

AUDIT & RISK ASSURANCE COMMITTEE

AGENDA

A meeting of the Audit & Risk Assurance Committee will be held at 15:00 hours on Wednesday 07 October 2020 via Microsoft Teams.

		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 REPORT		
4.1	Matters Arising Update	Chair	B
4.2	Covid-19: Audit Scotland Guide for Audit & Risk Assurance Committees	Chair	C
4.3	Business Committees of the Board Update		
	<ul style="list-style-type: none"> • Policy & Resources Committee • Corporate Development Committee • Academic Council 	Chair L Drummond J Sischy	Verbal Verbal Verbal
5	TERMS OF REFERENCE	Chair	D
6	INTERNAL AUDIT		
6.1	Summary of Audit Recommendations	A Williamson	E
6.2	Internal Audit Report: Student Representation	BDO	F
6.3	Internal Audit Report: Follow-up 2019/20	BDO	G
6.4	Internal Audit Plan Annual Report 2019/20	BDO	H
<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	RISK ASSURANCE		
7.1	Three Lines of Defence Annual Review	N Croft	I Attached
7.2	Risk Management Report	N Croft	J
7.3	Deep Dive: College Response to Covid-19 Impacts on Workforce and Employee Relations	S Clyne	K
<i>Item 7.2 & 7.3 are presently exempt from publication under the Freedom of Information (Scotland) Act 2002, Section 30, Prejudice to the Effective Conduct of Public Affairs</i>			

8	EXTERNAL AUDIT		
8.1	Compliance with the Code of Good Governance	N Croft	L Attached
8.2	Internal Control Assurance Statements	A Cumberford	M
8.3	Draft (Unaudited) Annual Report and Financial Statements	L Towns	N

Item 8.2 and 8.3 are presently exempt from publication under the Freedom of Information (Scotland) Act 2002, Section 27, Information Intended for Future Publication.

9 ANY OTHER COMPETENT BUSINESS

10 FOR INFORMATION

10.1	Review of Committee Operation 2019/20		O Attached
10.2	BDO: Rethinking the Audit Committee; 9 Areas for Consideration		P
10.3	Annual Report on Data Breach Incidents and Cyber Attacks		Q
10.4	Annual Complaints Activity Report		R Attached
10.5	Horizon Scanning Report		S Attached
10.6	Audit & Risk Assurance Committee Business Planner 2020/21		T Attached

11 DATE OF NEXT MEETING: 18 November 2020

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.



FOR DISCUSSION / DECISION			
Meeting	Audit and Risk Assurance Committee 07.10.20		
Presented by	Nick Croft		
Author/Contact	Nick Croft	Department / Unit	Corporate Development
Date Created	14.09.20	Telephone	-
Appendices Attached	<i>Appendix 1: Edinburgh College Three Lines of Defence Framework – Annual Review Update</i>		
Disclosable under FOISA	Yes		

‘THREE LINES OF DEFENCE’ FRAMEWORK–ANNUAL REVIEW UPDATE

1. PURPOSE

This report provides an annual review update on control, assurance and risk management arrangements, which are part of the Edinburgh College ‘Three Lines of Defence’ Framework.

2. MAIN REPORT

The ‘three lines of defence’ model (<https://www.iaa.org.uk/resources/audit-committees/governance-of-risk-three-lines-of-defence/>) is designed to improve an organisation’s approach to internal control, assurance and risk management. The model can be summarised as follows:

1. First line of defence – functions that own and manage key operational business areas and risks.
2. Second line of defence – functions that oversee or specialise in monitoring key business areas, risk management, quality control, and compliance.
3. Third line of defence – functions that provide internal and external audit and / or independent assurance of key business areas and risks.

At the Committee’s meeting on 29 May 2019, an ‘Edinburgh College Three Lines of Defence Framework’ was approved. A copy of the approved framework is attached at Appendix 1. It identifies 22 areas of key college business aligned to seven core themes.

The Committee also agreed to undertake an annual review of the control, assurance and risk management arrangements which were identified in the Framework, and report back to committee on any gaps that were identified, and any consequent remedial action.

The annual review has now been completed of all 22 business areas in the Framework, and an indication provided at Appendix 1 (final column) of any identified gaps, and any consequent remedial action, to address such gaps.

In summary, the majority of arrangements identified in the Framework continue to operate effectively, specifically at the first and second lines of defence, where the College has strengthened arrangements in some areas e.g. digital and IT. The only gaps identified as a result of the annual review are at the third line (functions that provide an internal or external audit and / or independent assurance). Further internal audit action is therefore proposed to address these identified gaps, and is indicated below:

1. Internal audit of curriculum planning proposed for 2020/21.
2. Internal audit of student safeguarding proposed for 2021/22.
3. Internal audit for organisational development and staff wellbeing for 2020/21.

3. BENEFITS AND OPPORTUNITIES

The 'Three Lines of Defence Framework' will enhance the College approach to internal monitoring, assurance, and risk management.

4. STRATEGIC IMPLICATIONS

The 'Three Lines of Defence Framework' will enhance College ability to deliver the Strategic Plan 2017/22, and other key strategies related to core business areas.

5. RISK

The 'Three Lines of Defence Framework' is well aligned to the College top level risk register, and operational risk registers.

6. FINANCIAL IMPLICATIONS

Financial management within the College will be improved with the adoption of the 'Three Lines of Defence Framework'.

7. LEGAL IMPLICATIONS

Legal compliance across the College will be improved as a result of the adoption of the 'Three Lines of Defence Framework'.

8. WORKFORCE IMPLICATIONS

Workforce management will be improved as a result of the adoption of the 'Three Lines of Defence Framework'.

9. REPUTATIONAL IMPLICATIONS

Reputational risks will be reduced as a result of the adoption of the 'Three Lines of Defence Framework'.

10. EQUALITIES IMPLICATIONS

Delivery of equalities related objectives will be improved as a result of the adoption of the 'Three Lines of Defence Framework'.

RECOMMENDATIONS

It is recommended that the Committee NOTE and APPROVE the updated position with regard to control, assurance and risk management arrangements, which are part of the Edinburgh College 'Three Lines of Defence Framework', and, AGREE to the proposed additional internal audit activity to strengthen third line arrangements.

Edinburgh College - Three Lines of Defence Framework – Annual Review Update – October 2020

Key Areas Where Assurances Required	1 st line Defence		2 nd line Defence		3 rd line Defence		Gaps in Assurance + Remedial Action
	Key Controls	Sources of Assurance	Internal Compliance and Quality Checks	Sources of Assurance	Internal Audit and other Independent Assurance	Sources of Assurance	
FACILITIES AND CURRICULUM PLANNING & PERFORMANCE							
1. Student Recruitment and Retention, Attainment, Achievement and Destination	Admissions Group (chaired by Head of Student Experience) and Retention (Ronseal) Group (chaired by Head of Curriculum Planning and Performance) monitor recruitment and retention + ROA targets. MIS produce live reports for review on applications, offers, registrations and withdrawals. Quality Team check on academic resulting. SMT discussions on attainment, achievement and positive destinations.	Minuted meetings and progress updates on agreed actions from each meeting. Regular MIS and chair of group reporting to VP Education and Skills and VP Curriculum Design and Development. Quality Team agreed academic results. SMT agreed reports and minutes.	Regular quality reporting to Executive Team and Senior Management Team. Regular reporting to Policy and Resources Committee. Deep Dives led by Audit and Risk Assurance Committee. ROA reporting to the Board of Management ROA + curriculum results reportage to Academic Council. Student destination survey reports to Academic Council.	Agreed minutes and progress with actions of Executive Team and Senior Management Team. Agreed Board and committee reports and minutes.	ROA reporting to the SFC. Internal FES audit and FES return to SFC.	SFC agreement of the ROA report. Agreed internal audit report and management actions. Agreed FES return by SFC.	No gaps identified.
2. ROA and Credit Delivery	Heads of Faculty management team meetings reviewing ROA and credit target delivery. Heads of Faculty one to one meetings with CMs reviewing ROA credit delivery. Faculty Operational Plans include ROA and credit targets.	MIS credit checker on Intranet Reports Pathway. Regular Performance Reviews of Faculty Operational Plans.	MIS quality checks on credit delivery. VP Education and Skills meetings with all Heads of Faculty to review ROA + credit delivery. Faculty Operational Plan performance meetings. VP Education and Skills reports to Policy and Resources Committee on credit delivery.	Annual plan performance measures MIS reports on credit delivery to VP Education and Skills. Agreed performance reviews minutes and progress against actions. Reports to Policy and Resources Committee.	Annual internal FES audit (also reported to Audit and Risk Assurance Committee) and FES submission to SFC.	Year-end internal audit report and FES report sign off by the SFC.	No gaps identified.
3. Curriculum Relevance and Coherence (including industry and employer engagement)	New courses submitted through Course Manager overseen by CMs. Existing course delivery quality and efficiency checked by CMs and Quality Team. Heads of Faculty weekly meetings with CM to oversee curriculum design and delivery. Operational Plans capture new course proposals. ROA annual - curriculum target setting process. Industry Engagement Group meetings. Commercial Team meetings designing the commercial curriculum offer.	Course Manager information signed off by Quality Team Manager and Head of Faculty. Quality and efficiency reporting from CMs to Heads of Faculty and Head of Curriculum Planning and Performance. Agreed weekly CM meeting notes. Agreed annual Operational Plans. Agreed ROA – annual. Agreed reports and minutes from the industry engagement group. Commercial Team and Faculty Team meeting agreed minutes and actions.	Internal and external verification of courses in line with SQA and other awarding body guidelines. CMs regular discussions with CLs and CLs regular discussions with lecturing staff on curriculum delivery. Executive Team Performance Review process looking at ROA target delivery. Curriculum Strategy reviewed by Academic Council, P&R Committee, & Board. Academic Council monitoring of EREP action plan. Academic Council review of SDS Regional Skills Assessment (2017/18). External Engagement Committee meetings covering industry engagement. SMT discussion on industry and employer engagement.	Internal Verification and External Verification processes signed off by Head of Curriculum Performance and Planning. ROA signed off by the Board. External Engagement Committee meetings agreed reports and minutes. SMT agreed reports and minutes.	Education Scotland Inspection visits. Evaluative Report and Enhancement Plan submission to Education Scotland. SFC ROA review process - annual. Internal audit of partnership working including industry and employer engagement.	Agreed Education Scotland Inspection Reports. Agreed EREP and management actions by Education Scotland. SFC approved ROA - annual. Agreed internal audit reports and management actions.	Gap Identified in 3 rd line of defence – internal audit now scheduled on curriculum planning in 2020/21.
4. Learning Teaching and Assessment	Quality Team meetings. Curriculum Planning and Performance Team meetings. Learning, teaching and assessment seminars with lecturing staff.	Team meeting and Connect group agreed minutes and actions. Learning, Teaching and Assessment Strategy. PDA and TFQE awards to lecturing staff.	Academic Council discussions and papers on learning, teaching and assessment. ECSA surveys, covering issues of the quality of learning, teaching and assessment	Academic Council agreed reports and minutes.	Education Scotland Inspections. EREP process signed off by Education Scotland. SQA external verification processes.	Agreed Education Scotland Inspection reports. Agreed EREP. Agreed SQA external verifications.	No gaps identified.

