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AUDIT & RISK ASSURANCE COMMITTEE

AGENDA

A meeting of the Audit & Risk Assurance Committee will be held at 15:00 hours on Wednesday, 10 October 2018 in the Boardroom, Milton Road Campus.

		Lead Speaker	Paper
1	WELCOME & APOLOGIES	Chair	
2	DECLARATIONS OF INTEREST	Chair	
3	MINUTES OF PREVIOUS MEETING <i>for approval</i>	Chair	A
4	MATTERS ARISING		
	4.1 Matters Arising Report	Chair	B
	4.2 Review of Committee Operation 2017/18	Chair	C
	4.3 Scottish Government Audit and Assurance Committee Handbook attached	Scott-Moncrieff	D
5	TERMS OF REFERENCE	Chair	E
6	INTERNAL AUDIT		
	6.1 Summary of Audit Recommendations	A Williamson	F
	6.2 Internal Audit Report: Workforce Management	Scott-Moncrieff	G
	6.3 Internal Audit Report: Business Continuity Planning	Scott-Moncrieff	H
	6.4 Internal Audit Follow-up Report 2017/18	Scott-Moncrieff	I
	6.5 Internal Audit Annual Report 2017/18	Scott-Moncrieff	J
	6.6 Internal Audit Plan 2018/19 <i>for approval</i>	BDO	K
<i>Item 6 is presently exempt from publication under the Freedom of Information (Scotland) Act 2002, Section 30, Prejudice to the Effective Conduct of Public Affairs.</i>			
7	EXTERNAL AUDIT		
	7.1 Management Report 2017/18	Audit Scotland	L
	7.2 Compliance with the Code of Good Governance	N Croft	M
	7.3 Draft Annual Report and Financial Statement	L Towns	N

Item 7 is presently exempt from publication under the Freedom of Information (Scotland) Act 2002, Section 27, Information Intended for Future Publication.

8	RISK ASSURANCE		
	8.1	Risk Management Report	N Croft O
	8.2	Safeguarding Report attached	J Pearson P
			M Hoenigmann
	8.3	Pensions Update	L Towns Q
	8.4	Cyber Security Essentials Update	A Williamson R
9	ANNUAL COMPLAINTS REPORT attached	K Heathcote	S
10	HORIZON SCANNING REPORT	N Croft	T
11	ANY OTHER COMPETENT BUSINESS		
12	FOR INFORMATION		
	12.1	Data Breach Incident Update	N Croft U
13	DATE OF NEXT MEETING: 21 November 2018		

N.B: The minutes of the Audit & Risk Assurance Committee are reported directly to the Board of Management, with an accompany commentary from the Committee Chair.

AUDIT & RISK ASSURANCE COMMITTEE
10 OCTOBER 2018
PAPER D



FOR DISCUSSION / INFORMATION			
Meeting	Audit & Risk Assurance Committee 10.10.18		
Presented by	Nick Croft		
Author/Contact	Marcus Walker	Department / Unit	Governance
Date Created	27.09.18	Telephone	0131 344 7048
Appendices Attached	<i>Appendix 1: Scottish Government Audit & Risk Assurance Committee Handbook - Summary of 2018 Changes;</i> <i>Appendix 2: Audit Committee Handbook Changes - Summary and Applicability to Edinburgh College.</i>		
Disclosable under FOISA	Yes.		

SCOTTISH GOVERNMENT AUDIT AND ASSURANCE COMMITTEE HANDBOOK

1. PURPOSE

The Scottish Government issued a revised Audit and Assurance Committee Handbook in April 2018 to replace the previous Audit Committee Handbook published in July 2008. The purpose of *Appendix 1* is to highlight the key differences between the 2008 and 2018 versions of the Handbook.

Further to an overview of the key changes, the Chair of the Audit & Risk Assurance Committee has produced a paper (*Appendix 2*) outlining the applicability of changes to this Handbook to Edinburgh College.

The Handbook is available online via the following link, and should be reviewed by all Audit & Risk Assurance Committee members: <https://beta.gov.scot/publications/audit-assurance-committee-handbook/>

2. BACKGROUND

On 30 May 2018, the Audit & Risk Assurance Committee agreed that the internal auditors should provide a list of changes between the 2008 and 2018 versions of the Audit and Assurance Committee Handbook.

The Audit & Risk Assurance Committee will review its terms of reference on 10 October 2018 (Paper E refers), with a view to considering compliance with changes outlined in the Handbook.

3. DETAIL

The major addition is an increased responsibility for the audit committee to develop an assurance framework and to understand the various sources of assurance it receives and the role that each assurance provider plays. The new Handbook advocates using the 'three lines

of defence' model (referred to in the Handbook as "the three lines of assurance") to help articulate this framework. The full requirements are covered in Chapter 4 of the Handbook.

These changes mean that Audit & Risk Assurance Committee will need to:

- Refresh its Terms of Reference to comply with the changes outlined in the new Handbook;
- Develop an assurance framework and consider whether there are gaps or duplication in the assurance that they are receiving;
- Consider training audit committee members on the new assurance framework and other changes to the Handbook (to meet the new requirements introduced in Annex G).

4. BENEFITS AND OPPORTUNITIES

This paper provides the Committee with an opportunity to review its practice against the Scottish Government's Audit and Assurance Handbook, and to consider any amendment to its terms of reference and/or current practice.

5. STRATEGIC IMPLICATIONS

The Board of Management is required to ensure that effective internal controls and appropriate governance arrangements are in place.

6. RISK

Any significant non-compliance with the principles in the Audit and Assurance Committee Handbook should be explained and reported in the annual Governance Statement.

7. FINANCIAL IMPLICATIONS

This revision of the Handbook sets out the fundamental principles with explanatory good practice notes, relating to the role, membership and work of Audit and Assurance Committees in those organisations to which the Scottish Public Finance Manual is directly applicable.

8. LEGAL IMPLICATIONS

Not applicable.

9. WORKFORCE IMPLICATIONS

Not applicable.

10. REPUTATIONAL IMPLICATIONS

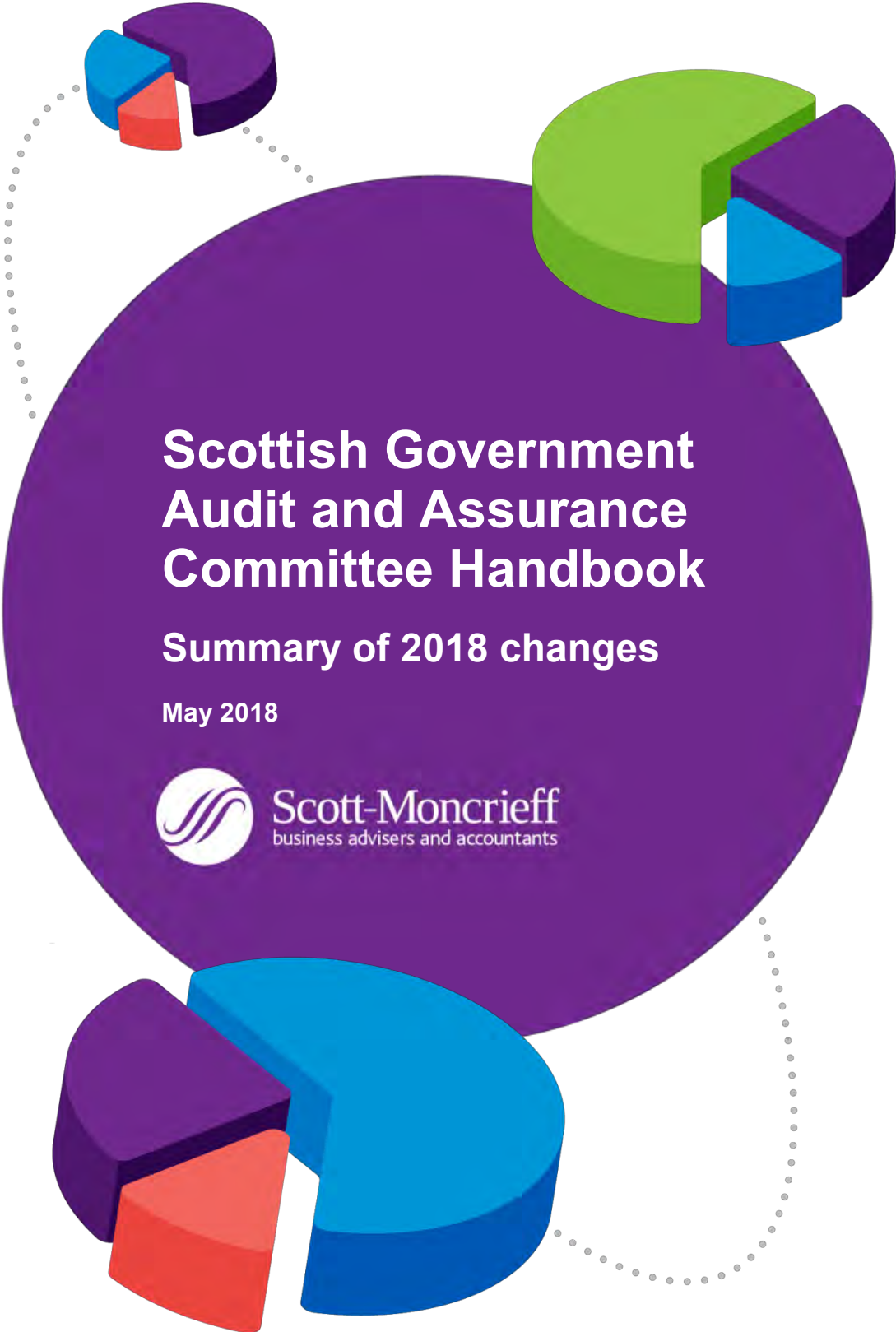
Any failures in governance will have implications for the reputation of the Board of Management and the college.

