNTS TO 31 OCTOBER 2017

Due to the postponement of the November 2017 Audit Committee meeting the accounts that were tabled were for Month 7 2017/18 to 31 October 2017.

Income

The report shows that the total budgeted income for 2017/18 was £1,919,000.

This is analysed as follows:-

Total Income 2017/18	£
Scotland + Venice - grant c/fwd 16/17	30,000
Project Helpful II - grant c/fwd 16/17	10,000
Committed by PO in 2016/17 c/fwd to 2017/18	168,806
Forestry Commission Scotland	12,200
Core Grant 2017/18	1,365,000
Core Grant 2017/18 – additional for staff member	28,000
Schools Grant 2017/18	175,000
Health Grant 2017/18	130,000
Total	<u>1,919,006</u>

Expenditure

The total actual spend for the period to 31 October 2017 was £868,000 representing 45% of total income.

A further £798,000 of expenditure was committed by Purchase Orders at 31 October 2017 (42%).

Within the committed expenditure of £798,000 is an amount of £47,000 in respect of the dilapidation provision for the office property at 9 Bakehouse Close. The accounting treatment of this has been agreed with Audit Scotland and reflects the provision agreed to ensure funds are available to complete contractual dilapidations and repairs at the end of the lease including an inflationary amount of £4,000.

Following discussions with Management Team and Project Heads, it was confirmed a further £141,000 was planned authorised expenditure by 31 October 2017 as per the Business Plan but Purchase Orders had not yet been raised as at 31 October 2017.

Net Income less Spend and Committed

The total net income not spent or committed at 31 October 2017 was £111,000. This represents 6% of our total income.

The current uncommitted grant income balance of £111,000 will be allocated to expenditure authorised by the Management Team and spent by 31 March 2018. Schools project spend is "ring fenced" and other expenditure being considered includes SharePoint and Office 365,

The Report was NOTED.

5. DATA MANAGEMENT PROJECT UPDATE

The Records Management Plan (RMP) was submitted to the Keeper of the National Records of Scotland (NRS) by the agreed revised deadline of 31 October 2017. The deadline was revised by the Keeper to allow time for commencement of putting in place a Memorandum of Agreement for NRS to archive A&DS documents of interest along with the archiving of our website. The Keeper is currently reviewing our RMP and will provide us with a draft response to our submission in due course. We will then be given four weeks to address any identified areas for improvement in our RMP and we will then re-submit the RMP to the Keeper for formal assessment.

MC asked how the tidying of the current data files was progressing. SR advised that the Management Team have approved a plan for staff to archive files, both paper and electronic including emails. This plan will also assist with GDPR compliance and will help to ensure we will be ready to move to SharePoint and Office365 by 31 May 2018. It was requested that guidelines are given to Board Members on email and data storage to ensure compliance with GDPR.

ACTION 3 : Guidelines to be provided to Board Members on emails and data storage for GDPR.

The Report was NOTED.

6 STRATEGIC & CORPORATE RISK REGISTERS

The updated Risk Registers were tabled with changes highlighted.

Delays to the Chair and Board members appointments, and risks associated with proposed changes to our IT systems have been added. The status of several risks has moved to reducing due to operational changes/tightening up of procedures.

Loss of Business Continuity will be removed from the list as a Business Continuity Plan is now in place which will be reviewed yearly.

It was noted that a Cyber Resilience Action Plan has been issued by Scottish Government which we are obliged to adhere to. Audit Committee have asked for an update on this at the next meeting.

ACTION 4 : Update on the Cyber Resilience Action Plan to be provided to the February 2018 meeting.

The Report was NOTED.

7 INTERNAL AUDIT UPDATE

SR updated that TIAA have completed their internal audits on financial controls and HR and we are awaiting their final reports to enable us to provide an update at the February 2018 Audit Committee meeting.

TIAA’s three year term as our Internal Auditors ends this financial year and the tendering process is about to start for a new internal audit contract.

Once the new internal audit contact is in place the Management Team will agree a three yearly reporting timetable.