	Edinburgh College PDA programme for lecturing staff. Professional Standards and TFQE programme. Connect Groups related to learning, teaching and assessment. Edinburgh College IV and EV processes.	Head of Curriculum Planning and Performance agreement of college IV and EV findings and recommendations / actions.					
STUDENT EXPERIENCE							
5. Student Safeguarding	Top desk safeguarding reports from staff monitored and reviewed and actioned by Safeguarding Officer. Safeguarding mandatory training module. Student Experience Team management meetings.	Weekly reporting from Safeguarding Officer into Head of Student Experience. Compliance data on mandatory training modules. Agreed Student Experience Team reports and minutes on safeguarding.	Safeguarding panels on each campus reviewing top desk reports and action responses. College Safeguarding Board reviewing the work of safeguarding Panels. SMT discussions and reports on safeguarding.	Agreed notes of Panel meetings and agreed minute of Safeguarding Board. Agreed SMT reports and minutes.	British Council Inspection of safeguarding arrangements.	Positive Inspection Reports.	Gap identified in 3 rd line of defence – suggested internal audit for 2021/22.
6. Student Experience	ECSA operational plan which prioritises key student initiatives to improve the student experience - annual. Student surveys and polls undertaken. Student Experience Management Team meetings.	ECSA feedback and input at key management meetings. Agreed student survey findings. Agreed management team meeting minutes and actions.	ECSA President provides reports to Academic Council and the Board. ECSA and College student survey findings reported to Academic Council. Regular report to Academic Council from the Head of Student Experience about SE matters.	ECSA reports reviewed by Academic Council and Board. Agreed Academic Council minutes and papers.	Education Scotland visit. Internal audit on student representation / participation.	Agreed Education Scotland Evaluative Report and Enhancement plan, and agreed management actions. Agreed internal audit report and management actions.	No gaps identified.
COMMERCIAL AND INTERNATIONAL							
7. Commercial Income and International Contract Management	Commercial income targets set annually as part of budget setting process. Commercial income targets monitored and reported monthly by Head of Commercial and VP Corporate Development. Finance check monthly reports. College finance and procurement policies and procedures for contracting International suppliers. Contracts with direct agents who represent the College and international group contracts include a bribery and corruption clause. Procurement Team oversee compliance with policies and procedures.	Agreed commercial income figures by finance, VP Corporate development and Head of Commercial. Contracts and Financial position monitored through the year. Signed documentation and approval processes for international contracts.	Quarterly reporting of commercial income and forecast figures to Senior Management Team, Executive Team and External Engagement Committee. External Engagement Committee oversight of international contracts.	Agreed commercial income report to committee and agreed committee minute. Agreed External Engagement Committee reports and minutes.	Internal audit report on commercial activity. Scottish Government Procurement Capability Assessment self-evaluation process. Internal audit on commercial activity and procurement / contract management.	Agreed internal audit report and management actions. Agreed Scottish Government PCA score and report. Agreed internal audit reports and management actions.	No gaps identified.
FINANCE							
8. Financial Controls (including income and asset recognition + expense and liability recording)	Annual budget setting with each Head, included in operational plans. Monthly management account meetings with each Head. Monthly meetings between COO and Head of Finance. Annual assurance statements including financial control, references. Maintaining up to date financial regulations as well as policies and procedures.	Agreed and signed annual budget, and agreed operational plans signed by Executive Team lead. Signed account of monthly meeting + actions taken as a result monthly meetings. Agreed email actions between COO and Head of Finance. COO agreed assurance statements. Agreed financial policies and procedures.	Senior Management and Executive Team reviews of financial controls, management accounts and performance. Quarterly reports to Policy and Resources Committee and the Board. Budget and 3-year forecast process and papers to committees and board. Statement of Internal Control (SIC) process. Budget and 3-year forecast considered by P&R Committee & Board. Finance Report (including management accounts) reviewed by P&R Committee & Board. Regional Procurement Strategy approved by P&R Committee (2018/19)	Committee, Board, SMT and Executive Team agreed minutes + actions taken as a result. Approved budget and 3-year forecast by P&R Committee & Board Statement of Internal Control (SIC) process - signed off by Principal / Chief Executive (annual).	Internal Audit and External Audit of finance including payroll & expenses + EMA, bursaries and student support funds (annual) + purchasing and creditors + procurement) Scottish Government CPA self-evaluation process.	Audit Scotland signed Annual Accounts. Agreed internal audit reports for external audit assurance, and agreed management actions. External Audit S22 Reports by Audit Scotland for Public Audit & Post Legislative Scrutiny Committee. Agreed Scottish Government CPA score and report.	No gaps identified.

			Delegation of authority schedule Capital investment control guidelines				
9. Financial Performance & Financial Sustainability (including cash management)	Draft Annual Accounts prepared by Head of Finance and checked by the Chief Operating Officer. Annual Accounts scrutinised by the Executive Team. Regular Cash flow forecast prepared and reviewed. SFC Cash flows prepared, reviewed and sent monthly. Financial controls relating to cash.	Draft Annual Account approved by Executive Team. Agreed notes and actions relating to discussions with SFC regards timing of grant income.	Draft Annual Accounts audited by external auditors. External auditors present to Audit and Risk Assurance Committee. Senior Management and Executive Team reviews of cash management. Quarterly Cash flow reports to Policy and Resources Committee and the Board. 5-year cash flow forecast process and papers to committees and the Board.	Annual Accounts signed off by Audit and Risk Assurance Committee and Board. Agreed committee and Board reports and minutes on financial and cash matters.	Annual Accounts signed off by External auditors and laid before the Scottish Parliament. Internal Audit and External Audit of Cash flow and cash management.	Annual Accounts endorsed by the Scottish Parliament. Agreed internal audit reports and management actions on finance and cash management.	No gaps identified.
10. Fraud and Irregularity	College's Anti-Fraud, Bribery and Corruption Policy. College systems and procedures, which incorporate internal controls, include separation of duties to ensure that errors, fraud and corruption are prevented. Edinburgh College participates in the National Fraud Initiative (NFI). Whistleblowing policy and procedures.	Edinburgh College adherence to the Scottish Public Finance Manual regards fraud. Standards Officer monitors and responds to whistleblowing reports.	Committee, Board, SMT and Executive Team review of Fraud Bribery and corruption policies. The Code of Conduct for Board Members outlines their duty of honesty and the practice relating to declarations of interests.	Agreed Executive Team, SMT and Board reports and minutes regarding fraud. Signed Board member agreements on the code.	Internal and external audits of fraud and irregularity.	Agreed internal and external audit reports and management actions.	No gaps identified.
ESTATES AND IT							
11. Health and Safety	SHE System used to control risk assessments, collate accident reports, and store policy and procedures	Health and Safety Manager daily reviews of SHE reports.	Health and Safety Committee Meeting with Management and Trade Unions. Annual Health and Safety Report to the Board.	Agreed minutes of the meeting. Report agreed by the Board.	Annual audit process for 18001.	Agreed 18001 audit report and agreed management actions.	No gaps identified.
12. Estates Management and compliance and Alignment to College Needs	Staff roles designed to manage Estates compliance. Estates strategy and capital funding allocation prioritised and agreed by the SMT. Estates condition reviewed six monthly + monthly review of estates critical works register. Estates management team meets three weekly. H&S + Sustainability + Nursery + Facilities + Security + Portage + Print Services + Vehicles + TFM + Catering Contract + IT Services + Budget COO officer monthly meetings with Head of Estates and IT. ISS contract management meetings. G+G monthly contract meetings for catering contract. Monthly utility monitoring.	Oversight of performance, and statutory reports. Estates strategy signed off by the Executive Team. Estates expenditure included in monthly management accounts. Estates management team minutes + reports to COO. Updated and agreed critical works register + condition survey. Agreed email actions from COO to Head of Estates. Agreed actions from the ISS contract meetings. Agreed actions from G+G contract meetings. Utility monitoring reports to estates management Team.	SMT + Executive Team discussions on estates. Policy and Resources Committee papers and discussions on estates matters. Estates management matters are also included also in the Health and Safety Report to Health and Safety Committee.	SMT + Executive agreed reports and minutes on estates matters. Policy and Resources Committee agreed reports and minutes. Agreed Health and Safety Committee reports and minutes.	NQA Auditor process. Internal audit on estates management. Statement on estates management in the Audit Scotland annual report. Care Inspectorate inspections of the nursery.	NQA agreed audit report and management actions. Agreed internal audit report. Agreed Audit Scotland annual report and accounts estates section. Agreed Care Inspectorate inspection reports and college management actions relating to the nursery.	No gaps identified.
13. Digital / IT Capability and Alignment to College Needs	IT Management Team meetings which cover cyber security. Estates and IT Management Team meetings.	Agreed IT meeting minutes and actions. Agreed Estates and IT Team meeting minutes and actions.	Audit and Risk Assurance Committee meetings + 'deep dives' to discuss digital + IT capability. SMT discussions on digital and IT capability.	Agreed reports and minutes of Audit and Risk Assurance Committee. Agreed SMT reports and minutes.	Internal audit of Use of Technology. External thematic audits by Audit Scotland.	Agreed internal and external audit reports and management actions.	No gaps identified.