11. EQUALITIES IMPLICATIONS

Not applicable.

CONCLUSIONS/RECOMMENDATIONS

The Audit & Risk Assurance Committee is asked to NOTE the Scottish Government Audit and Assurance Committee Handbook, and the changes outlined in the report. The Committee is also asked to CONSIDER appropriate changes to its terms of reference and current practice - where applicable.



Scottish Government Audit and Assurance Committee Handbook

Summary of 2018 changes

May 2018



Scott-Moncrieff
business advisers and accountants

SG Audit and Assurance Committee Handbook

Summary of 2018 Changes

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Overview

The Scottish Government issued a revised [Audit and Assurance Committee Handbook](#) in April 2018 to replace the [previous Audit Committee Handbook](#) published in July 2008. The purpose of this paper is to highlight the key differences between the 2008 and 2018 versions of the Handbook. The revised Handbook should be read in full by all Audit Committee members of Scottish public sector bodies.

The 2018 Handbook includes a number of minor amendments and one major addition that affect various aspects of governance and audit committee responsibilities.

The major addition is an increased responsibility for the audit committee to develop an assurance framework and to understand the various sources of assurance it receives and the role that each assurance provider plays. The new Handbook advocates using the ‘three lines of defence’ model (referred to in the Handbook as “the three lines of assurance”) to help articulate this framework. The full requirements are covered in Chapter 4 of the Handbook.

These changes mean that Audit Committees will need to:

- Refresh their Terms of Reference to comply with the changes outlined in the new Handbook
- Develop an assurance framework and consider whether there are gaps or duplication in the assurance that they are receiving
- Consider training audit committee members on the new assurance framework and other changes to the Handbook (to meet the new requirements introduced in Annex G).

Changes to main body

Chapter 1: Good Practice Principles for Audit and Assurance Committees

The previous Handbook included five separate good practice principles while the revised standard includes only four. Effectively, Principle 1 – The Role of the Audit Committee, and Principle 4 – Scope of Work from the previous Handbook have been combined in the new Handbook into a single Principle 3 – Role and Scope, which contains the following paragraph:

“The committee should support the Accountable Officer and Board by reviewing the comprehensiveness and reliability of assurances on governance, risk management, the control environment and the integrity of financial statements and the annual report.”

The remaining four chapters of the main body of the Handbook cover each of the four principles in turn.

Chapter 2: Membership, Independence, Objectivity and Understanding

As there is no longer a separate principle on The Role of the Audit Committee, the previous chapter 2 has been removed and chapter 2 in the revised Handbook covers the same subject as chapter 3 in the old Handbook.

Independence

The 2018 handbook provides more explicit detail on who should make up an audit committee:

“The Accountable Officer and Board should be supported by an Audit and Assurance Committee with no executive responsibilities, comprising of at least three members. The Chair should be a Non-Executive Member (NEBM) [sometimes called a Non-Executive Director (NXD)] with relevant experience. There should be at least one other NEBM/NXD on the committee; when there are insufficient NEBMs/NXDs to form the committee, independent external members will need to be appointed.”

Relationship with the Executive of the organisation

The 2018 handbook has an extra paragraph under this section which states:

“It is also good practice for the Chair of the Audit and Assurance Committee to meet the Accountable Officer, the Finance Director, the Head of Internal Audit and the External Auditor’s senior representative outside of the formal committee structure (see Chapter 5: Communication and Reporting).”

Terms of appointment

The section is expanded to highlight that committee members should also have a clear understanding of:

- *“Training required and how this will be provided.”*

Chapter 3: Skills

Range of Skills

The 2018 Handbook adds an additional bullet point which states that:

“3.4 Although Audit and Assurance Committee members are recruited for their individual skills, it is vital that they are able to work collaboratively.”

Training and development

The 2018 Handbook adds another paragraph which states;

“The Chair should, in addition, ensure that all committee members have an appropriate programme of engagement with the organisation and its activities to help them understand the organisation, its objectives, business needs, priorities and risk profile. Consideration should be given to underpinning such programmes with training and/or learning plans.”

Chapter 4: Role and Scope

The section titled ‘Overall Assurance’ in the 2008 Handbook has been removed from the 2018 handbook. The 2018 Handbook includes a revised section on Supporting the Board and Accountable Officer, which had previously been included in Chapter 2 – The Role of the Audit Committee. This section is reproduced below. The key changes are contained in paragraphs 4.4 and 4.5.

Supporting the Board and Accountable Officer

“4.1 Accountable Officers and Boards have many issues competing for their attention. One of the challenges they face is knowing whether they are giving their attention to the right issues. Key to addressing this is assurance, defined as: “an evaluated opinion, based on evidence gained from review, on the organisation’s governance, risk management and internal control framework”

4.2 Assurance draws attention to the aspects of risk management, governance and control that are functioning effectively and, just as importantly, the aspects which need to be given attention to improve them. An effective risk management framework and a risk-based approach to assurance helps an Accountable Officer and Board to judge whether or not its agenda is focussing on the issues that are most significant to achieving the organisation’s objectives and whether best use of resources is being made. The Audit and Assurance Committee can help the Accountable Officer and Board to formulate their assurance needs, and then consider how well assurance received actually meets these needs by gauging the extent to which assurance on risk management is comprehensive and reliable. Assurance cannot be absolute so the committee will need to know that the organisation is making effective use of the finite assurance mechanisms at its disposal, targeting areas of greatest risk. This can include carrying out a ‘Deep Dive’ exercise of risks that the committee determine are key threats to the organisation.

4.3 Formulation of the specific assurance need is key to determining the resource that needs to be dedicated to delivery of assurance in the organisation. Key elements include:

- *The strategic outcomes and objectives which the organisation is charged to deliver, and the associated risks and control mechanisms;*
- *The sources of assurance available; and*

- *The level of confidence required in assurances, including the extent to which the range of assurance providers can be relied on by Internal Audit in delivering its overall opinion on risk, control and governance in accordance with the Public Sector Internal Audit Standards.*

4.4 A well designed assurance framework will help. At its simplest, this will identify all the key sources of assurance in the organisation and seeks to orchestrate them to best effect. This can help to ensure that gaps are reduced or eliminated and unnecessary duplication avoided. A conceptual model that is often used to help to categorise the various sources of assurance is the ‘three lines of assurance’. By defining the sources of assurance in three broad categories, it helps to understand how the type and nature of the mechanisms can contribute to the bigger assurance picture:

- *First line: management assurance from “front line” or business operational areas;*
- *Second line: oversight of management activity, including effective management information, separate from those responsible for delivery, but not independent of the organisation’s management chain; and*
- *Third line: independent and more objective assurance, including the role of Internal Audit and from external bodies (e.g. accreditation and Gateway reviews). Further detail of the role of Internal Audit is provided later in this chapter.*

4.5 An understanding of the three lines of assurance can help the Audit and Assurance Committee to play a key role in helping the Accountable Officer and Board establish an optimum mix of assurance. For example, management and oversight assurance activities can be harnessed to provide coverage of routine operations, with Internal Audit activity more effectively targeted at riskier or more complex areas. As well as strengthening assurance arrangements, this helps the Audit and Assurance Committee to demonstrate added value to the organisation. Advice on developing assurance frameworks is available in the Treasury Assurance Framework Guidance document.

4.6 The overall provision of assurances to the Accountable Officer and Board should be reviewed by the Audit and Assurance Committee, which should constructively challenge:

- *Whether the nature and scope of the assurance providers’ activity meets the Accountable Officer’s and Board’s assurance needs;*
- *The credibility and independence of each provider; and*
- *Where appropriate, the actual assurances to test that sufficient reliable evidence and that conclusions are reasonable in the context of the evidence.*

The committee should also be proactive in commissioning assurance work from appropriate sources if it identifies any significant risk, governance and control issues which are not being subjected to sufficient review, and in seeking assurance on weaknesses identified by reviews are actually remedied by management.

A “prompt” list of questions for Audit and Risk Assurance Committees to ask is provided at Annex F.

4.7 The overall committee view may draw attention to areas where:

- *Risk is being appropriately managed (no action needed);*
- *Risk is inadequately controlled (action needed to improve control);*
- *Risk is over controlled (resource being wasted which could be diverted to other use); and/or*
- *There is lack of evidence to support a conclusion. If this concerns areas material to the organisation’s operations more assurance work may be needed, subject to an assessment of costs and benefits.*

4.8 Assurance should be obtained on risks across the organisation. The governance structure of the departmental family/group will therefore need to ensure that there is effective communication on risks and control to ensure appropriate visibility of and timely action on such matters as well as to feed into the annual Governance Statement.

4.9 Similarly assurance on the risk and control environment should also encompass services outsourced to external providers, including shared service arrangements, so that all key elements of the organisation are considered as parts of the wider organisation and business function.

