



Audit & Risk Management Committee Meeting  
Wednesday 13<sup>th</sup> May 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

Ian MacEachern, Independent Board Member, Alasdair Macleod HISA Board Member, Scott McCready, Wbg

Committee Members present

Lydia Rohmer, NWH Principal & CEO (The Principal)

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

Struan Mackie, Independent Board Member (SMk)

Also Present

Derek Bond, NWH Vice Principal Resources & Enterprise (CFO)

Debbie Miller, Vice Principal Strategic Developments (DM) – departed after item 6

Ellen Campbell, Board Secretary

Emma Sinclair, NWH Management Accountant - departed after item 7

Conor McGinley, Wbg (CM) - departed after item 7

Tracy Kerr, Head of Performance & Planning (items 8 and 9 only)

Doug Rattray, Head of Infrastructure (items 8 and 9 only)

Liam McHugh, Manager Glasgow Deloitte (LM) – departed after item 5

Leo Thurtle, Deloitte (LT) – departed after item 5

2. Declarations of interest

**No declarations were made**

3. Minute of the meeting held on 18<sup>th</sup> February 2026

**approved**

4. Action tracker

**Reviewed and noted as up to date**

5 Confidential – withheld

5.1 Confidential – withheld

6. Newco, NU-Horizon Trading Ltd, Debbie Miller (DM) (Endorsement)

DM provided an update to this Committee. After having received legal advice through Morton Fraser and Macrobarts (MFMac), the dormant Lews Castle College trading company had been re-branded to Nu-Horizon Trading Ltd, a wholly owned subsidiary of the college. There were currently two Directors - Lydia Rohmer (The Principal) and Shona MacDougall (Senior Independent NWH Board Member and F&GP Committee Chair). Any profits made by the company would be gift aided back to the college. Two members of staff were being TUPE'd over

from Nigg Skills Academy (NSA). The lease of the facility at the Port of Nigg would also be incorporated into the Newco. Governance advice had also been sought from Nescot, Aberdeen.

Opening of a bank account was in progress. An MOU was under draft. There was a forward understanding that the newco would fall within the scope of internal and external audit oversight.

It was envisaged to procure instructors and trainers directly into the company. Materials and consumables would be procured through NWH, then subsequently re-charged to the newco. VAT advice was also being received.

The Principal added that the newco was based on a tried and tested model. Initially, it would be exclusively used for Nigg, with a view to incorporating other developments in the future. The newco would feature on the Risk Register.

The Chair asked if three directors could be considered instead of only two, as this would be good practice in terms of quorate decision making. DM agreed to look into this option.

The Chair advised that all due diligence be observed now to ensure the setup was conducive to growth in the future.

**Audit & Risk element of this paper was endorsed.**

**Action:** DM – investigate having three Directors for the Company instead of only two, to observe good governance practice for quorate decision making.

7. Internal audit, Conor McGinley (CM), Wbg

The NWH CFO introduced this item by informing that the most recent internal audit had been on payroll processes, before handing over to CM, Wbg.

CM asked for confirmation from the committee that the detail of the report had been read before drawing attention to the main points contained therein. There had been no limitation on scope. Conclusions were given on page 9, providing a strong level of assurance with one low grade recommendation. There had been numerous examples of good practice. Page 12 evidenced that NWH had performed better than other similar organisations. The report had recommended that the college use electronic signatures for contracts (in progress). There were some minor updates required in the payroll system.

The Chair commented that it was heartening to see that the payroll system continued to improve, and that DocuSign was being implemented.

The NWH CFO gave special mention to the finance team as a whole, who should be noted for their diligent work in achieving the strong grading level by the auditors.

The NWH CFO confirmed to this committee that the open issues within the internal audit had been responded to over the past week, although 3-4 were still outstanding, these were hoped to be closed off in time for June 2026 Board.

The Chair stressed the expectation from the SFC, that the NWH report to the RSB includes a definitive reference to value for money, he asked that Wbg include VFM within their audit as a standalone section. CM confirmed that he would take the request back to his colleagues.

**Action:** Wbg audit report to include a standalone section on value for money.

## **Endorsed**

**ES left 1658**

**DR & TR joined at 1658**

### 8. Performance & planning report, Tracy Kerr (TK)

TK summarised her report which was described as being on par for the quarter. No feedback had been received in relation to the self-evaluation plan, which was currently with the RSB. Complaints remained relatively low. Red buttons also remained low, students now tended to speak directly to staff before “pushing the button”. Sophie Dunnett, Compliance and information governance manager, would be retiring at the end of June, TK was reviewing departmental workload and speciality requirements.

Freedom of Information requests (FOIs) remained high, there had been an increase in Q3, which had been attributed to union information requests, a similar trend had been seen across most colleges in Scotland.

SharePoint (SP) records management work was ongoing, with file mapping reported to be on track.

Policy approval had become stagnant, HR policies in particular, would require to be progressed for the College to adhere to legislative requirements; the quality team would be picking up this workstream. A more enhanced report would be presented to the next meeting of the A&RM Committee.