	Digital Connect Group meetings. Learning, Technology and Teaching Connect Group	Agreed Digital Connect Group and LTT Connect Group reports and minutes.	New Digital Strategy Board meetings	Agreed Digital Strategy and Board minutes. Policy and Resources Committee scrutiny of digital strategy delivery.			
HR / OD							
14. Organisational Development and Staff Wellbeing	Monthly HR business partner meetings with all 11 SMT members when staff wellbeing + OD is discussed. Team management and one to one meetings covering wellbeing and OD. Annual 'enhance' meeting assessing personal development.	Agreed actions from monthly HR meetings on wellbeing + OD. Agreed team meeting and one to one notes and actions on wellbeing + OD. Agreed 'enhance' records between managers and line reports.	HR reports to Policy and resources Committee. SMT reports on HR / OD matters, including HR / OD policy approval from Policy Committee. Head of HR regular meetings with Executive Team members + Executive Team meeting reports on HR.	Policy and Resources Committee agreed minutes and reports on HR / OD. Agreed Executive Team minutes and actions relating to HR. Agreed HR / OD policies published on intranet.	No third line arrangements identified.	No third line arrangements identified.	New internal audit proposed on organisational development and staff wellbeing.
15. Workforce Planning	Regular reviews of progress against operational plan objectives for OD team with Head of HR&OD. OD / HR Team meetings. Monthly HR business partner meetings with all 11 SMT members – including establishment and vacancy lists and workforce planning. LJNC meetings and TU and Management Policy Committee meetings to develop and agree HR policies and discuss workforce planning.	Agreed notes and actions arising from reviews. Agreed OD / HR team meeting minutes and actions. Agreed actions notes from SMT meetings with HR Business Partners. Agreed actions and minutes of LJNC and Policy Committee meetings.	Regular reviews with progress and issues in HR & OD between COO and Head of HR&OD. SMT and Executive Team discussions and reports on workforce planning. HR reports to Policy and Resources Committee on workforce planning.	Agreed notes and actions from COO reviews with Head of HR&OD. Agreed Executive Team and SMT minutes and reports on workforce planning. Agreed Policy and Resources Committee reports and minutes on HR / OD and workforce planning.	Internal audit covering workforce planning. Audit Scotland Annual Report covers workforce planning matters.	Agreed internal audit report and management actions.	No gaps identified.
16. College Industrial and Employee Relations	Edinburgh College RPA development process – including agreed remission time for TU officials. LJNC meetings with Executive management and the head of HR / OD. H+S Committee meetings including TU officials. Monthly meetings between COO and Head of OD / HR.	Agreed RPA by the Local Joint Negotiating Committee (LJNC). Agreed LJNC reports and minutes. Agreed Health and Safety Committee meetings reports and minutes. Agreed email actions between COO and Head of HR / OD.	Strategic Partnership meeting between Principal / Chief Executive and TU officials. Policy and Resources Committee discussions and reports. Audit and Risk Assurance Committee review of top level risk register – which includes industrial relations risk. Executive Team and SMT meetings + reports – industrial and employee relations matters. Staff representation and TU observers at the Board.	Agreed reports and minutes from Strategic Partnership meeting. Agreed Policy and resources Committee reports and minutes. Agreed SMT and Executive Team reports and minutes. Agreed minutes from the Board covering staff and TU matters.	National bargaining arrangements / the Employers Association now cover many aspects of industrial and employee relations.	Agreed minutes and circulars from national bargaining / Employers Association arrangements.	No gaps identified.
COMMUNICATIONS, GOVERNANCE, RESEARCH AND POLICY							
17. Strategic Direction	Executive and Senior management Team engaged in national policy and strategy development. Strategy, Plan and Policy Register reviewed regularly by Information Governance Manager and Head of CGR+P (register contains all college strategies, plans and policies organised into 3 tiers). Regular review of key college strategies and plans. Annual operational planning process, linked to key college strategies and plans. Quarterly Horizon Scanning Report for	Executive and SMT agreed discussions and reports on national policy and strategy developments. Register updated quarterly by Information Governance Manager. Agreed quarterly Horizon Scanning Report. Agreed and published college strategies and plans, published on intranet and website. All operational plans approved by Executive Team.	Approval sought from Policy and Resources Committee for all key strategies and plans. All Committees and Board of Management consider Horizon Scanning report every cycle. Information Governance Group reviews the register quarterly, with a focus on strategy and plan development. Approval sought from SMT and Executive Team on new or revised strategies and plans. Board considers Annual Review Report. Executive Team performance reviews of Operational Plans.	Agreed reports and minutes, strategies and plans from Policy and Resources Committee. Agreed quarterly Horizon Scanning Report and committee and Board minutes. Agreed annual review report. Agreed reports and minutes from SMT on strategy and policy development. Agreed minutes and actions of performance review meetings.	Internal audit of strategic planning and performance. External audit of key college strategies and plans. SFC scrutiny of the College ROA and related strategies.	Agreed internal audit report and management actions. Agreed external audit reports and management actions. Agreed SFC ROA annual report.	No gaps identified.

	Board of Management and all committees. Strategy delivery monitored annually and included in the Annual College Review Report.						
18. Risk Management	Operational risk register review process – quarterly by Risk Management + Assurance Group (RMAG) meeting. Operational Plan review – top 5 operational risks - annual review process led by SMT and Executive. COO officer monthly meetings with Board Secretary to review risk management.	Updated and agreed operational risk registers. Updated and agreed Operational Plans (top 5 risks for operational risk registers). Operational Plan sign off from Executive team lead members. Agreed email actions from COO / Board secretary meeting.	Top Level Risk Registers reviewed quarterly by the RMAG. A+RAA Non Executive member always present at RMAG. SMT and Executive team discussions and reports on risk management + approval of top level risk register to the Board.	Agreed Audit and Risk Assurance Committee reports and minutes on the top level risk register and key risks from operational risk registers. Agreed Board minutes and top level risk register + summary report – quarterly.	Internal audit of risk management framework. Audit Scotland external audit Annual Report covers risk management.	Agreed internal audit report and agreed management actions. Agreed annual report sections on risk management.	No gaps identified.
19. Cyber Security and Information Management	IT management team meetings which cover cyber security. Corporate Development Team meetings which cover information management.	Agreed IT meeting minutes and actions. Agreed CD Team meeting minutes and actions.	Audit and Risk Assurance Committee meetings + 'deep dives' to discuss cyber security and information management. RMAG meetings which monitor and mitigate risks relating to cyber security and information management.	Agreed report and minutes of Audit and Risk Assurance Committee.	Internal audit of cyber security. Cyber Essentials Plus assessment process. JISC audit of data protection. Internal audit of data protection.	Agreed internal audit report and management actions. Cyber Essentials Plus Certificate.	No gaps identified.
20. Business Continuity and Major Incident Management	BCM Framework developed by Corporate Development. Business Impact Assessments process coordinated by Corporate Development	Agreed BCM Framework. Agreed BIA templates.	Audit and Risk Assurance Committee meetings to discuss BCM Framework. Risk Management and Assurance Committee meetings discuss BCM.	Agreed BCM Framework, reviewed every three years. Agreed RMAG minutes and actions relating to BCM.	Internal audit on BCM.	Agreed internal audit report and management actions on BCM.	No gaps identified.
21. Compliance with codes of good practice (governance)	Weekly governance team meetings between Board Secretary and Clerk / Governance Advisor. COO oversight of good governance. COO monthly meetings with Board Secretary. Monthly Head of Finance meetings with COO. Board Secretary meetings with Colleges Board Secretaries Group.	Agreed email actions and reports.	Review of compliance with Colleges Code of Good Governance by A&RA Committee (annual). Review of Compliance with Scottish Government Audit and Assurance Committee handbook by A&RA Committee (2018/19). Nominations Committee – board recruitment and committee membership Induction including CDN training. Annual self-evaluation of Board and Committees, and Board Development plan	Agreed reports and minutes from committees and Board. Agreed governance report to the Board. Executive Team agreed minutes on governance matters.	Regular Internal Audits. External audit – Audit Scotland annual report. External Independent Effectiveness Review – required by SFC	External Auditor's Report accompanying the Annual Accounts. External Review of the Board (2016/17 and planned for 2019). Agreed internal audit report and management actions. Agreed effectiveness review report submitted to the SFC.	No gaps identified.
22. Partnership Working and Engagement with key Stakeholders (including Community Planning Partnership work).	Weekly meetings of communications, marketing and engagement managers to coordinate activity. Quarterly meetings of each CPP Team to review CPP activity and actions. All CPP activity and actions recorded on CRM system and analysed by each CPP team. Reporting to SMT on CPP and other partnership and engagement activity.	Weekly email to VP Corporate development indicating partnership and engagement activity. Agreed SMT reports and minutes on CPP and other partnership activity.	Corporate Development Committee meetings (quarterly) where CPP activity is discussed. Corporate Development Committee meetings (quarterly) where communications, marketing and engagement activity is assessed.	Agreed External Engagement Committee reports and minutes.	Internal audit report on partnership activity. Audit Scotland best value reviews of CPP arrangements by CPP area.	Agreed internal audit report and management recommendations. Published Audit Scotland best value audit reports on CPP effectiveness.	No gaps identified.