4.10 It is also good practice to have reasonable oversight of risks that cross organisational boundaries, for example, in major projects. This could include a Chairs of Audit and Assurance Committee Forum. Any such forum should focus on assurances on cross organisational governance, risk and control arrangements.”

Internal and External Audit

The 2018 handbook has added a section under 4.13, which states:

4.13 In central government, the Auditor General is responsible for securing the external audit of most public sector bodies in Scotland and reporting on their financial health and performance. Audit work is carried out by Audit Scotland staff and appointed auditors including private firms. This includes the audits of financial statements as well as performance and Best Value audits. All external auditors appointed by the Auditor General are required to follow the Code of Audit Practice which outlines their responsibilities. Once appointed, auditors act independently in carrying out their responsibilities and in exercising professional judgement.

Two extra bullet points have been added to the role of the Audit and Assurance Committee for advising the Accounting Officer and Board in relation to Internal Audit. These are noted below:

- *The annual Internal Audit opinion and annual report; and*
- *The performance of Internal Audit, including conformance with the applicable standards, expected performance measures, and the results of both internal and external quality assessments.*

Extra information: The 2018 Handbook has extended the Internal and External Audit section to provide details on the Audit Scotland Code of Audit Practice and professional requirements relating to external audit. The extract is noted below:

4.15 Auditor responsibilities are derived from statute, the Code of Audit Practice, International Standards on Auditing (UK and Ireland) and professional requirements. These include:

- *Undertaking statutory duties, and complying with professional engagement and ethical standards*
- *Providing an opinion on audited bodies' financial statements and, where appropriate, the regularity of transactions*
- *Reviewing and reporting on, as appropriate, other information such as annual governance statements, management commentaries and remuneration reports*
- *Notifying the Auditor General when circumstances indicate that a statutory report may be required.*

4.16 The Code of Audit Practice defines a wider scope for public audit that goes beyond the financial statements. This includes work that contributes to audit judgements and conclusions on the appropriateness, effectiveness and impact of corporate governance, performance management arrangements and financial sustainability. External auditors will report annually to those charged with governance on the results of their work covering both the financial statements and wider scope audit work. Audited annual financial statements

including the independent auditors' reports, and reports by the Auditor General are sent to Scottish ministers to be laid before the Scottish Parliament.

4.17 It is important that the Audit and Assurance Committee engages regularly with external audit. The committee should consider the results of external audit work and the proposed actions against audit recommendations. The committee should also consider planned external audit activity and enquire about the level of coordination and engagement between internal and external audit to ensure there is no unnecessary duplication of audit work.

Two sub-sections have been added to the External and Internal Audit section for the 2018 Handbook and these have been copied below:

Governance

4.18 It is essential that the committee understands how governance arrangements support achievement of the organisation's strategies and objectives, especially:

- *The organisation's vision and purpose;*
- *Mechanisms to ensure effective organisational accountability, performance and risk management;*
- *Role definitions, committee and other structures to support effective discharge of responsibilities, decision making and reporting;*
- *Promotion of appropriate ethics and values within the organisation;*
- *Communication of management information, including on risk and control among the board and to appropriate areas of the organisation; and*
- *Relations with ALBs including reporting functions to relevant AACs and Scottish Government.*

Risk management and the control environment

4.19 It is also essential that the committee:

- *Understands the organisation's business strategy, operating environment and the associated risks, taking into account all key elements of the organisation as parts of an "Extended Enterprise";*
- *Understands, where applicable, the role and activities of the Board (or equivalent senior governance/advisory body) in relation to managing risk;*
- *Discusses with the Board its policies, attitude to and appetite for risk to ensure these are appropriately defined and communicated so management operates within these parameters;*
- *Understands the framework for risk assessment, management and assurance and the assignment of responsibilities;*
- *Critically challenges and reviews the risk management and assurance framework, without second guessing management, to provide assurance that the arrangements are actively working in the organisations; and*
- *Critically challenges and reviews the adequacy and effectiveness of control processes in responding to risks within the organisation's governance, operations, compliance and information systems.*

Financial Management and Reporting

This section has been extended from the 2008 Handbook and now includes more detail in relation to the procedures which should be followed for financial reporting. The extra detail is noted below:

4.20 The committee should consider significant accounting policies, any changes to them and any significant estimates and judgements, if possible before the start of the financial year. It should also review the clarity and

completeness of disclosures in the year-end financial statements and consider whether the disclosures made are set properly in context.

Ideally, the committee should expect a comprehensive overview of the financial statements by the Finance Director, including comparisons with the prior year and current year budget, and an explanation for any issues arising.

The 2018 handbook has also added an extra bullet point which the committee should consider in reaching a view on the accounts:

- *Reports, advice and findings from external audit (especially the Audit Completion Report – ISA 260 Report)*

Terms of Reference

As the Role of the Audit Committee chapter has been removed from the 2018 Handbook, the terms of reference section is included in Chapter 4 instead. The terms of reference guidance in the 2018 handbook provide more detail than the 2008 handbook. The new extracts are added below:

4.22 The committee's terms of reference should be agreed by the Accountable Officer/Board and made publicly available (including on the organisation's website). It is important that a balance is struck during meetings between corporate governance, risk management, control and financial reporting items. The terms of reference should be reviewed annually alongside the performance of the committee. Model terms of reference are suggested at Annex D. A suggested self-assessment checklist is provided at Annex H.

4.23 The responsibilities assigned to the committee should not provide any conflict with the guidance in this handbook, in particular by compromising independence. The committee should not have any executive responsibilities or be charged with making or endorsing any decisions, although it may draw attention to strengths and weaknesses in control and make suggestions for how such weaknesses might be dealt with. The overarching purpose of the committee is to advise the Accountable Officer and Board; it is then the Accountable Officer and Board that make the relevant decisions.

4.25 The Accountable Officer and Board need adequate and timely feedback on the work of the committee in order to consider its contributions formally. A schedule of the committee's agreed delegations from the Board, and the mechanisms for feedback and assurance, should be formally documented.

4.26 To fulfil their role, most committees will need to meet at least four times a year. A model "core programme" of work for a Committee meeting four times a year is provided at Annex E"

Chapter 5: Communication and Reporting

A new section has been added to the 2018 Handbook titled 'Improving Relationships':

5.3 It is important for the committee to have good relationships and communication with those it seeks briefings from, and those it provides assurance to. This ensures that it is effectively engaged with the organisation and able to fulfil its function. This should include where risks cross organisational boundaries, for example, in major projects."

Annual Report

Both the 2008 and 2018 Handbooks state ‘The Annual Report should summarise the Audit Committee’s work for the year past, and present the Audit Committee’s opinion. The 2018 handbook has added an extra bullet point to this list:

- *“The effectiveness of governance, risk management and control”.*

Bilateral communications

The 2008 handbook stated that *“there should be an annual bilateral meeting between the Chair of the Audit Committee and each of these parties¹ to ensure that there is clear understanding of expectations and mutual understanding of current issues”.*

The 2018 handbook states that *“periodic discussions outside the formal meeting help to ensure that expectations are managed and that there is a mutual understanding of current risks and issues”.*

¹ *Accountable Officer, Head of Internal Audit and the External Auditor.*

Changes to annexes

Annex A: The role of the chair: good practice

Extensions to role of the chair:

- *Meeting time should be optimised by making sure that all agenda papers are issued in good time and then having each paper summarised outlining the key points, cross referred to the organisational business and risk agenda and stating what action the committee is required to take.*
- *The Chair of the Audit and Assurance Committee should establish a mechanism enabling key stakeholders to consider the overall risk and assurance needs (see 5.3).*
- *Encouraging good, open relationships between the committee, Accountable Officer, Finance Director and Internal and External Auditors. There are a number of ways that a Chair can encourage this.*

A section is added to the 2018 Handbook which outlines how the profile of the committee can be raised by the actions of the chair. The extract is noted below

“The profile of the committee can be raised to support and add weight to audit work by:

- *promoting audit issues internally with relevant Board members and other directors to make sure they appreciate the value of audit;*
- *holding managers within the organisation to account for the implementation of audit recommendations;*
- *calling appropriate business heads to meetings, for example, to explain how they are delivering their agreed actions on risks for which they are responsible;*
- *Arranging separate meetings for the Chair, Non-Executives and independent members and Internal and External Auditors to help establish open working relationships;*
- *Arranging meetings with the Chair, Internal Auditors and the Finance Director etc in the weeks leading up to the committee meeting to discuss areas for the agenda and papers that should be provided;*
- *Arranging meetings with the Internal Auditors (and possibly External Audit) immediately before the committee meeting to help give focus to discussions; and*
- *The Chair should ensure that there is an appropriate process between meetings for action points arising from committee business to be appropriately pursued. The Chair should also ensure that members who have missed a meeting are appropriately briefed on the business conducted in their absence. Chairs may choose to rely on the Secretariat to take these actions.”*

Appointments

The appointments section of the 2018 handbook includes the following new guidance:

‘The Chair should also be actively involved in the appointment of the Head of Internal Audit’.

Annex B: Committee support: good practice

An extra responsibility is added to the Audit Committee Secretariat in the 2018 Handbook. This is noted below;

- *Arranging the Chair’s bilateral meetings with the Accountable Officer, the Head of Internal Audit, the External Auditor, and, in ALBs, with the Chair of the Board etc;*

The following paragraph has been removed from the 2018 handbook which was included within the 2008 Handbook:

“Careful consideration should be given to ensuring that the secretariat function is able to demonstrate independence from operational and management issues. If the function is provided by Internal Audit or Finance there may be a risk of bias towards their interests.”