MC asked how the audit of HR policies would be rolled out to staff. SR confirmed that once a copy of the revised staff handbook is received from Scottish Government, A&DS policies will be updated accordingly and then rolled out with a targeted programme to staff.

The Report was NOTED.

8 ANY OTHER BUSINESS

There was no other business.

The next meeting is scheduled to take place in Edinburgh at 9.30 am on Monday 12 February 2018.

The Meeting closed at 3.30 pm.

Signed:.....

MARTIN CROOKSTON, CHAIR, AUDIT COMMITTEE

Date:.....

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ARCHITECTURE & DESIGN SCOTLAND MINUTES OF AUDIT COMMITTEE MEETING

Bakehouse Close, Canongate, Edinburgh

9.30 am on Monday 12 February 2018

Present: Martin Crookston, Chair (MC), Andy Burrell (AB), Sue Evans (SE), Karen Anderson (KA)

Staff: Lynne Lineen (LL), Sue Reynolds (SR), Andrea Hepburn (AH - Minutes)

Guests: Mark Ferris (MF), Audit Scotland and Gill Callaghan (GC), TIAA (Item 8 by teleconference)

1 APOLOGIES

Apologies were received from Graham Hill.

2 MINUTES OF MEETING ON 11 DECEMBER 2017 & MATTERS ARISING

The Minutes of the previous Meeting were AGREED.

The updates on the actions points are in the appended table.

MC asked for an update on internal policies. To date SR has received six policies from SG and they will be approved by Management Team. MC requested that updated policies are brought to Audit Committee once approved.

ACTION 1: Updated policies to be brought to Audit Committee once approved by Management Team.

3. CEO QUARTERLY GOVERNANCE STATEMENT

The CEO Governance Statement was tabled. LL advised that the sickness absence statistics were higher last year in comparison with the current year due to long term sickness absences. MC requested future sickness absence statistics are also presented to exclude long term sickness absences. This is the basis of the statistics reported in the Annual Report & Financial Statements.

LL agreed to present the sickness absence statistics on this basis for future reporting.

The Report was NOTED.

ACTION 2: Sickness absence statistics to be presented both including and excluding long term sickness absences in the CEO Governance Statements.

4. MANAGEMENT ACCOUNTS Q3 2017/18 TO 31 DECEMBER 2017

Income

The report shows that the total budgeted income for 2017/18 was £2,129,000.

Expenditure

The total actual spend for the period to 31 December 2017 was £1,157,000 representing 54% of total income.

A further £614,000 of expenditure was committed by Purchase Orders at 31 December 2017 (29%).

Within the committed expenditure of £614,000 is an amount of £50,000 in respect of the dilapidation provision for the office property at 9 Bakehouse Close. The accounting treatment of this has been agreed with Audit Scotland and reflects the provision agreed to ensure funds are available to complete contractual dilapidations and repairs at the end of the lease including an inflationary amount of £7,000.

Following discussions with Management Team and Project Leads, it was confirmed a further £299,000 was planned authorised expenditure by 31 December 2017 as per the Business Plan but Purchase Orders had not yet been raised as at 31 December 2017.

Net Income less Spend and Committed

The total net income not spent or committed at 31 December 2017 was £60,000 (Core £49,000, Health £1,000, Schools £10,000). This represents 2.8% of our total income.

The current uncommitted grant income balance of £60,000 will be allocated to expenditure authorised by the Management Team and spent by 31 March 2018.

The Report was NOTED.

5. AUDIT SCOTLAND ANNUAL AUDIT PLAN 2017/18

MF presented Audit Scotland's Annual Audit Plan 2017/18 which outlined their responsibilities, risks identified and the timetable for the Financial Statements. The Audit Fee of £7,970 was noted by Audit Committee.

MF advised that Audit Scotland can do a short presentation on the work of Audit Scotland to the Audit Committee. It was agreed that this should be scheduled for when the new Audit Committee are in place.

ACTION 3: Audit Scotland to do a short presentation to Audit Committee once new Audit Committee in place.