FOR DISCUSSION / INFORMATION			
Meeting	Audit & Risk Assurance Committee 07.10.20		
Presented by	Nick Croft		
Author/Contact	Nick Croft / Marcus Walker	Department / Unit	Governance
Date Created	24.09.20	Telephone	-
Appendices Attached	<i>Appendix 1: Overview of Compliance with the Code of Good Governance for Scotland's College.</i>		
Disclosable under FOISA	Yes.		

COMPLIANCE WITH THE CODE OF GOOD GOVERNANCE FOR SCOTLAND'S COLLEGES

1. PURPOSE

To provide the Audit & Risk Assurance Committee with assurance that the College's governance arrangements are compliant with the [Code of Good Governance for Scotland's Colleges](#) ('The Code'), and that there has been review and improvement to that end over the past year.

2. BACKGROUND

The Code operates on a 'comply or explain' basis, and the Chair of the Board is expected to explain in the annual financial statements how the Board has applied its principles in the course of the year. There is an obligation on the Board to make the Scottish Funding Council aware at the earliest opportunity of any area of its practice that is not consistent with the principles in the Code.

The following report considers aspects the Board's compliance with the Code in 2019/20 to assist the Audit & Risk Assurance Committee in reviewing and recommending the annual financial statements to the Board. *Appendix 1* provides an overview of the key elements of the Governance Code and outlines Edinburgh College's compliance with each requirement.

3. DETAIL

3.1. Current Status of the Code

No amendments to the Code have been introduced since August 2016, however, a light touch review was conducted in November 2019 by the Good Governance Steering Group.

An updated version of the Code was expected to be published immediately following the review, however, due to the UK Parliament General Election (and the requirement to schedule a change in primary legislation) its publication was delayed. Colleges have since been notified

that the Scottish Government's response to the Covid-19 Pandemic would mean a further delay in publishing the Code.

With regards to the Scottish Government's decision to amend legislation to allow the introduction of two trade union members on college boards, the College awaits guidance on how to proceed. In the interim, the Board continues to invite two nominated Trade Union representatives to attend Board meetings as observers.

3.2 Compliance with the Code

In the financial year to July 2020, the Board has maintained compliance with all aspects of the Code. Below is a summary of enhancements in governance arrangements across the main sections of the Code arising during 2019/20:

Leadership and Strategy

"A.5 The Board must develop and articulate a clear vision for the region or college. This should be a formally agreed statement of its aims and desired outcomes which should be used as the basis for its overall strategy and planning processes."

Following discussions at the Board Strategy Day in October 2018, the Policy & Resources Committee endorsed a reshaping of the Edinburgh College Strategic Blueprint into a new programme entitled 'A Future Proofed College', based on the following three ambitions: (i) A College with a curriculum for the future; (ii) A high performing digital College; and, (iii) A resilient, agile College with reach and potential to grow.

The Policy & Resources Committee considered reports on progress against the A Future Proofed College programme at each of its four meetings in 2019/20, and updates were presented to the Board through both the Committee minutes and the Principal & Chief Executive Report.

The ambition to become 'a high performing digital College' is encapsulated in the *Digital Strategy 2020-25* which was approved by the Board in December 2019. On 01 September 2020, the Policy & Resources Committee noted that the implementation of the Digital Strategy had been rapidly progressed in response to the Covid-19 Pandemic and the requirement to adapt to a blended learning model.

To fully capture the A Future Proof College programme, and account for external factors such as the Covid-19 Pandemic, EU Withdrawal and changes in the tertiary education sector, the Board (at its next Strategy Day on 27 October 2020) will consider its strategic priorities - with a view to the development of a new Strategic Plan in 2020/21.

"A.7 Board must ensure comprehensive performance measurement system in place with key performance indicators, which are scrutinised and reported to stakeholders."

On 30 March 2020, the Board approved a quarterly and annual KPI Dashboard format to be presented to subsequent Board meetings as part of the Principal & Chief Executive Report. Individual KPIs relevant to the Policy & Resources Committee, Academic Council and Corporate Development Committee are also scrutinised at committee-level during each Board cycle.

Quality of the Student Experience

“B.1 The board must have close regard to the voice of its students and the quality of the student experience should be central to all board decisions.”

The Board continues to give close regard to the voice of students and receives a report from the Edinburgh College Students' Association (ECSA) at each Board meeting. Prior to meetings of the Board, members received a staff/student led presentation showcasing a current College initiatives/projects.

The Academic Council also receives quarterly reports from ECSA and the Student Experience Team, as well the results of student satisfaction surveys, at each of its meetings. The Academic Council is attended by eight co-opted members of academic staff and four co-opted student members, who actively engage in discussions around learning, teaching and the wider student experience.

In line with a recommendation from the 2019 Board Effectiveness Review, the Board on 22 September 2020 agreed that a Student Board Member should sit on all committees of the Board, with the exception of the Audit & Risk Assurance Committee. This decision was strongly endorsed by ECSA and the Nominations Committee.

Accountability

“C.12 The Board must ensure that sound risk management and internal control systems are in place and maintained. It must ensure there is a formal ongoing process for identifying, reporting, evaluating and managing the body's significant risks and review the effectiveness of risk management, business continuity planning and internal control systems.”

Over the course of the academic year 2019/20, the Audit & Risk Assurance Committee has continued to oversee and scrutinise improvements to the College's risk management approach. Improvements have been noted in the identification, analysis and management of risks included in the Top-Level Risk Register, and Operational Risk Registers, details of which are reported to both the Committee, and the Board of Management.

The Audit & Risk Assurance Committee have also had the opportunity to review a Covid-19 Risk Register, and consider business continuity planning arrangements.

To support the continuous improvement of risk management in the College, Committee members receive further assurance as a result of 'deep dive' reports on subjects such as data protection, cyber security, student recruitment/retention, and anti-fraud and corruption.

The Committee approved a 'Three Lines of Defence Framework', in June 2019, to provide clarity on internal control and assurance arrangements across the College for key areas of business. The Framework has also been integrated into the Top-Level Risk Register since October 2019.

Effectiveness

“D.23 There should also be an externally facilitated evaluation of the Board's effectiveness at least every three years. The board must send its self-evaluation (including an externally

validated evaluation), and a Board Development Plan, to its funding body, and publish them online.”

An externally facilitated Board Effectiveness Review Report and accompanying Board Improvement Plan was agreed by the Board on 30 March 2020. Both documents were subsequently submitted to the SFC, as required by the Code.

The [2019 Board Effectiveness Review](#) states the following with regards to the Board’s compliance with the Code: “*The College is compliant with the current Code of Good Governance for Scotland’s Colleges and assurance across each of the principles of the Code has been achieved.*” [p5]

The Board, at each of its meetings in 2020/21, shall monitor its progress against the Board Improvement Plan. It is expected that all recommendations within the Plan will be completed by June 2021.

4. BENEFITS AND OPPORTUNITIES

The Board will continue to review its operation against the principles of good practice outlined in the Code of Good Governance.

5. STRATEGIC IMPLICATIONS

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

6. RISK

Failure to implement the Code of Good Governance could lead to failures in the delivery of effective governance at the college.

7. FINANCIAL IMPLICATIONS

Compliance with the Code of Good Governance is a condition of funding required by the Scottish Funding Council.