Annex C: Model letter of appointment

Appointment and purpose

The appointment and purpose paragraph has been extended and now contains four bullet points which outline the purpose of the committee. These are noted below:

“The committee is a committee of the Board of (organisation) and its purpose is to:

- *Review the comprehensiveness of assurances in meeting the assurance needs of the Board and Accountable Officer;*
- *Review the reliability and integrity of these assurances;*
- *Review the integrity of the financial statements; and*
- *Advise the Board and Accountable Officer about how well assurances consequently support them in decision taking and in discharging their accountability obligations”.*

Annex D: Model Terms of Reference

Information Requirements

The list detailing the information that will be produced as and when appropriate has four new items which are noted below:

- *A report on the Counter Fraud and Bribery arrangements and performance;*
- *The annual Internal Audit Plan*
- *Business update reports from the Accountable Officer;*
- *Reports from other sources within the “three lines of assurance” integrated assurance framework (eg Best Value self-assessment Reviews, Gateway Reviews, Health Check Reviews, ICT Assurance Reviews, Digital 1st Service Standard Reviews, Procurement Capability Reviews, Procurement Key Stage Reviews).*

Annex E: Example annual core work programme

For all of the four meetings across the year (Spring, Summer, Autumn and Winter) one extra aspect has been added to all of the agendas which is noted below:

“New issue to be added to the agenda;

- *Consider any reports from other sources within the “three lines of assurance” integrated assurance framework”.*

Annex F: Key Lines of enquiry

Risk Management

Within the key lines of enquiry section the following lines of enquiry have been added on risk management:

“On risk management processes, how do we know:

If risks are handled well:

- *Key strategic risks can change very quickly?*
- *Scenario planning and stress testing?*
- *‘Bubbling under’ risks?*

Risk focus is wide enough:

- *External and emerging risks are considered?*
- *‘Financial’ risks and ‘non-financial’ risks are reviewed?*

That management are regularly reviewing top risks?”

Results of both internal and external audit

Key lines of enquiry has also been extended in relation to assurance of internal and external audit activity. The supplementary sections are noted below:

“On the planned activity and results of both internal and external audit, how do we know:

- *That Internal Audit takes appropriate account of other assurance activity, especially in the first and second line (and that this assurance is understood and owned by management)? that Internal Audit recommendations that have been agreed by management are timeously implemented?*
- *That the quality of Internal Audit work is adequate? What does application of the Internal Audit Quality Assessment process tell us about the quality of the Internal Audit service?*
- *The Accountable Officer and Board have taken all necessary steps to make themselves aware of any relevant information and that auditors are aware of that information?*

A more detailed tool for evaluation of the quality of the Internal Audit service is the “Internal Audit Quality Assessment Framework” produced by HM Treasury.”

Accounting Policies

The key lines of enquiry surrounding the accounting policies and annual report has also been extended, extract of supplementary aspects copied below:

“On the accounting policies, the accounts, and the annual report of the organisation, how do we know:

- *How effective and accurate budgeting and in-year forecasting is?*
- *If the finance function is fit for purpose?*
- *What the “hidden” financial risks are, relating to (inter alia):*
- *HR?*

- VAT?
- Overruns?
- Sudden loss of funding/revenue?"

Corporate Governance

The assurances in relation to corporate governance have been changed significantly in the 2018 Handbook in comparison to the 2008 handbook. Three prompts have been removed and replaced with the new requirements noted below;

"On assurances relating to the corporate governance requirements for the organisation, how do we know:

- *Corporate governance arrangements operate effectively and are clear to the whole organisation?*
- *The Accountable Officer's Governance Statement is meaningful, and that robust evidence underpins it?*
- *The Governance Statement appropriately discloses action to deal with material problems?*
- *The Board/Executive is appropriately considering the results of the effectiveness review underpinning the annual Governance Statement?*
- *The range of assurances available is sufficient to facilitate the drafting of a meaningful annual Governance Statement?*
- *Those producing the assurances understand fully the scope of the assurance they are being asked to provide, and the purpose to which it will be put?*
- *Effective mechanisms are in place to ensure that assurances are reliable and adequately evidenced?"*

Annex G: Competency Framework

Competency framework for committee members has been extended to include the following;

"All members of the committee should have, or acquire as soon as possible after appointment:

- *Understanding of the organisation's three lines of assurance and sources of assurance".*

Scottish Government Audit Committee Handbook

Summary and Applicability to Edinburgh College

1. Introduction

The Scottish Government Audit Committee Handbook is applicable to the Audit and Assurance Committees of organisations to which the Scottish Public Finance manual is applicable. Any significant non-compliance with the principles in the Handbook should be explained and reported in the annual Governance Statement.

The Audit and Assurance Committee supports the Accountable Officer and the Board by reviewing the comprehensiveness and reliability of assurances on governance, risk management, the control environment and the integrity of Financial Statements and the Annual Report; with its work defined in its terms of reference.

The most significant change to the previous handbook is the requirement to clearly set out an assurance framework, that covers the assurance needs, a mapping of the sources of assurance and understanding the roles which assurance providers play.

2. Membership, independence, objectivity and understanding

The committee should be independent and objective, with members having a good understanding of their role and objectives and priorities of the organisation.

- The Committee should comprise at least 3 members with no executive responsibilities
- Chair should be a non-executive member of the Board with relevant experience.
- There should be at least 1 other non-executive member of the Board, and independent members may be appointed to ensure an appropriate mix of skills and experience.
- The Executive and managers' roles are to attend, provide information, and participate in discussions as appropriate.
- The Accountable Officer and the Chief Operating Officer should routinely attend the Committee, as should Internal and External Audit.
- The Committee should be able to sit privately without any non-members present if they so wish.
- It is good practice for the Chair to meet the Accountable Officer, the Chief Operating Officer, Internal Audit and External Auditor outside formal meetings.
- It is common for representatives of sponsoring bodies (within the Scottish Government) to attend Audit and Assurance Committee meetings, however they should not be members of the Committee *[Doesn't happen for Edinburgh College]*.
- Conflicts of interest should be declared by members, with the Chair normally determining the appropriate action.
- All members of the Audit and Assurance Committee should have a clear understanding of: what is expected of them – also including performance appraisal; criteria for termination of membership; duration of appointment and renewal; and training.
- The terms of appointment should be clearly set out at the time of appointment (model letter of appointment in Handbook).

Edinburgh College already largely complies with these requirements – need to consider whether members should receive a formal letter of appointment.

3. Skills

The committee should have an appropriate mix of skills and knowledge:

- The Committee needs a range of skills and experience relevant to various aspects of risk, governance and control.
- At least one member of the committee should have recent and relevant financial experience
- The committee should identify, periodically review, and agree with the Board and Accountable Officer, the other skills required.
- The committee should be empowered to co-opt members or procure advice to provide specialist skills, knowledge and experience that the committee needs.
- All committee members should receive appropriate training and development to enable them to understand and execute their role of the Committee effectively.
- The Chair should ensure that all committee members have an appropriate engagement and understanding of the organisation, its objectives, business needs, priorities and risk profile.
- A competency framework for an Audit and Assurance Committee is provided in the Handbook.

All members of the committee should have, or acquire as soon as possible after appointment:

- *understanding of the objectives of the organisation and current significant issues for the organisation;*
- *understanding of the organisation's structure, including key relationships such as that with a sponsoring directorate/portfolio or a major partner;*
- *understanding of the organisation's culture;*
- *understanding of any relevant legislation or other rules governing the organisation;*
- *understanding of the organisation's three lines of assurance and sources of assurance;*
- *broad understanding of the government environment, particularly accountability structures and current major initiatives.*

The committee should collectively possess:

- *knowledge/skills/experience (as appropriate and required) in:*
 - *accounting;*
 - *risk management;*
 - *audit;*
 - *technical or specialist issues pertinent to the organisation's business.*
 - *experience of managing similar sized organisations and people management skills;*
 - *understanding of the wider relevant environments in which the organisation operates;*
 - *detailed understanding of the government environment and accountability structures.*

Edinburgh College largely complies with these requirements – a greater understanding and implementation of the “three lines of assurance” has already been identified as a development for

2018/19. The Chair should consult with the Nominations Committee to review the skills mix required on the A&RA Committee, and with members to review training needs.

4. Role and Scope

The committee should review the comprehensiveness and reliability of assurances on governance, risk management, the control environment and the integrity of Financial Statements and the Annual Report; with its work defined in its terms of reference.

4.1 Supporting the Board and Accountable Officer:

- Effective assurance supports the Accountable Officer and the Board in focussing on the right issues and identifying which aspects of risk management, governance and control that are functioning effectively and which need improvement.
- The Committee should help the Accountable Officer and Board to formulate their assurance needs and consider how well assurance received meets these needs. Formulation of the assurance needs is key to determining the resource to be dedicated to delivery of assurance.
- A well-designed assurance framework identifying all the key sources of assurance in the organisation, can help formulate assurance needs and delivery. The ‘three lines of assurance’ conceptual model is recommended;

- First line: management assurance from “front line” or business operational areas;
- Second line: oversight of management activity, including effective management information, separate from those responsible for delivery, but not independent of the organisation’s management chain; and
- Third line: independent and more objective assurance including Internal Audit and from external bodies.

