

Audit & Risk Management Committee Meeting
Wednesday 18th February 2026 – 1615 via MS Teams
Chair – Neil Hope

1. Welcome, Quorum & Apologies

The meeting is quorate as per item 139 of the Terms of reference for one half or 50% of the Membership of the Committee be present.

Apologies

Due to technical issues, Ian MacEachern, Independent Board Member, joined later in the meeting.

Committee Members present

Lydia Rohmer, Principal & CEO (The Principal)

Neil Hope, Committee Chair and Independent Board Member (The Chair)

Struan Mackie, Independent Board Member (SMk)

Ian MacEachern (from 1638) (IM)

Also Present

Derek Bond, Vice Principal Resources & Enterprise (CFO)

Debbie Miller, Vice Principal Strategic Developments (DM)

Ellen Campbell, Board Secretary

Scott McCready, Wbg (SM)

Tracy Kerr, Head of Performance & Planning (item 6 only)

Doug Rattray, Head of Infrastructure (item 7 only)

Tom Rotherham, Deloitte (TR)

Leo Thurtle, Deloitte (LT)

2. Declarations of interest

No declarations were made

3. Minute of the meeting held on 29th October 2025

approved

4. Action tracker

Reviewed and noted as up to date

The Chair and Committee noted the sad passing of ex Audit & Risk Committee and NWH Board Member Sarah Ferguson.

Condolences were extended to NWH CFO, Derek Bond.

5 Confidential item – Withheld

6 Performance and planning report – Tracy Kerr (TK)

TK advised of new staff members within her Department who may on occasion, report to this committee. TK asked the Chair if the new Quality Assurance Enhancement report (replacing the Education Scotland report) would be required for this committee.

The Chair requested the report come to this Committee for scrutiny, as well as the Learning, Teaching and Research Committee.

TK talked through the highlights from her report. Complaints were on track, with most being small and all having been rectified. The majority of students were happy in our College. The Red Buttons report for quarter two showed that there had been 13 instances, which were mostly attributed to changes to courses and room temperature complaints.

Freedom of Information (FOI) and Data Protection (DP) – an overview would be placed in the reading room for a visual on trend data. There had been very few instances of FOIs being received in comparison to previous years. Share Point requests had decreased, evidencing that staff had become more comfortable using the application.

Some policies were still outstanding; the Compliance Team were awaiting managers to take forward their area specific policies into the NWH template.

TK further advised this Committee that the Performance and Planning Department would be using dashboards and KPIs in their reporting going forward.

Noted

7 Health and safety – Doug Rattray (DR)

DR explained that the report had been broken down into two sections – fire safety and general health and safety.

Fire safety – The priority actions had been identified as 1. To introduce suitable training, 2. Normalisation of fire drills, and 3. To utilise a fire risk assessment management tool. All three actions were well underway.

General Health & Safety – policy updates were imminent. IOSH training was being rolled out through management levels of need. Referring to reported injuries and incidents stats, these were down significantly. DR informed that this could be due to a drop in H&S culture / reporting of incidents within the College. The Team would continue to monitor and re-promote safety culture within the College.

The Chair welcomed the promotion of safety culture. The Principal thanked DR and Jim Hutton in producing a very good report. The Principal advised the A&RM Committee that the H&S Committee was held every six weeks within the College. The intention was to build on the mandatory items required by law to further the College's focus on becoming a more proactive safety culture focussed organisation.

Action: A Board H&S Champion was still required as an outstanding action.

The Chair thanked DR, noting it would be interesting to see if the reporting of near misses increased next quarter.

Noted

8 Internal audit, Subject area “Risk” Rating – Substantial – Scott McCready (SM), Wbg

Before handing over to SM, the CFO advised that further work had been done on previous reports (follow ups) and they would be reported to the next meeting of this Committee.

SM introduced the Risk Management report from Wbg, which had been given a grading of Substantial level of assurance.

The Low and Medium graded points within the report were accompanied by good practice suggestions by Wbg. Risk appetite was advised as an area to be picked up again. Risk registers should be fully populated, though it was evident that good improvements had already been put in place.

The Principal welcomed the audit report, acknowledging that the Risk Appetite had not been populated since an initial seminar held soon after merger. This area would be addressed at either March or June 2026 Board.

A question was raised from the Committee asking Wbg for advice if NWH should re-think their risk grading structure as we become more commercialised. SM advised that 3 on a scale of 1-5 would remain as “cautious - for the middle ground”, when determining risk appetite.

The Principal informed that it would be interesting to re-assess the balance of where NWH grade risk compared to the auditors and where the risk levels may have changed since this exercise was last conducted in November 2023.

The Chair noted both points, adding that the tracker would also come under discussion.

Noted

10 Confidential item – withheld

9 Restricted - Principal's report and strategic risk register– Lydia Rohmer (The Principal)

The principal opened her report advising that externally, the draft budget had been the biggest news. The headline figure was a total college increase of 10%, however this should be calculated against inflation / already allocated funds. The SFC was not committing what the increase would be for each individual college until the end of March 2026. Funding review results were also awaited. The CFO would be in talks with the UHI on the 4th of March.

Other updates included the Community wealth building plan, which sat within the NWH anchor institution strategy.

The Tertiary Education Act 2026 would see the work-based education provision coming into the SFC, the other half would come into SSAS, this may bring further changes to funding. SDS had managed apprenticeships directly with employers, however this was under reassessment at this time.

Through UHI, the biggest change was the University transformation fund, looking at unspent HE funding in the sector. Applications were invited and £2.5m of UHI award was coming to NWH, if the application was successful, these funds linked directly into the NWH recovery plan.

The Gaelic Language Plan (GLP) would be launched in Stornoway next week.

The College had made a rapid expression of interest in the Defence Growth Deal for Scotland. Although most of the £50m on offer was thought to be targeted towards lowland areas, NWH would pursue this avenue. Further information was due to be announced pre-Scottish elections.

Progress had been made through the Rapid Response Group (RRG). There had been a review of the curriculum structure and curriculum transformation. There had been a good level of staff engagement. Staff capacity was still an issue, though some vacancies had been filled.

The post-merger evaluation report had been approved, and the College was taking the recommendations from the report, feeding them into NWH's forward planning.

A lot more work was needed on the Draft FBC on UHI transformation.

There had been no change to the risk trend, explanations had been given within the report. Securing transformation fund would take the risk down significantly. NWH did not have a documented solution from either the SFC or the RSB and were currently living under a letter of comfort from the SFC.

The Chair acknowledged the report and the contents therein. The Defence growth deal was a huge opportunity in Scotland, adding to the fantastic opportunities ahead for this College. The Chair commended the excellence of the risk register.

SMk welcomed the report, he declared an interest as a Highland Councillor with regard to the lifelong learning centre in Thuso.

Endorsed: Strategic Risk Register

Noted: Principal's Report

11 AOB

Risk Policy – to be circulated to committee for members to feedback for next meeting.