8. LEGAL IMPLICATIONS

Paragraph 7 refers.

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

A key feature of Board governance is the consideration and approval of equality outcomes and scrutiny of progress against such outcomes.

CONCLUSIONS/RECOMMENDATIONS

The Audit & Risk Assurance Committee is asked to NOTE the governance arrangements in-place, and CONSIDER the compliance of the Board with the Code of Good Governance for Scotland’s Colleges.

EDINBURGH COLLEGE COMPLIANCE WITH CODE OF GOVERNANCE FOR SCOTLAND'S COLLEGES

Key elements of the Code	Edinburgh College Compliance
Board must state its adoption of the Code in the corporate governance statement contained in its annual financial statements.	To be checked once draft Annual Accounts are available.
Conduct in Public Life	
A.1 Must have effective board - responsible for values and ethos of the organisation.	<p>The 2019 Board Effectiveness Review, (published on 30 March 2020), which was undertaken by an external reviewer, states that:</p> <p><i>“Our [Advance HE] overall conclusion is that the standard of governance at Edinburgh College is good. Board members are committed and passionate about doing a thorough job. Edinburgh College has governance processes, practices and policies which are fit for purpose.</i></p> <p><i>The College is compliant with the current Code of Good Governance for Scotland’s Colleges and assurance across each of the principles of the Code has been achieved.” [p5]</i></p>
A.2 Board members familiar with board’s Code of Conduct.	<p>Issued to Board members on appointment, within Edinburgh College Board of Management Terms & Conditions.</p> <p>The Code of Conduct will be reviewed in 2021, following the Public Sector Code of Conduct by the Ethical Standards Commission.</p>
A.3 <i>Nine Principles of Public Life in Scotland</i> , apply - Duty/Public Service; Selflessness; Integrity; Objectivity; Accountability and Stewardship; Openness; Honesty; Leadership; Respect.	As above. Issued to Board members on appointment.
Vision and Strategy	

<p>A.4/5/6 Board responsible for: articulating vision; determining strategy and strategic priorities and a structured planning framework; educational character, values and ethos.</p>	<p>2017-22 Strategic Plan and Blueprint adopted by the Board on 19 September 2017.</p> <p>During 2019/20, the Board of Management agreed our overarching ambitions to deliver a 'Future Proofed College', building on the foundations and priorities set out in the College Blueprint 2017/22 and College Strategic Plan.</p> <p>The Policy & Resources Committee continue to monitor progress against the Strategic Plan, and in October 2020 the Board will begin the process of developing its strategic priorities for a new Strategic Plan commencing in 2021.</p>
<p>A.7 Board must ensure comprehensive performance measurement system in place with key performance indicators, which are scrutinised and reported to stakeholders.</p>	<p>Performance indicators are reviewed by the Board and its committees.</p> <p>A high-level summary of key performance indicators was agreed by the Board on 30 March 2020, and is reviewed by the Board on a quarterly basis.</p>
<p>A.8/9 Board responsible for overseeing Outcome Agreement with SFC, and effective engagement with all relevant stakeholders; and monitoring performance in achieving the agreed outcomes.</p>	<p>Regional Outcome agreement 2019/20 approved by Board and SFC.</p>
<p>Corporate Social Responsibility</p>	
<p>A.10/11/12 Demonstrate corporate social responsibility; behaves ethically; contribute to improving economic, cultural and social wellbeing in the locality; have regard to social and economic needs and social inclusion; provide leadership in equality and diversity; while seeking to improve the quality of life of the local community, society at large and its workforce.</p>	<p>The Board endorsed a Corporate Social Responsibility Statement (CSR) in December 2015, and agreed to review this statement going forward. The Policy & Resources Committee will produce a new CSR in 2020/21, to accompany the new Strategic Plan.</p> <p>Further to this, the Board signed up to Scottish Government's Social Impact Pledge in June 2016, and published its first Anti Modern Slavery Statement.</p>

A.13 Board membership should reflect make-up of the community.	Members of the Board come from a variety of backgrounds and its composition is monitored by the Nominations Committee.
A.14 The board must appoint one of the non-executive members to be the senior independent member to provide a sounding board for the chair and to serve as an intermediary for the principal, other board members and the board secretary when necessary.	<p>The Vice Chair is nominated as the senior independent member.</p> <p>Interim governance arrangement following the departure of the then Regional Chair on 31 October 2019, have led to the Vice Chair (Ann Landels) becoming the Interim Chair of the Board on 01 November 2019.</p> <p>The Board confirmed that Nigel Paul, a Non-Executive Board Member, would act as Interim Vice Chair from 01 November 2019 until the appointment of a new Regional Chair.</p>
Student Engagement & Learning	
B.1/2/3 Student experience should be central to all board - meaningful dialogue with students, the students' association and as appropriate staff and trade unions - consider outcome of student surveys etc and monitor action plans.	<p>ECSA are represented at Board, Academic Council, Corporate Development Committee and Nomination Committee meetings. ECSA provide a quarterly report to every Board meeting.</p> <p>The Academic Council agree and monitor student satisfactions surveys.</p> <p>The Board agreed, on 22 September 2020, that student representation would be extended to both the Policy & Resources Committee and the Remuneration Committee – with immediate effect.</p>
B.4/5/6/7 Board must encourage a strong, autonomous fair and democratic students' association; ensure it is adequately resourced; have a partnership agreement & procedures; have regard to the <i>Framework for the Development of Strong and Effective College Students' Associations in Scotland</i> ; and review its written constitution at least every five years.	ECSA has proven its effectiveness through quarterly and annual reporting to the Board, and through commendation at national awards.
B.8a/9 The board must secure high quality, coherent learning provision for students that is relevant to industry needs and ensure appropriate.	Board and Academic Council monitor curriculum development. There is regular engagement with industry in all areas. The SFC and Education Scotland monitor quality processes.

mechanisms are in place for the effective oversight of the quality and inclusivity of the learning experience.	
B.8b/9 The board should foster good relationships with external bodies to enhance learning and employability – external bodies being local, national and international bodies including community planning partners, employers, skills development and enterprise agencies, sector quality agencies and employer bodies.	Board monitors external engagement through its Corporate Development Committee.
Accountability and Delegation	
C.1/2 The board is primarily accountable to the SFC who are responsible to the Scottish Ministers and the Scottish Parliament. The board must ensure delivery of its outcome agreement.	Performance against outcome agreement indicators is monitored by the Board and its Academic Council.
C.3 The board must ensure it fulfils its statutory duties and other obligations on it, and the terms and conditions of its grant.	<p>Requirements of the Board outlined in its Standing Orders and Scheme of Delegation - which were last reviewed in September 2020. Requirement placed on Board clearly outlined to Board members during the induction process.</p> <p>Due to the closure of College campuses on 23 March 2020 in response to the Covid-19 Pandemic and national restrictions, the Board meeting on 24 March 2020 was cancelled. In agreement with members of the Board, four items of business requiring immediate approval were considered and endorsed by members via email on 30 March 2020.</p>
C.4 Scottish Ministers have powers to remove by order any or all board members for serious or repeated breaches of a term and condition of grant.	Board members are notified of the Scottish Government’s powers to removal at point of induction. [Removal of Board members is specifically stated in the Edinburgh College Board of Management Terms & Conditions]
C.5 The board also has a wider accountability to students, staff, employers and the community to provide high quality education that improves people’s life chances and social and economic well-being.	Intake from SIMD groups, quality of education, and destination statistics monitored. College working to increase connection with and intake from SIMD areas.

<p>C.6 Boards must maintain and publicly disclose a current register of interests for all board members. Board members should declare any conflicts of interest in the business of the meeting prior to the commencement of each meeting of the board and its committees and withdraw from meetings as appropriate.</p>	<p>Register of interests maintained and reviewed at least twice annually. Disclose of Interests takes place at all Board and committee meetings.</p> <p>Board members are encouraged to notify the Clerk to the Board of any changes to their register of interests.</p>
<p>C.7 The board must ensure that its decision-making processes are transparent, properly informed, rigorous and timely, and that appropriate and effective systems of financial and operational control, quality, management of staff, risk assessment and management are established, monitored, continuously improved and appropriately impact assessed. This includes:</p> <ul style="list-style-type: none"> a) the prompt production, dissemination and online publication of board/committee agendas, minutes and papers to the public b) every board meeting and every committee meeting having a well-structured agenda circulated timeously in advance c) the retention of all key documentation which help justify the decisions made by the board and its committees. 	<p>Board receives and challenges the Executive Team to ensure it has the appropriate information when making key decisions. The Board monitors the financial and operational control, quality, staffing, risk management through its committees (e.g. Policy & Resources, Audit & Risk Assurance, and Academic Council).</p> <p>There are effective processes for production of agendas papers and minutes of Board and Committee meeting, with all papers archived.</p>
<p>C.8 The board may delegate responsibilities to committees - minimum being Audit, Remuneration, Finance and Nominations/Appointments. Delegation of responsibilities and reserved matters must be set out in a scheme of delegation including the functions delegated by the board to the chair, committees, the principal and the board secretary (and any other members of staff). Boards have no powers to delegate functions to an individual board member (except the chair who has no authority to act outwith their delegated powers).</p>	<p>Board committees are in place with terms of reference defining their responsibilities and delegated powers. All terms of reference are reviewed on an annual basis - in line with best practice.</p>
<p>C.9 Every board committee must have a specified member of the management team assigned to provide objective, specialist advice to support it to discharge its remit.</p>	<p>Each Board committee has an assigned member of the Executive Team.</p>