- The overall provision of assurances should be reviewed to test whether: the nature and scope of the assurance providers’ activity meets the Accountable Officer’s and Board’s assurance needs; the credibility and independence of each provider; and whether conclusions of assurance providers are reasonable.
- The committee should proactively in commission assurance work if it identifies any significant risk, governance and control issues which are not being subjected to sufficient review, or weaknesses remedied.
- Deep dives can be used to understand the greatest risks and threats to the organisation, and gain assurance on their management.
- A “prompt” list of questions for Audit and Risk Assurance Committees is provided in the Handbook (Annex F).
- Advice on developing assurance frameworks is available in the Treasury Assurance Framework Guidance document.
- The Committee may draw attention to areas where:
 - o risk is being appropriately managed (no action needed);
 - o risk is inadequately controlled (action needed to improve control);
 - o risk is over controlled (resource being wasted);
 - o there is lack of evidence to support a conclusion (more assurance work may be needed).
- Assurance should be obtained on risks across the organisation, including outsourced and shared services, and risks that cross organisational boundaries (e.g. major projects).

- Internal Audit is carried out primarily for the benefit of the Accountable Officer and Board/Executive of the organisation. Internal Audit should operate in accordance with the Public Sector Internal Audit Standards and should provide an annual opinion on the overall adequacy and effectiveness of the organisation's governance, risk management and control processes.
- the Auditor General is responsible for securing the external audit of most public-sector bodies and reporting on their financial health and performance. Audit work is carried out either by Audit Scotland staff or appointed firms of auditors.
- The role of the Audit and Assurance Committee in relation to Internal Audit should include advising the Accounting Officer and Board on the Internal Audit strategy and plans (including how well they reflect the organisation's risk exposure), the adequacy of Internal Audit resources, results of internal audit work, the annual Internal Audit opinion and annual report; and the performance of Internal Audit (including conformance with the applicable standards)
- Auditor responsibilities are derived from statute, the Code of Audit Practice, International Standards on Auditing (UK and Ireland) and professional requirements.
- Audited annual financial statements including the independent external auditors' reports, and reports by the Auditor General are sent to Scottish ministers to be laid before the Scottish Parliament.
- The Committee should regularly engage with the external auditors and consider the results of external audit work, the proposed actions against audit recommendations, the planned external audit activity and the coordination between internal and external audit.

The priorities for assurance are considered every year as part of the internal audit and deep dive planning. The main area for development by Edinburgh College is a more formal assurance framework based on the "three lines of assurance" model.

4.2 Governance:

- the Committee should understand the governance arrangements that support achievement of the organisation's strategies and objectives, especially: the vision and purpose; organisational accountability, performance and risk management; roles, committee and other structures that discharge responsibilities, decision making and reporting; ethics and values; communication of management information among the board and appropriate areas of the organisation; and relations with relevant governmental bodies.

Edinburgh College already complies with these requirements – these topics are discussed at board meetings.

4.3 Risk management and the control environment:

- The Committee should:
 - understand the organisation strategy, operating environment and the associated risks;
 - understand the role and activities of the Board in relation to managing risk.
 - discuss with the Board its policies, attitude to and appetite for risk to ensure these are appropriately defined and communicated so that management operates within these parameters.
 - understands the framework for risk assessment, management and assurance and the assignment of responsibilities.
 - critically challenge and review the risk management and assurance framework, to provide assurance that the arrangements are working.

- critically challenge and review the adequacy and effectiveness of control processes in responding to risks within the organisation's governance, operations, compliance and information systems.

Edinburgh College already complies with these requirements. Work is taking place to update the Risk Appetite statement and ensure management operates within the parameters set.

4.4 Financial management and reporting:

- The committee should consider significant accounting policies and any significant estimates and judgements, if possible before the start of the financial year.
- It should review the clarity and completeness of disclosures in the year-end financial statements.
- The committee should expect a comprehensive overview of the financial statements by the Chief Operating Officer, including comparisons with the prior year and current year budget, and an explanation for any issues arising.
- In reaching a view on the accounts, the committee should consider:
 - key accounting policies and disclosures;
 - assurances about the financial systems which provide the figures for the accounts;
 - the quality of the control arrangements over the preparation of the accounts;
 - key judgements made in preparing the accounts;
 - any disputes arising between those preparing the accounts and the auditors;
 - reports, advice and findings from external audit (especially the Audit Completion Report).

Edinburgh College already complies with these requirements.

4.5 Terms of reference:

- The Committee's terms of reference should be agreed by the Accountable Officer/Board and made publicly available (including on the organisation's website).
- The terms of reference should be reviewed annually alongside the performance of the committee and should not conflict with the guidance in this handbook. (Model terms of reference are suggested in the handbook as well as a self-assessment checklist).
- The committee should not have any executive responsibilities or be charged with making or endorsing any decisions. Relevant decisions should be made by the Accountable Officer and Board.
- The committee should have appropriate authority to require any member of the organisation to report on the management of risk or on the control environment
- The Committee should provide timely feedback on its work to the Accountable Officer and Board.
- A schedule of the Committee's agreed delegations from the Board, and the mechanisms for feedback and assurance, should be formally documented.
- To fulfil their role, most committees will need to meet at least four times a year.
- The Committee will require access to funding to cover the costs incurred in fulfilling its role (remuneration and working expenses of its members where applicable; training; specialist external advice or opinions when required; and, as agreed with the organisation, external review of the effectiveness of the committee).

Edinburgh College already has a terms of reference – it should be updated to ensure compliance with the update handbook.

5. Communication and Reporting

The committee should ensure that it has effective communication with all key Stakeholders.

- A report should be prepared for the Accounting Officer and Board after each meeting covering: the business of the committee, and advice on any issues which they consider the Accounting Officer and Board should act on. If the minutes of the committee meeting are used as the report, care should be taken in their presentation to highlight the advice being provided.
- These reports should be copied to Internal and External Auditors.
- The committee should have good relationships with those it seeks briefings from, and those it provides assurance to.
- The committee should provide an open and honest Annual Report, timed to support the preparation of the Governance Statement. This report is likely to be used by the Accountable Officer and Board in preparing their own reports as required by the Scottish Government.
- The Annual Report should summarise the committee's work for the year past, and present its opinion about:
 - the effectiveness of governance, risk management and control;
 - the comprehensiveness of assurances in meeting the Accountable Officer's and Board's needs;
 - the reliability and integrity of these assurances;
 - whether the assurance available is sufficient to support the Accountable Officer and Board in their decision making and their accountability obligations;
 - the implications of these assurances for the overall management of risk;
 - any issues the committee considers pertinent to the Governance Statement and any long term issues the committee thinks the Accounting Officer and/or Board should give attention to;
 - financial reporting for the year;
 - the quality of both Internal and External Audit and their approach to their responsibilities;
 - the committee's view of its own effectiveness, including advice on ways in which it considers it needs to be strengthened or developed.
- The Audit and Assurance Committee's report should take into account any other relevant assurance reports.
- There should be mutual rights of access between the Chair of the Audit and Assurance Committee, the Accountable Officer, Internal Audit and the External Auditor. Periodic discussions outside of the formal meeting help to ensure that expectations are managed and that there is mutual understanding of current risks and issues.

Edinburgh College already complies with these requirements. The Annual Report from the A&RA Committee may need further development to ensure all of the above areas are covered.



For the future you want

FOR INFORMATION			
Meeting:	Audit & Risk Assurance Committee 10.10.18		
Presented by	Monica Hoenigmann/ Jonny Pearson		
Author/Contact	Monica Hoenigmann	Department / Unit	Student Experience
Date Created	19/09/2018	Telephone	07500 607698
Appendices Attached	<i>Appendix 1: Draft Edinburgh College Safeguarding Policy</i>		
Disclosable under FOISA	Yes.		

1. PURPOSE

Safeguarding is the responsibility of everyone across the college. It ensures the protection of vulnerable young people and adults from harm and presents a day to day challenge to staff and students.

Attached (Appendix 1) is the updated Edinburgh College Safeguarding Policy.

A temporary coordinator is in place for the coordination of safeguarding and the management of Top Desk until a decision is made on the role in the long term.

2. BACKGROUND

Over the last year there have been over 200 safeguarding issues raised.

Police Scotland have highlighted this as an area of growth. This policy will support staff when dealing with safeguarding and distinguishing them from Causes of Concern.

3. DETAIL

The updated Edinburgh College Safeguarding Policy is attached and will be supported by new awareness training, promotion and Safeguarding Board and campus teams. The newly established Top Desk reporting is working well and ensuring quick responses and accurate recording of incidents. Continued liaison with MAPPA ensures vital guidance and risk assessments are carried out as necessary.

4. BENEFITS AND OPPORTUNITIES

A permanent panel and resource dedicated to safeguarding would provide significant assurance to the college and act as a focus point for all college staff to ensure our most vulnerable students are kept safe.

5. STRATEGIC IMPLICATIONS

Improving the management and governance for safeguarding is an immediate priority and for an educational organisation of this size this approach should represent a minimum requirement.

6. RISK

If robust procedures are not in place or understood there is a real risk of threat and harm to students, staff and to the reputational risk of the college.