The Report was NOTED.

6. DATA MANAGEMENT/GDPR PROJECT UPDATES

The Records Management Plan was submitted to the Keeper of the National Records of Scotland by the agreed deadline of 31 October 2017 and we are now awaiting a response from the Keeper.

The EU's General Data Protection Regulation (GDPR) will apply from 25 May 2018, when it supersedes the UK Data Protection Act 1998. Significant and wide-reaching in scope, the new law brings a 21st century approach to data protection. It expands the rights of individuals to control how their personal information is collected and processed, and places a range of new obligations on organisations to be more accountable for data protection.

We have begun reviewing processes and putting in place procedures to mitigate breaches. We are also in consultation with Scottish Government, to ensure we align with their processes.

Training on GDPR has been delivered to all staff.

Audit Committee had asked that Board Members be provided with guidelines on emails and data storage. It was agreed that the GDPR training briefing given to staff be circulated to Board as an interim step as per Action 3 of the December Audit Committee Meeting.

The Report was NOTED.

7 STRATEGIC & CORPORATE RISK REGISTERS

The Audit Committee noted the Strategic and Corporate Risk Registers presented which included changes to the existing risk items status.

Audit Committee reviewed both Risk Registers and requested:

- a) timing of the reviews of the Risk Registers relate more closely to the timing of Audit Committee meetings;
- b) in line with TIAA suggestion in their Follow up Review paper, the Risk Register be re-structured to relate to Corporate Objectives.

ACTION 4: Review of Risk Registers to relate more closely to future Audit Committee Meeting dates

ACTION 5: Risk Registers to be re-structured to relate to Corporate Objectives

The Reports were NOTED.

8 INTERNAL AUDIT REPORTS

GC joined the meeting by teleconference to present the three Internal Audit Reports.

A summary of the TIAA recommendations of the three Internal Audit reports is as follows:

Assurance Review of HR Policies and Procedures - Five level 2 Priority recommendations which all relate to the updating of the staff handbook. This work has now commenced following receipt of an updated copy from our Sponsor Team in mid-January 2018.

Audit Committee endorsed Management response to this helpful review by TIAA.

Assurance Review of Core Financial Controls – Two level 2 Priority recommendations which relate to:

- a) the request to update the written Payroll Procedures - Audit Committee agreed with Management Team adoption of this request;
- b) the proposal to separate the reporting of purchase orders from forecast expenditure – Audit Committee decided that the level of assurance provided by A&DS's existing arrangements is broadly adequate and so will not be following the recommendation from TIAA.

Follow up Review – Four level 2 Priority recommendations were followed up – as a result three were closed off. The remaining priority related to integration of risk management with respect to project management. The risks are appropriately considered within the project management toolkit and included in reporting and risk is also a standing item on the agenda of the Management Team. However, risks reported in the Strategic and Corporate Risk Registers are not currently linked to strategic objectives. The MT will look at this element and will tie it into the Strategic Plan from 1 April 2018 onwards.

MC thanked TIAA for their work to date.

The revised timetable for the tender for new internal auditors was NOTED.

9. CLOSING REPORT FROM THE CHAIR

MC as Chair of Audit Committee presented a Closing Report after eight years on Audit Committee, four of them as Chair.

The Report included the Chair’s reflections on his term as Chair.

MC noted that Audit Committee’s Terms of Reference should be reviewed once a new Audit Committee is in place.

MC wished to thank all involved over the years for their work.

KA also wished to thank MC for all his work over the years on the Committee, especially the last four as Chair.

ACTION 6: Terms of Reference for Audit Committee to be reviewed once the Audit Committee is in place

10 ANY OTHER BUSINESS

VAT Inspection

LL updated that A&DS have recently undergone an HMRC VAT inspection and are currently responding to HMRC’s queries. SE advised that she has a colleague who has a depth of knowledge on VAT should any assistance be required.

The Meeting closed at 11.10 am.

Signed:.....

SUE EVANS, INCOMING CHAIR, AUDIT COMMITTEE

Date:.....