	The Nominations Committee is advised by the Board Secretary, who sits on the senior management team as the Head of Communications, Policy and Research.
C.10 The board must have effective working relationships, communication and dialogue amongst the board as a whole and between committees and the board. Discussions and decisions of every committee must be accurately recorded and reported to the board, no later than the next meeting of the board.	Effective working relationships are reporting are in place. Minutes of each committee are report to the Board in a timely manner, whilst committee membership ensure there are appropriate cross-links between committees.
Risk Management	
C.11 The board is responsible for the overall management of risk and opportunity. It must set the risk appetite of the body and ensure there is an appropriate balance between risk and opportunity and that this is communicated via the principal to the body's management team.	An updated Risk Appetite and Tolerance Statement was agreed by the Board in December 2018. A Risk Management Report is provided to every meeting of the Audit & Risk Assurance Committee and the Board.
C.12 The board must ensure that sound risk management and internal control systems are in place and maintained, including processes for identifying, reporting, evaluating and managing significant risks and reviewing the effectiveness of risk management, business continuity planning and internal control.	The Audit and Risk Assurance Committee monitor risk management and internal control, as outlined within its terms of reference.
Audit Committee	
C.13 The Audit Committee must support the board and the principal by reviewing the comprehensiveness, reliability and integrity of assurances including the body's governance, risk management and internal control framework.	In 2018/19, the Audit & Risk Assurance Committee agreed a robust 'three lines of defence' framework to ensure appropriate internal control are in place. The three lines of defence framework is reviewed on an annual basis, and from October 2019 has been incorporated into the Top Risk Register.

<p>C.14 The scope of the Audit Committee’s work must be defined in its terms of reference and encompass all of the assurance needs of the board and the principal. The Audit Committee must have particular engagement with internal and external audit, and must work with management and auditors to resolve any issues in relation to financial reporting.</p>	<p>The Audit and Risk Assurance Committee terms of reference are reviewed annually, and clearly outlined the levels of engagement with internal and external auditors.</p>
<p>C.15 The Audit Committee must promptly pursue recommendations arising from audit reports and must monitor their implementation.</p>	<p>The Audit and Risk Assurance Committee reviews audit recommendations on a quarterly basis.</p>
<p>C.16 The membership of the Audit Committee cannot include the board chair or the principal. The role of the college executive is to attend meetings at the invitation of the committee chair and to provide information for particular agenda items.</p>	<p>Board Chair and Principal are not members of the Committee. The Chair of the Board periodically attends meetings whilst the Principal is a regular attendee at meetings.</p>
<p>C.17 The Audit Committee terms of reference must provide for the committee to sit privately without any non-members present for all or part of a meeting if they so decide. The Audit Committee members should meet with the internal and external auditors without the executive team present at least annually.</p>	<p>The Audit and Risk Assurance Committee holds private meetings with internal and external auditors on an annual basis, prior to its November meeting.</p>
<p>C.18 At least one member of the Audit Committee should have recent relevant financial or audit experience.</p>	<p>Two non-executive members (one of whom is the Committee Chair) is a qualified accountant, whilst the other two non-executives are experienced director level roles.</p>
<p>Remuneration Committee</p>	
<p>C.19 It essential that members of the Remuneration Committee understand their role and responsibilities. Members must undertake the online training module for Remuneration Committees provided by College Development Network within one month of appointment.</p>	<p>Members of the Remuneration Committee receive an induction from the Board Secretary and Chair of the Committee. New members are required to complete the appropriate CDN training module following their appointment.</p>

<p>C.20 The board must have a formal procedure in place for setting the remuneration of the principal by a designated committee of non-executive members. The board may wish to supplement this by taking evidence from a range of sources. In particular, staff and students should have a role in gathering and submitting evidence in relation to the college principal to the relevant committee.</p>	<p>The remuneration of the Principal & Chief Executive is agreed by the Remuneration Committee, and takes into consideration Scottish Government and SFC best value guidance.</p> <p>The remuneration of the Principal is reported to the Board where staff and student member can comment.</p> <p>As of 22 September 2020, a Student Board Member will join the Remuneration Committee.</p>
<p>C.21 The board chair cannot be the chair of the Remuneration Committee (but they can be a member of it).</p>	<p>A Non-Executive Member of the Board chairs the Remuneration Committee. As ex-officio, the Chair of the Board can attend all meetings.</p>
<p>Financial and Institutional Sustainability</p>	
<p>C.22 The board is responsible for ensuring the financial and institutional sustainability. The board must ensure compliance with its Financial Memorandum and the Scottish Public Finance Manual.</p>	<p>The Board receives assurance on its compliance with the Financial Memorandum and the Scottish Public Finance Manual from the Internal and External Auditors.</p>
<p>C.23 The board must ensure that:</p> <ul style="list-style-type: none"> - funds are used as economically, efficiently and effectively as possible - effective monitoring arrangements are in place - college staff report relevant financial matters to it. 	<p>Monitoring of financial performance, budgets etc. are discussed at Policy & Resources Committee and the Board at each meeting.</p>
<p>C.24 For colleges that are charitable organisations, board members are also charity trustees. The board of a college that is a charity must ensure its members are aware of their responsibilities under charity legislation and for complying with relevant provisions as set out by the Office of the Scottish Charity Regulator. See <i>OSCR Guidance and Good Practice for Charity Trustees</i>.</p>	<p>Board members are advised of their responsibilities under charity legislation during the formal induction process, and provided with a copy of the OSCR Guidance.</p>
<p>Staff Governance</p>	

C.25 The college board as the employer, is responsible for promoting positive employee relations and for ensuring effective partnership between recognised trade unions and management.	The Board, through its Policy & Resources Committee, receives regular updates on HR and OD matters. The Board promotes employee relations and effective partnership between trade unions and management.
C.26 A system of corporate accountability must be in place for the fair and effective management of all staff, to ensure all legal obligations are met and all policies and agreements are implemented and identify areas that require improvement and to develop action plans to address them.	The Board, through its Policy & Resources Committee, receives regular updates on HR and OD matters. Effective reporting is in place.
C.27 The board must comply with the nationally agreed college sector <i>Staff Governance Standard</i> .	In place.
C.28 The college board must comply with collective agreements placed on it through national collective bargaining for colleges.	In place.
The Board Chair	
<p>D.1 The chair is responsible for leadership of the board and ensuring its effectiveness. The chair is responsible for setting the board’s agenda and ensuring that adequate time is available for discussion of all agenda items, particularly strategic issues. The chair must promote a culture of openness and debate by:</p> <ul style="list-style-type: none"> – encouraging the effective contribution of all board members – fostering constructive challenge and support to the principal, executive team and fellow board members – effective team-working – positive relations between board members. <p>The chair must engage with the principal and the board secretary in a manner which is both constructive and effective.</p>	<p>From 01 November 2019 to present, the Board has had an Interim Chair in place. The Interim Chair fulfils the role of the Regional Chair in all aspects of Board business.</p> <p>The Interim Chair is highly engaged with the Principal and the Board Secretary, with catch-up meetings held on a weekly basis.</p>
D.2 The board and its committees must have the appropriate balance of skills, experience, independence and knowledge of the body to enable them to discharge their respective duties and responsibilities effectively.	The Nominations Committee makes recommendations regarding membership of the Board and its committees.

Board Members	
D.3 Each board member is collectively responsible and accountable for all board decisions. Board members must make decisions in the best interests of the college and/or region as a whole rather than selectively or in the interests of a particular group.	Board members are advised of their collective responsibility as part of the induction process.
D.4 Staff and student board members are full board members and bring essential and unique, skills, knowledge and experience to the board. Staff and student board members must not be excluded from board business unless there is a clear conflict of interest, in common with all board members.	Staff and Student Board Members are invited to attend all meetings of the Board and its Strategy Days. Staff and Students Board Members also sit on committees of the Board
D.5 Where the college is a charity, all board members, as charity trustees, including staff and student board members, have legal duties and responsibilities under the Charities Act 2005.	In place.
Principal and Chief Executive	
D.6 The college board must appoint the principal as chief executive of the college.	The Principal is appointed as Chief Executive by Board.
D.7 The college board must ensure there is an open and transparent recruitment process for the appointment. Students and staff must have an opportunity to contribute to the recruitment process.	The process of recruitment of Principal was an open process with students, staff representatives and other stakeholders contributing to the recruitment process. The process was conducted in line with college HR and equal opportunities recruitment policies and procedures.
D.8 The college board must delegate to the principal, as chief executive, authority for the academic, corporate, financial, estate and human resource management of the college, and must ensure the establishment of such management functions are undertaken by and under the authority of the principal.	A Scheme of Delegation is in place, and up-to-date as of 22 September 2020.