7. FINANCIAL IMPLICATIONS

The 0.5 temporary Safeguarding Coordinating role is being met through Student Experience.

Consideration needs to be given of resourcing a permanent full time post and remission time for staff undertaking safeguarding duties for their faculties.

8. LEGAL IMPLICATIONS

Edinburgh College must comply with national safeguarding legislation.

9. WORKFORCE IMPLICATIONS

The protection of staff and students is a key aim of these Safeguarding recommendations.

10. REPUTATIONAL IMPLICATIONS

Real reputational risk if procedures are not in place or followed resulting in harm.

11. EQUALITIES IMPLICATIONS

Need to ensure vulnerable students have the same chances and opportunities as all other students in line with the Equality Act 2010.

CONCLUSIONS/RECOMMENDATIONS

The Audit & Risk Assurance Committee are asked to NOTE the following:

- A new Safeguarding Policy is in place and has been approved by the SMG;
- Prevent and Safeguarding in Edinburgh College are coordinated and share a board of internal and external partners;
- A Safeguarding Board is established to ensure compliance and oversee decisions affecting Safeguarding and other threats;
- Campus Safeguarding Teams are re-established with staff from the curriculum and support areas;
- Mandatory Safeguarding training is included in the college OD calendar;
- Improve the awareness of safeguarding by improving the marketing and production of leaflets;
- Establishment of an on-call system would ensure an out of hours response is available.

Policy Number	
Level	
Issue	
Issue date	
EIA	
Review Date	
Author	
Exec approval	

Safeguarding Policy

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1. INTRODUCTION

Edinburgh College is committed to providing all young people under the age of 18 and vulnerable adults who may be at risk, with a safe supportive learning environment which encourages them to fulfil their potential and where they are protected from harm, abuse and exploitation.

Edinburgh College is equally committed to providing staff with an environment in which they can work together to:

- Encourage and develop an ethos which embraces difference and diversity.
- Ensure respect for the rights of children, young people and adults.

2. SCOPE

Edinburgh College have a statutory duty Under the Protection of Vulnerable Groups (Scotland) Act 2007 for the safeguarding and protection of children and adults at risk. This policy is designed to enable Edinburgh College staff to carry out their statutory duties with working with vulnerable groups, children and young people. The Colleges' policy is underpinned by the following –

- Children as defined by current legislation, are those under 18 years of age.
- Adults at risk, defined by current legislation as those over 16 years of age who are unable to safeguard their own wellbeing, property, rights or other interests; are at risk of harm either from another person's behaviour or their own behaviour; and because they have a disability, mental disorder, illness or physical or mental infirmity, are more vulnerable to being harmed than other adults.

The presence of a particular condition or disability does not automatically mean that an adult is an adult at risk. A person can have a disability but be perfectly able to look after their own well-being. Their circumstances as a whole should be considered and all three elements of the definition must be met in order for them to be classed as an adult at risk.

- Adults, as defined within this policy, means staff members, volunteers, partner representatives and designated persons.
- All children, young people and vulnerable adults have the right to be protected from abuse.

- All children, young people and vulnerable adults should feel safe and secure while using the College or in the care of its staff.
- Staff working with children, young people and vulnerable adults will have an understanding of the issues surrounding child protection, their duty under Prevent and be aware of good practice in relation to working with children, young people and vulnerable adults.

3. KEY PRINCIPLES

Edinburgh College will promote the safeguarding of children, young people and vulnerable adults to ensure that they are safe and secure and from abuse, exploitation and harm. They will achieve this by –

- Ensuring that all college staff have a clear understanding of their legal and moral obligations to safeguard and protect children, young people and vulnerable adults at risk from harm, abuse and exploitation.
- Respond and act on all safeguarding/causes for concerns reported.
- Take reasonable steps to prevent foreseeable harm to children, students and vulnerable adults at risk.
- Ensure robust staff recruitment practices, effective staff development and clear reporting lines for concerns raised are in place.
- Work effectively with key partners and other agencies.
- Be pro-active in promoting good lines of communication and ensuring that all students, parents, carers and partner agencies are familiar with the Edinburgh College safeguarding and protection procedures.

4. LINES OF RESPONSIBILITY

- Student Experience has overall responsibility for this policy.
- All Managers have the responsibility to ensure that this policy is understood and followed by all of their staff.
- It is the responsibility of all College staff to contribute to the prevention of bullying and harassment, through an active awareness of the issues involved and by ensuring that standards of conduct of themselves and colleagues and the content of learning and teaching materials do not cause offence.
- Quality approval check of this policy is the responsibility of the Quality and Equalities Manager who will arrange for the policy to be posted on the intranet.

5. TYPES OF ABUSE

The College recognises that there are main types of abuse of children, young persons and vulnerable adults. These include:

Physical abuse – actual or attempted physical injury to a child, young people, vulnerable adult such as hitting, shaking, throwing, poisoning, burning, scalding, drowning, suffocating, or otherwise causing physical harm to a child, young person or vulnerable adult.

Sexual abuse – forcing or enticing a child, young person or vulnerable adult to participate in sexual activities (including that related to pornography), whether or not the child, young person or vulnerable adult is aware of what is happening.

Emotional abuse – the persistent emotional ill treatment and failure to provide for the child, young people or vulnerable adults basic needs such as to have a severe and persistent adverse effects on the child, young person or vulnerable adult's emotional development and behaviour.

Neglect – the persistent failure to meet a child, young person or vulnerable adult's basic physical and/or psychological needs, likely to result in the serious impairment of the child, young person or vulnerable adult's health and/or development. Ignoring medical or physical needs, not providing access to appropriate care, the withholding of the necessities of life, such as medication, adequate food, water and heating. Ignoring educational needs of a child or young person. Every child, young person or

vulnerable adult's has the right to an education which develops their personality, talents and abilities to the full.

Financial abuse – involves theft, borrowing money without repayment and any pressure in connection with wills or property, possessions or benefits.

Bullying – this is abuse and is a deliberate act or acts designed to intimidate and aggravate a child, young person or vulnerable adult or to undermine self-confidence and self-esteem.

6. EXAMPLES OF ABUSE

Physical abuse

- Physical punishment
- Poisoning
- Shaking
- Confinement to a room/cot
- Physical abuse

Sexual abuse

- Touching or molesting a child, young person or vulnerable adult for the purpose of sexual arousal or gratification.
- Sexual intercourse/exploitation of a child, young person or vulnerable adult
- Sexual exploitation of a child, young person or vulnerable adult.
- Activities which involve the child, young person or vulnerable adult in looking at pornographic material or activities or encouragement to behave in sexually inappropriate ways.

Emotional abuse

- Failing to meet a child's needs for nurture and stimulation, perhaps by ignoring, humiliating, intimidating or isolating them.
- Name calling and criticism of a child, young person or vulnerable adult.
- Threatens a child, young person or vulnerable adult.
- Tries to control or put pressure on a child, young person or vulnerable adult.

Neglect

- Failing to provide basic needs such as food, clothing or shelter.
- Refusal or lack of medical care.
- Failing to ensure a child receives an education.
- Failing to keep a child, young person or vulnerable adult safe.

Financial abuse

- Abusing the control of a child, young person or vulnerable adults finances
- Stealing, taking or demanding money from child, young person or vulnerable adult.
- Not allowing a child, young person or vulnerable adult to spend their money appropriately.

Bullying

- Physical assault
- Making threats
- Name calling
- Online bullying

**Illustrated examples are not exhaustive*

7. OTHER CONSIDERATIONS FOR COLLEGE STAFF

Grooming/Radicalisation/Exploitation – directly or by electronic means

Staff should report any situation where they are concerned about -

- A child, young person or vulnerable adult being forced into a marriage or removed from the United Kingdom for this purpose.
- A child, young person or vulnerable being drawn into terrorism, extremism or radicalised.
- A child, young person or vulnerable being drawn into drug use
- A child, young person or vulnerable being prepared for, or drawn into (groomed) an abusive relationship.
- A child, young person or vulnerable adult being exploited or trafficked.

8. PROCEDURE FOR RECORDING

- Staff to make careful, clear details notes.
- Staff should record notes on Promonitor under safeguarding.

9. PROCEDURE FOR REPORTING

- Staff to report any concerns or disclosure's through Topdesk and the safeguarding icon - <http://topdesk.int.edinburghcollege.ac.uk/tas/public>

- This will go to the safeguarding team who will then respond and take the appropriate action.