The Chair requested that thanks from the A&RM committee be passed to TK’s team. The Chair asked for draft policies to be reviewed through to approval and that an accountability tracker be put in place. The Data Protection (DP) policy would also require to be progressed for review and approval by September 2026 Committee.

The Committee thanked TK for a good and comprehensive report.

## **Noted**

**Action: TK** - draft policies to be reviewed through to approval and that an accountability tracker be put in place.

**Action: TK** - The Data Protection (DP) policy would require to be progressed for review and approval by September 2026 Committee.

### 9. Health & Safety report, Doug Rattray (DR)

DR talked through the Health & Safety report, drawing comparisons against benchmarks set in 2025.

Fire: There was a full complement of wardens throughout the campuses. Fire safety training had been completed by 315 staff members. A fourth round of fire drills had recently been completed. Page 6 of the report gave a visual of fire actions. Some actions were still outstanding and were being addressed as soon as reasonably practicable to do so.

Health and Safety general report – incident reporting, there was a 1:1 ratio of near misses from a diverse range of reporting areas. Preparations for Martyn's Law were ongoing by providing training for staff, assessments of security needs of the three main campuses were being conducted.

There would be a policy drafted for COSHH management which would be auditable through a digital tool. NWH had already signed up for USHA. It was hoped to have a risk assessment for all departments.

IOSH training for SMT was largely completed, the remainder would complete the course for executives with ELT.

The Chair recognised the great strides that had been made in improving Health and Safety compliance and reporting in the past twelve months, bringing the levels within the college to a manageable evidenced level. The Principal echoed the comments of the Chair.

## **Noted**

### 10. Principal's report, Lydia Rohmer (The Principal)

The Principal gave an overview of the key points from her report. SFC final funding allocation figures would be presented at the June Board. There was still some uncertainty around possible funding shares from, for example, the £3.5m offshore wind fund share, the £9m anti-poverty fund, the £10m work force and flexibility fund.

The biggest issue was the University Transformation Fund (UTF). NWH had applied for £2.6m. No feedback had as yet been received as the SFC were requesting further details. Having no firm response as yet from the SFC, left the college with an unknown variable on the NWH college recovery plan. If UTF (massively oversubscribed) did not come through, the college would be in a difficult situation.

Public sector pay increases may run at 10%. The financial risk remained high. The UHI transformation project would not look to change governance structure, but instead, to integrate shared services. The FBC was not expected to be completed until late 2026. The third year of NWH recovery plan involved top slice reduction and shared services. The Newco was referenced where NWH expect income to come from. The Principal had increased the risk in failure to realise income and commercial opportunities. Commercial income growth required forward momentum, this risk had also increased.

The Chair asked that a detailed commercial growth strategy come to A&RM Committee for onward to Board.

Estates funding was uncertain. The Fort William income projection was part of the income strategy. The Principal was introducing herself on behalf of NWH via mail, to newly elected MSPs next week.

Structure – increased from 12 to 16 during the period looking for CFO and interim financial management.

Leadership had been increased to a risk score of 15 from 12, given the recent notification of the NWH CFO's departure to UHI.

The Chair commented that the NWH was doing a lot of very positive things, providing a wide spectrum of curriculum delivery over a huge land mass. SM encouraged the Principal to engage with the new MSPs as soon as possible. NWH was a unique case in its delivery of education opportunities for the communities of the Highlands and Islands.

### **Endorsed**

**Action: LR** - a detailed commercial growth strategy to come to A&RM Committee for onward to Board.

#### 11. Draft risk and opportunities management policy, The Principal

The Principal drew the Committee's attention to changes in section 6 and appendix B which had been made after the NWH Board risk appetite session in March 2026. Appendix B displayed the gradings agreed by the Board Members along with the Orange Book descriptions and score categories. The Principal advised that the new risk appetite showed the college to be more risk averse compared to the last time the exercise had been conducted. It was noted that the UHI common risk register had still not changed, with the NWH risks not being linked to it.

**Action:** Ask UHI what is happening with out-of-date common risk register. The A&RM Committee would write to Allan Clow, UHI.

**Action:** A&RM Committee annual report to the NWH Board of Management would be due in September 2026

### **Endorsed**

#### 12. Academic Partner annual assurance – The Principal

**Action:** VFM was required to be included in external and internal audits.

**Action:** SFC support funds and credits for students report to come to A&RM committee.

### **Noted**

#### 13. Certificate of assurance for UHI RSB – The Principal

### **Noted**

#### 14. Risk appetite scores

### **Endorsed**

#### 15. Cnoc Soilleir Agreements – The Principal

The Committee acknowledged that the signed Members Agreement was for a one-year period. A wider governance review would be undertaken. Alex O'Hanley would be serving a second year as Chair of Cnoc Soilleir.

Legal advice would be sought on the Articles of Association and Members Agreement changes. The Principal would report back to A&RM, F&GP Committees and Board.

**Noted**

16. A.O.B

The Chair expressed his thanks and behalf of the A&RM Committee to the NWH CFO, Derek Bond, for the amount work he had done for UHI NWH. It was hoped that a good relationship would be kept with the newly appointed UHI CFO.

The Committee welcomed Kevin Mallet back after his period of leave.

**Meeting closed at 18.14**