<p>D.9 The college board must ensure a clear process is in place to set and agree personal performance measures for the principal. This process should seek the views of students and staff. The chair, on behalf of the board, should monitor, review and record the principal's performance, at least annually, against the agreed performance measures.</p>	<p>Annual performance indicators are reviewed and agreed between the Chair and Principal, and considered and ratified by the Remuneration Committee.</p>
<p>D.10 The principal, as a board member, shares responsibility for good governance with the chair and all other members of the board, supported by the board secretary. The principal also enables good governance through supporting effective communication and interaction between the body and the rest of the college including staff and students.</p>	<p>In place.</p>
<p>D.11 The board provides strategic direction for the region and/or college, and the chair provides leadership to the board. The principal provides leadership to the staff of the body.</p>	<p>In place. The Board agreed a Strategic Plan 2017/22.</p>
<p>D.12 The board must provide a constructive challenge to the principal and executive team and hold them to account.</p>	<p>Targets set out in the Strategic Plan 2017-22 and the Regional Outcome Agreement have been set by the Board, and are scrutinised by the Board. The Principal submits a report on their activities to every Board meeting.</p>
<p>Board Secretary</p>	
<p>D.13 The board as a whole must appoint a board secretary who is responsible to it and reports directly to the chair in their board secretary capacity. The board secretary may be a member of the senior management team in their board secretary capacity, but they cannot hold any other senior management team position at the same time. The appointment and removal of the board secretary is a decision of the board as a whole.</p>	<p>In place.</p> <p>The Board Secretary is the Head of Communications, Policy and Research, a role with includes line management of Governance, Information Management, Portfolio Management, Marketing and Communications. The Board agreed that the appointment of the Head of Communications, Policy and Research as Board Secretary and noted no concerns regarding any conflicts of interest.</p>
<p>D.14 All board members must have access to the board secretary who has an important governance role in advising the board, the committees and</p>	<p>In place. Board members are advised on contact with Board Secretary at induction.</p>

<p>individual board members and supporting good governance. The distinctive board secretary role includes:</p> <ul style="list-style-type: none"> – facilitating good governance – providing clear advice to the chair and the board/committees – attending and providing support to every board meeting and every meeting of every board committee. – having an unambiguous right to speak at board and committee meetings. – reporting any unresolved concerns about the governance of the body to the relevant funding body (SFC) 	<p>The Board Secretary and College’s Governance Advisor meet with chairs of committees and the Chair of the Board, plus lead executive officers, prior to every committee to discuss, review, and agree committee business for each Board cycle.</p> <p>The Board Secretary and College’s Governance Advisor regularly meet and have contact with Non-Executive Board members, to provide advice and support in their respective roles.</p> <p>The Board Secretary and College’s Governance Advisor regularly contribute to discussions at committees and board meetings. The Board also receives a Governance Report, written by the Board Secretary and College’s Governance Advisor, at each of its meetings, which covers all pertinent governance matters.</p>
<p>D.16 The board must ensure arrangements are in place to deal with a board secretary’s potential or real conflicts of interest.</p>	<p>In place. Board Secretary’s register of interests noted online.</p>
<p>Board Member Appointment, Induction and Training</p>	
<p>D.17 The board must ensure a formal and open procedure is in place for recruiting and selecting new non-executive board members. Boards must have regard to all relevant Ministerial Guidance on board appointments.</p>	<p>In place. Appointment process overseen by the Nominations Committee.</p>
<p>D.18 The board is responsible for ensuring appropriate arrangements are in place for the conduct of student elections and nominations, and elections of staff members to the board.</p>	<p>In place. Election rules agreed by the Board.</p>
<p>D.19 The chair must ensure that new board members receive a formal induction on joining the board, tailored in accordance with their individual and collective needs. The board secretary should support the chair in the provision of relevant induction for new board members.</p>	<p>In place. Formal induction and development procedures agreed by the Nominations Committee.</p>

D.20 The board must ensure all board members undertake appropriate training and development in respect of their governance role. The board secretary must keep records of the development activity of board members, including the chair.	In place. Development needs of Board members are reviewed by the Interim Chair of the Board.
D.21 The board must ensure that new committee members receive a committee induction and have their specific training needs assessed and met.	In place. Formal induction and development procedures agreed by the Board.
Board Evaluation	
D.22 Extension of the term of office of board appointments requires evidence and the board must ensure appropriate mechanisms are in place to support this.	In place. The Chair of the Board undertakes one-to-one evaluations meetings with members of the Board annually, and reviews addition information such a board / committee attendance records.
D.23 The board must keep its effectiveness under annual review and have in place a robust self-evaluation process. There should also be an externally facilitated evaluation of its effectiveness at least every three years. The board must send its self-evaluation (including an externally facilitated evaluation) and board development plan (including progress on previous year's plan) to its funding body and publish them online.	In place. An externally facilitated Board Effectiveness Review was undertaken in November 2019, and the final report was published in March 2020.
D.24 The board must agree a process for evaluating the effectiveness of the board chair and the committee chairs. The evaluation of the board chair should normally be led by the vice-chair/senior independent member.	In place. The evaluation of the Chair is undertaken by the Vice Chair on an annual basis. The Chair of the Board holds one-to-one meetings with committee chairs to evaluate effectiveness and agreed future objectives.
D.25 The board must ensure all board members are subject to appraisal of their performance, conducted at least annually, normally by the chair of the board.	In place. All Board evaluation takes place annually in May / June. The process includes a Board survey, one-to-one meetings with the Chair, and an evaluation of the Chair conducted by the Vice Chair.

<p>D.26 The performance of regional college chairs will also be evaluated by the Scottish Government, as regional college chairs are appointed by the Scottish Ministers and are personally accountable to them.</p>	<p>In place.</p> <p>On an annual basis a report from the 'Evaluation of the Chair' is presented to the Board by the Vice Chair. Once approved by the Board the report is submitted to the Scottish Government.</p>
<p>D.27 The performance of assigned, incorporated college chairs will also be evaluated by the regional strategic body, as they are appointed by the regional strategic body and are personally accountable to them.</p>	<p>Not applicable.</p>
<p>Partnership Working</p>	
<p>E.1 The board must work in partnership to secure the coherent provision of high quality fundable further and higher education in their localities.</p>	<p>In place. The Board ensures active partnership working through its Corporate Development Committee.</p>
<p>E.2 The board must ensure effective consultation, local and regional planning and must follow the principles of effective collaborative working: mutual respect, trust and working towards commonly agreed outcomes.</p>	<p>The Board ensures active partnership working through its Corporate Development Committee.</p>
<p>E.3 The board must ensure effective partnership working with local and national bodies including businesses, public and third sector organisations to develop commonly agreed priorities following the principles of effective collaborative working.</p>	<p>The Board ensures active partnership working through its Corporate Development Committee.</p>
<p>E.4 The board must encourage and support effective partnership working and collaboration within and across regions to address local needs and meet national priorities and specialisms.</p>	<p>In place as part of the Regional Outcome Agreement.</p>

AUDIT & RISK ASSURANCE COMMITTEE
07 OCTOBER 2020
PAPER O



FOR INFORMATION			
Meeting	Audit & Risk Assurance Committee 07.10.20		
Presented by	Nigel Paul		
Author/Contact	Marcus Walker	Department / Unit	Governance
Date Created	24.06.20	Telephone	-
Appendices Attached	<i>Appendix 1: Review of Committee Operation Form 2019/20 – Final Version</i>		
Disclosable under FOISA	Yes. A finalised version of the form will be published.		

REVIEW OF AUDIT & RISK ASSURANCE COMMITTEE OPERATION 2019/20

1. PURPOSE

The Committee is asked to review its annual operation as part of the Board of Management’s annual evaluation activity.

2. BACKGROUND

The attached Review of Committee Operation Form has been designed to align with the key principles of the Code of Good Governance: Oversight; Strategy-setting; Decision-making and Relationships.

The Scottish Government’s Audit Committee Handbook advises audit committees to regularly review their formal terms of reference, and in turn, regularly review their effectiveness against such a document.

3. DETAIL

The attached (Appendix 1) Review of Committee Operations Form is split into two parts.

Part 1 focuses on whether the Committee’s operation has been compliant with its terms of reference and is content with arrangements relating to: membership, induction and training; meetings; internal control; financial reporting and regulatory matters; internal/external audit; and, administration over the course of the year. This section is based on the self-appraisal checklist as presented in the Audit Committee Handbook.

The twelve questions in Part 2 seek to focus Members’ thinking on how the Committee currently performs in relation to its performance monitoring and strategic roles, the effectiveness of its decision-making and its key relationships, with a view to feeding its findings into the whole-board evaluation and identifying areas where practice may be improved.

The same approach will be used for all committees, although some Part 2 questions may be less applicable to the Nominations and Remuneration Committees.

4. BENEFITS AND OPPORTUNITIES

The Review of Committee Operation provides an opportunity for committee to reflect on their practice and consider improvements going forward.

5. STRATEGIC IMPLICATIONS

All committees of the Board are required to review their operation/performance annually.

6. RISK

Failure to review committee operations and performance on an annual basis can lead to a risk of governance failure.

7. FINANCIAL IMPLICATIONS

Not applicable.

8. LEGAL IMPLICATIONS

Not applicable.

9. WORKFORCE IMPLICATIONS

Not applicable.

10. REPUTATIONAL IMPLICATIONS

Failure to ensure that good governance procedures are in-place may have reputational implications.

11. EQUALITIES IMPLICATIONS

Not applicable.