10. SPECIFIC POLICIES/RELATED DOCUMENTS

- Positive Behaviour and Anti -Bullying & Harassment
- Safeguarding Procedures
- Retention/Attendance Policy

11. DIRECTLY RELATED LEGISLATION

- National Guidance for Child Protection in Scotland, 2014
- Human Trafficking and Exploitation (Scotland) Act, 2015
- Getting It Right For Every Child (GIRFEC), Updated 2017
- It's everyone's job to make sure I'm alright, 2002
- Protecting Children and Young People: Framework for Standards, 2004
- Child protection briefing - Limitation (Childhood Abuse) (Scotland) Bill, 2017
- General Data Protection Regulation, 2018
- Equality ACT, 2010

Appendix 1

Edinburgh College

Safeguarding - Children, Young People and Vulnerable Adults

Guidance for all Staff

PROCEDURE FOR DISCLOSURE AND REPORTING

Staff should -

- Listen carefully to the child, young person or vulnerable adult
- Take the concern seriously
- Reassure the child, young person or vulnerable adult
- Make careful notes and record on Promonitor
- Explain to the child, young person or vulnerable adult what you will do next
- Report straightaway and seek advice if necessary
- Seek support if required

Staff should not -

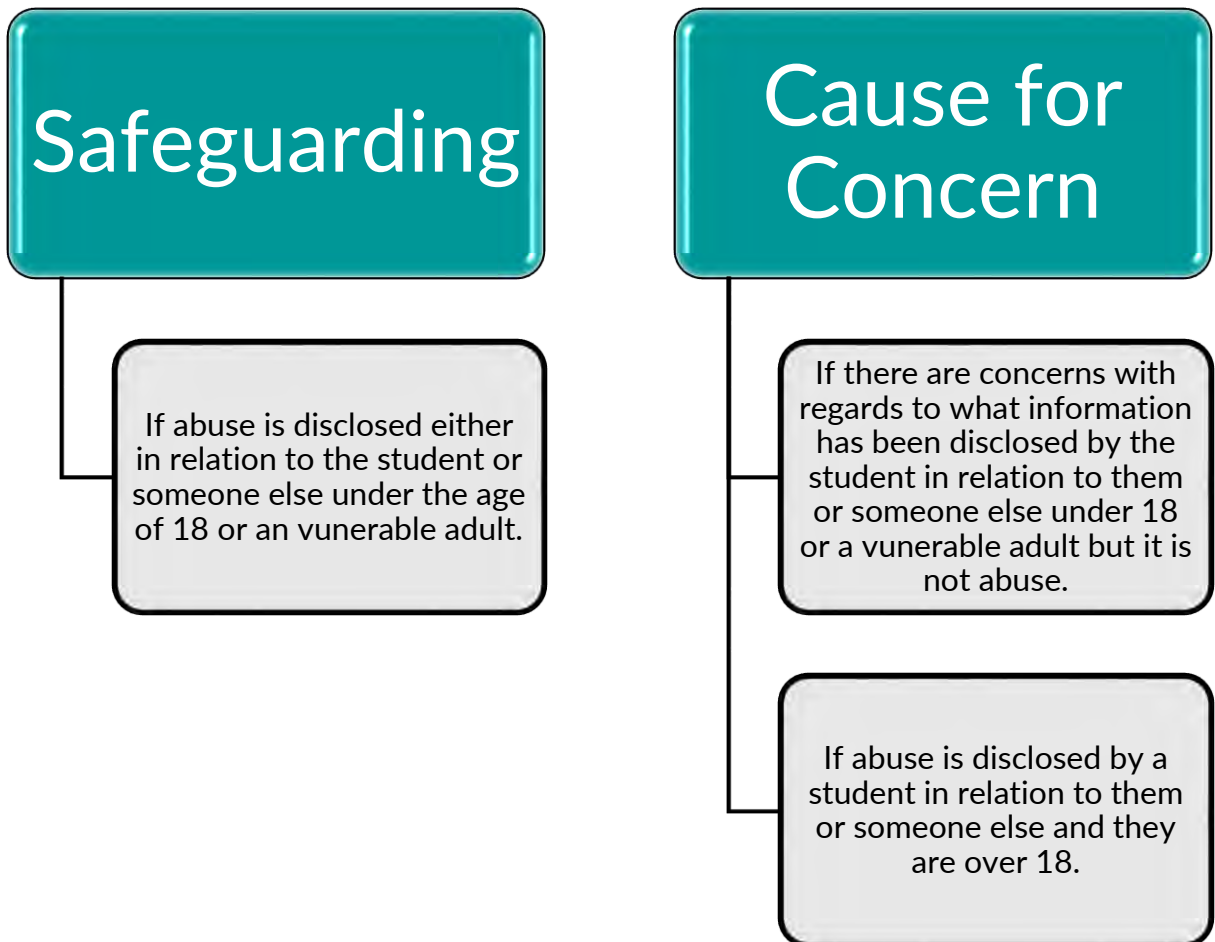
- Express their views or opinions on the matter
- Force a disclosure from the child, young person or vulnerable adult
- Promise confidentiality
- Talk/ or approach the alleged abuser or investigate the matter
- Delay in reporting
- Investigate the allegations themselves

In all cases staff should -

- Fill out either the safeguarding or cause for concern form as soon as possible on Topdesk

Appendix 2

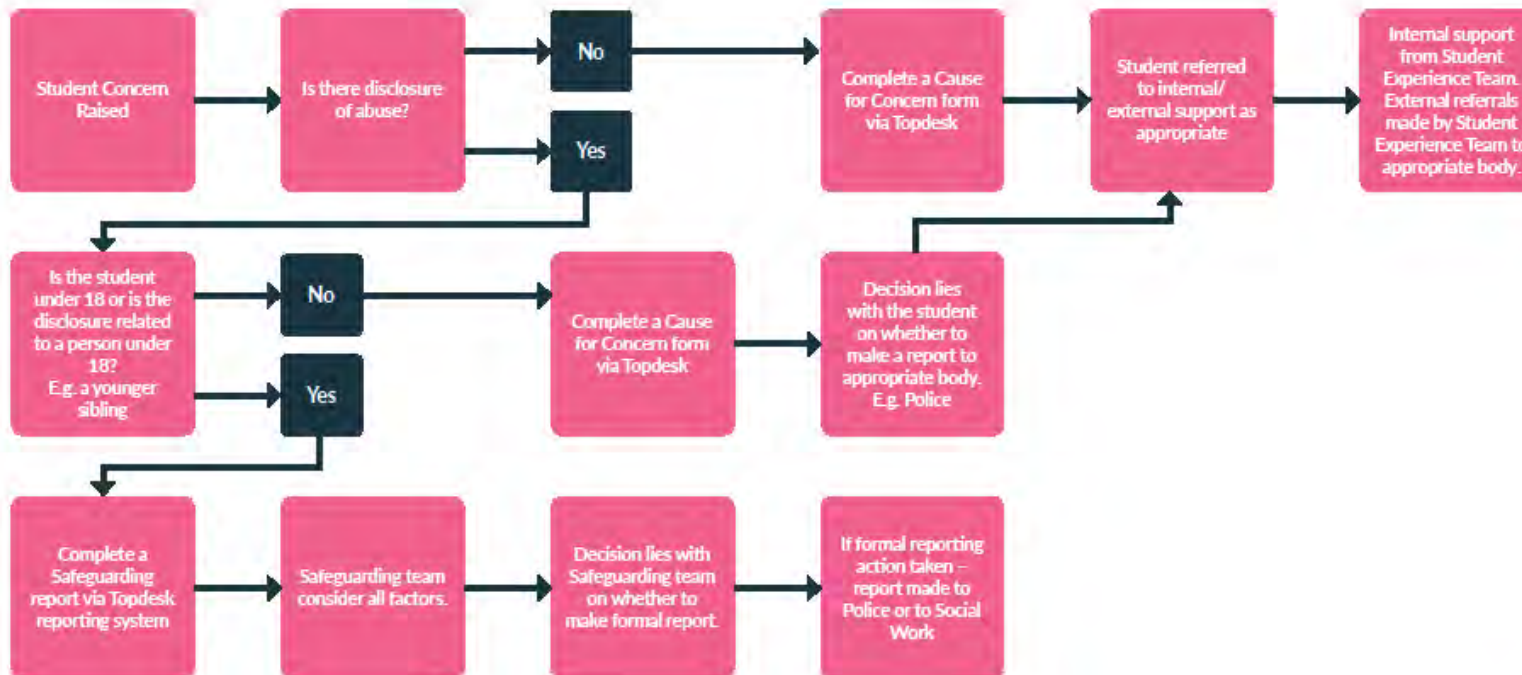
WHAT IS SAFEGUARDING AND WHAT IS A CAUSE FOR CONCERN?



SAFEGUARDING PROCESS



For the future you want



Staff making Safeguarding reports should be aware that any action taken may not be apparent to frontline staff due to the confidential nature of disclosures.

Please be aware of data protection and confidentiality. Do not discuss confidential information verbally or in writing (email/skype) in any way that could identify the student concerned.



For the future you want

FOR INFORMATION			
Meeting	Audit & Risk Assurance Committee 10.10.18		
Presented by	Kerry Heathcote		
Author/Contact	Claire Fulton	Department / Unit	Policy, Planning & Performance / Complaints
Date Created	18.09.18	Telephone	
Appendices Attached	<i>Appendix 1:</i> Charts illustrating the percentages/categories of complaints received in 2017/2018 in comparison to 2016/2017		
Disclosable under FOISA	Yes.		

COMPLAINTS ACTIVITY 2017/18 SUMMARY

1. PURPOSE

The paper provides a summary of complaints received by Edinburgh College from 01 August 2017 to 31 July 2018.

For reference, the report also provides information on the Scottish Public Services Ombudsman (SPSO) complaint handling procedure for Further Education colleges.

This is a summary of complaints received by the college in Academic Year 2017/18, and offers comparison to the Academic Year 2016/17.

2. BACKGROUND

The Scottish Parliament decided to legislate on how the public sector administer their complaints and the Public Service Reform (Scotland) Act 2010 was put in place. In light of this, the SPSO developed a model Complaints Handling Procedure for the public sector. The procedure focuses on quicker, simpler and more streamlined complaints handling with local, early resolution by empowered staff. Edinburgh College fully implemented this procedure on 01 August 2013. The procedure has two stages and it is required that the complaints of both stages are formally recorded, investigated and reported on. The SPSO advise that:

- Stage 1 complaints are to be responded to within 5 working days;
- Stage 2 complaints are to be acknowledged within 3 working days, investigated by a senior member of staff and responded to within 20 working days.

3. DETAIL

3.1 Key Facts

- There was a **20% reduction** of complaints from 2016/17 - 311 complaints, 2017/18 - 246 complaints.

- The college managed to **reduce the number of upheld complaints by 50%** in comparison to that upheld in 2016/17. Breaking this down there was a **43% reduction** in Stage 1 complaints that have been upheld and **77% reduction** in Stage 2 complaints that have been upheld.
- There was a **45% decrease** in complaints being escalated from Stage 1 to Stage 2 from 2016/17 to 2017/18.
- The college **has improved the 2017/18 response rates for responding to Stage 1 complaints within the 5 working day timescale, by 26%**
- The response rate for **responding to Stage 2 complaints in 2017/2018 within the relevant timescales has decreased since 2016/17 by 66%**

3.2 Number of Complaints 2017/18

In total, 246 complaints were received by the college. The majority of complaints received were regarding issues at the Sighthill Campus, as illustrated in the table below:

Campus	Complaints Raised	Complaints Upheld	Stage 1 Complaints Raised	Stage 1 Complaints Upheld	Stage 2 Complaints Raised	Stage 2 Complaints Upheld
College	15	4	13	3	2	1
Granton	54	11	42	10	12	1
Midlothian	9	4	8	4	1	0
Milton Road	54	10	46	10	8	0
Sighthill	102	33	81	29	21	4
Open Learning	9	5	9	5	0	0
Other	3	1	2	1	1	0

Please note, there were no investigations from the SPSO in 2017/18.

3.3 Complaint Categories

Course Related (35%): This category included complaints regarding staff conduct, lack of tutors, delivery of the course, classrooms too small/groups too big and cancellation of courses. With the majority of complaints relating to learning and teaching (50%) Following that, there were a large amount of complaints relating to course management. It is evident that course related matters are still the most common cause for complaint, with 50% of complaints relating to this category last session 2016/17. Upheld complaints were mostly resolved with an apology or refund.

Customer Care (16%): Complaints in this category included, possible breach of data protection, student conduct & staff conduct. Staff Conduct again made up a large amount of the complaints received (65%), a 5% decrease from 2016/17. Complaints were generally resolved with apologies and customer service training for staff

Services (24%): Complaints in this category were mainly in relation to funding/bursary issues (55%). Other complaints in this category related to finance, student records, learning support and catering. There was a vast increase in the number of funding issue complaints from 2016/17 (4.5%) to 2017/18 (13%) well over a 50% rise. The majority of the upheld complaints were resolved with apologies.

Applications to Progression (17%): The majority (68%) of complaints in this category related to issues with applications, admissions, interviews, enrolments and inductions. There is a **decrease of 20% from 2016/17**. Other complaints included progression and marketing. Nearly all upheld complaints were resolved with an apology and follow up action.

Facilities (8%): Maintenance, Lifts, car parking were the majority of complaints (81%) **with a 70% increase from 2016/17**. The other 11% were related to catering. Upheld complaints were resolved by cancelling a car park ticket and repairing a speed bump.

In addition to this, it was also acknowledged that the amount of complaints logged at stage 2 in 2017/18 has **reduced by 55%** and the number of complaints escalated from Stage 1 to Stage 2 has **reduced by 45%** in 2017/18.

Please see *Appendix B* for a pie chart of the percentages and the categories of complaints received 2016/17 and 2017/18

3.4 Development

The College has developed a new Complaints process which should see the number of complaints reduced again in 2018/19 as we are aiming to resolve matters at the frontline by adding in a cause for concern stage. Staff will be made aware of the new processes and we are looking to offer training for investigating officers on how to compile a suitable investigation and response. New investigation templates are also going to be issued to all investigating officers to ensure that responses to investigations are completed to a higher standard, eliminating the need to chase for essential information which is required to send a suitable reply to the complainant.

It is recommended that Heads of Faculty use their 2017/18 report to inform their operational planning for 2018/19 and ensure that actions are addressed by curriculum teams through self-evaluation. Further analysis will be supported by our Complaints Handler, Claire Fulton.

4. BENEFITS AND OPPORTUNITIES

Establishing trends in complaints is essential for Edinburgh College to learn about systems/policies that are not working well and to utilise the feedback provided in a positive way to make necessary improvements. It is important that we analyse the complaint report information, along with SPSO recommendations, to ensure real organisational learning/change and in order to prevent repeat failings.

Incorporating complaint analysis findings into our daily activities ensures that the service we provide is high quality, efficient and responsive to our student's/customer's needs.

5. STRATEGIC IMPLICATIONS

The Senior Management Group has responsibility to ensure it monitors the frequency and outcomes of complaints and to ensure the College has taken appropriate corrective actions as part of any complaint resolution.

6. RISK

Failure to deal with complaints in an appropriate and timely manner may carry reputational and legal implications.

7. FINANCIAL IMPLICATIONS

Not applicable.

8. LEGAL IMPLICATIONS

The college must adhere to Scottish Government legislation relating to how public sector bodies administer their complaints and the Public Service Reform (Scotland) Act 2010.

9. WORKFORCE IMPLICATIONS

Complaints resolutions can lead to HR policy invocation around performance management and/or staff CPD.

10. REPUTATIONAL IMPLICATIONS

See Risk above.

11. EQUALITIES IMPLICATIONS

Not applicable.

CONCLUSIONS/RECOMMENDATIONS

The Committee are asked to NOTE the information provided on complaint activity.

CHART 1: Complaints Received by Category 2016/2017 & 2017/2018

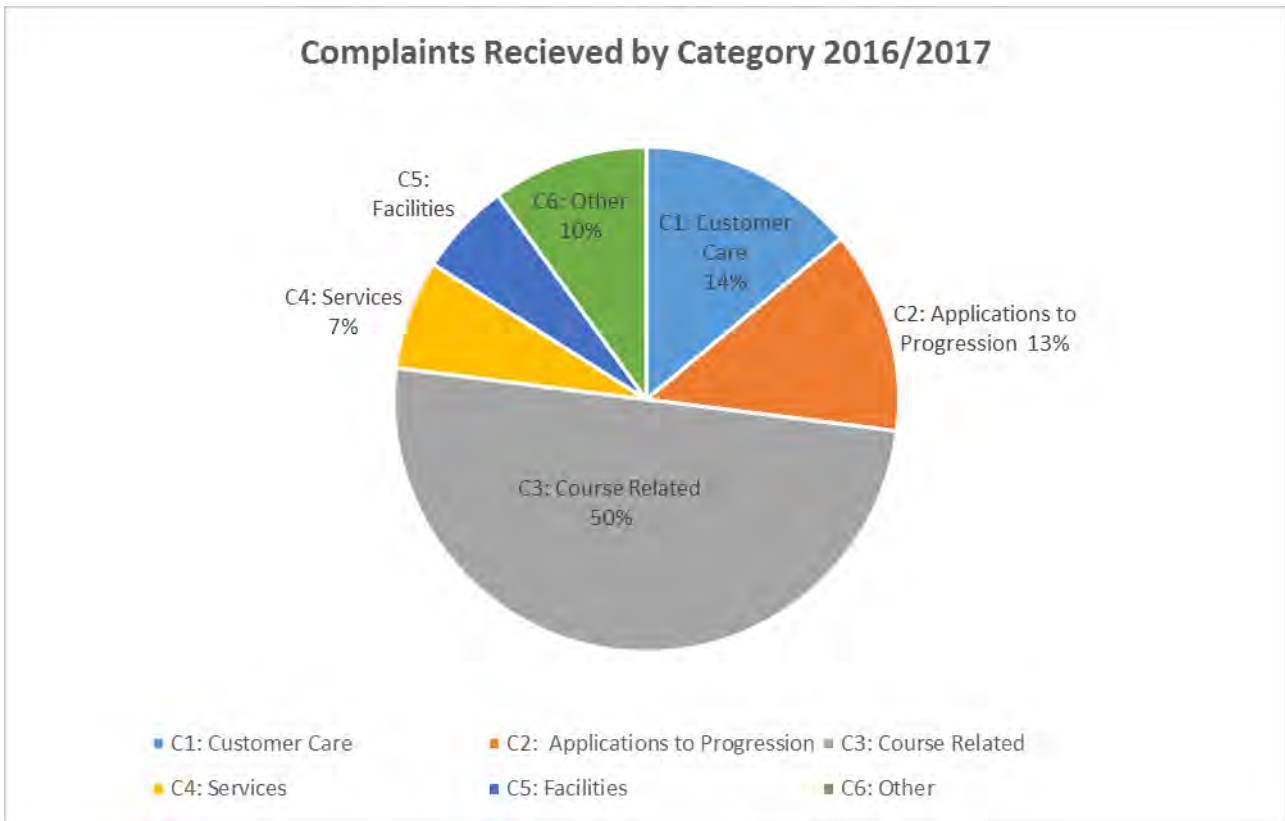


CHART 2: Complaints Received by Category 2017/2018