CONCLUSIONS/RECOMMENDATIONS

The Committee is asked to NOTE the final version of the Audit & Risk Assurance Committee Review of Operation 2019/20.

Review of Audit & Risk Assurance Committee Operation 2019/20 - Part 1

1	Role and remit	Yes/No	Comments/Action
1.1	Does the audit committee have written terms of reference (ToR)?	Yes	The ToR is published on the College <u>website</u> .
1.2	Do the terms of reference cover the core functions of an audit committee as identified in the <i>SG Audit Committee Handbook</i> ?	Yes	The <i>General Committee Remit</i> and <i>Specific Committee Role and Remit</i> are outlined in the ToR.
1.3	Are the terms of reference approved by the audit committee and reviewed periodically?	Yes	The Board approved an updated ToR on 11 December 2018, and reviewed it ToR again (without change) on 09 October 2019.
1.4	Has the audit committee been provided with sufficient membership, authority and resources to perform its role effectively and independently?	Yes	The ToR outlines the Committee's membership, authority and its resources. The Committee currently has four Non-Executive Members, plus an independent co-opted member with significant public sector expertise.
1.5	Does the body's statement on internal control mention the audit committee's establishment and its broad purpose?	Yes	The statement is shown in the Annual Report and Accounts to 31 July 2019 and covers these points.
1.6	Does the audit committee periodically assess its own effectiveness?	Yes	The Committee completes a self-assessment at its last meeting of every academic year.
2	Membership, induction and training	Yes/No	Comments/Action
2.1	Has the membership of the audit committee been formally agreed by the management board and or Accountable Officer and a quorum set?	Yes	A quorum of two members of the Committee has been agreed by the Board, as is clearly stated in the ToR.
2.2	Are members appointed for a fixed term?	Yes	Non-executive members of the Board are appointed for a fixed term. Appointments and tenures are monitored by the Nominations Committee.

			As of May 2020, non-executive members on the Committee include: Nigel Paul (Chair), Judith Sischy, Ross Laird and Lesley Drummond.
2.3	Does at least one of the audit committee members have a financial background?	Yes	Two member of the Committee has a chartered accountancy background, as does the Committee's co-opted member. The remaining two members have financial experience through their current/previous roles as Directors.
2.4	Are all members, including the chair, independent of the executive Function?	Yes	The Committee's membership consists of non-executive Board members.
2.5	Are new audit committee members provided with an appropriate induction?	Yes	New Board members are provided with an induction as agreed by the Nominations Committee. The chair of the Audit and Risk Assurance Committee provides an induction briefing for new members of the Committee.
2.6	Has each member formally declared his or her business interests?	Yes	A Register of Interests is maintained by the Clerk to the Board (last updated April 2020). <i>Declarations of Interest</i> is a standing item at every Committee meeting.
2.7	Are members sufficiently independent of the other key committees of the Board?	Yes	<p>The Chair of the A&RA Committee, Nigel Paul, sits on the Board's Policy & Resources Committee. [For information, the Chair of the A&RA was appointed Interim Vice Chair of the Board from 01 November 2019 until the recruitment of a new Chair of the Board is confirmed]</p> <p>Judith Sischy sits on the Academic Council, whilst Lesley Drummond acts as Chair to the Corporate Development Committee and is a member of the Policy & Resources Committee.</p> <p>Ross Laird does not sit on any other Committee of the Board.</p> <p>The overlap of non-executive members on committees supports greater awareness of key risk and controls, and contributes to discussions held by the Committee.</p>

			Ian Doig, a co-opted member of the A&RA Committee acts independently of the Board and its committees and provides valuable input through his significant audit committee experience.
2.8	Has the audit committee considered the arrangements for assessing attendance and performance of each member?	Yes	Arrangements for assessing attendance and performance are implemented by the Nominations Committee. An overview of attendance and performance is provided to the Board annually. The Committee completes a Review of Committee Operation Form at the end of each year.
3	Meetings	Yes/No	Comments/Action
3.1	Does the audit committee meet regularly, at least four times a year?	Yes	The Committee met four times in 2019/20 (October, November, March & May), as required by its ToR. [Due to the coronavirus pandemic, and subsequent social distancing guidance, the 27 May 2020 meeting of the Committee was held via Skype]
3.2	Do the terms of reference set out the frequency and broad timing of meetings?	Yes	Paragraph 11.1 of the ToR states that; 'the Committee shall meet at least four times a year, in line with the College Financial Year'.
3.3	Does the audit committee calendar meet the body's business and governance needs, as well as the requirements of the financial reporting calendar?	Yes	Following consultation with the Chair of the A&RA Committee, the Board and Committee cycle is agreed with the Chief Operating Officer and Committee members 3-4 months prior to the cycle commencing. The calendar is also checked to align with the financial reporting calendar.
3.4	Are members attending meetings on a regular basis and if not, is appropriate action taken?	Yes	The Nominations Committee review attendance annually, and if required action will be taken.
3.5	Does the Accountable Officer attend all meetings and, if not, is he/she provided with a record of discussions?	Yes	The Principal is invited to all A&RA Committee meetings, and receives an electronic version of the papers. The Principal also receives the draft Committee minutes for information. In 2019/20, the Principal attended all four meetings of the Committee.

3.6	Does the audit committee have the benefit of attendance of appropriate officials at its meetings, including representatives from internal audit, external audit and finance?	Yes	<p>The College's Chief Operating Officer attends and supports the Committee, as Executive Lead. Internal and external auditors from BDO and Audit Scotland (respectively) are invited to all meetings of the Committee. The overall attendance records of auditors are excellent.</p> <p>The Committee has also invited appropriate members of the Senior Management Team to present of specific topics aimed at providing the Committee with a better understanding of individual risks, and assurances that these risks are managed appropriately. It is hoped that this approach may provide a learning experience for Exec/Leadership members in the operation and role of an A&RA Committee.</p>
4	Internal Controls	Yes/No	Comments/Action
4.1	Does the audit committee consider the findings of annual reviews by internal audit and others, on the effectiveness of the arrangements for risk management, control and governance?	Yes	The Committee receives a status update report at each meeting in-relation to ongoing internal audit recommendations, and receives an annual report from both the Internal and External Auditors. A member of the A&RA Committee also attends the College's Risk Management Group meetings.
4.2	Does the audit committee consider the findings of reviews on the effectiveness of the system of internal control?	Yes	An operational audit plan is agreed at the start of the financial year. The audit reviews comment on the effectiveness of the system of internal control and are presented by the Internal Auditors at meetings of the Committee.
4.3	Does the audit committee have responsibility for review of the draft Statement on Internal Control (SIC) and does it consider it separately from the accounts?	Yes	<p>The draft statement on Internal Control is considered by the Committee prior to the finalisation of the Annual Report and Accounts. The Committee also reviews the Statement on Internal Control (SIC) submitted by the Principal to the SFC/Scottish Government.</p> <p>In 2019/20 the Executive Team were asked to complete Internal Control Assurance Statements, based on a government internal control framework, for each of their areas. The Principal considered each statement and used them as a basis for her own assurance statement, as submitted to the SFC with the end of year accounts.</p>

4.4	Does the audit committee consider how accurate and meaningful the SIC is?	Yes	See above.
4.5	Does the audit committee satisfy itself that the arrangements for risk management, control and governance have operated effectively throughout the reporting period?	Yes	<p>Risk management, control and governance matters are regularly discussed at A&RA meetings. These aspects are also underpinned by specific audits which provide assurance to the Committee that there is effective management and control within the organisation.</p> <p>Over the course of the academic year the Committee has considered the development and presentation of the risk register.</p> <p>To satisfy itself further the Committee has conducted 'deep dives' into key risks on the risk register in 2019/20 further assurances.</p> <p>A member of the A&RA Committee also attends the College's Risk Management Group meetings.</p> <p>In May 2019, the Committee approved a 'three lines of defence' model to further improve the College's approach to internal control, assurance and risk management. The model identifies College arrangements and clear lines of accountability, which are responsible for providing assurance with regard to the management of key business areas and risks. The Committee intends to review the model on an annual basis.</p>
4.6	Has the audit committee considered how it should coordinate with other committees that may have responsibility for risk management and corporate governance?	Yes	<p>The Committee, through its membership, has strong links with the Policy & Resources Committee.</p> <p>From 09 October 2020 onwards, the Committee received verbal feedback from non-executive members on key matters considered by each business committee of the Board. [For information, Paragraph 2.7 outlines non-executive membership of business committees]</p> <p>The Committee has ensured that internal audit reports and reports relating to deep dive discussions have been shared with other committees (- as appropriate).</p>

4.7	Has the audit committee satisfied itself that the body has adopted appropriate arrangements to counter and deal with fraud?	Yes	The A&RA Committee reviewed the controls for prevention of Fraud Bribery and Corruption, and the inclusion of a fraud counter maturity model, at its 10 March 2020 meeting. In March 2020, the Committee received an update on the College's participation in the National Fraud Initiative Exercise, and noted minor recommendations to be implemented by the College.
4.8	Has the audit committee been made aware of the role of risk management in the preparation of the internal audit plan?	Yes	Risk management is particularly high profile within the College, and assurance is sought on a monthly basis. There are early discussions on the annual internal audit plan involving internal auditors, at which stage a framework of audit reviews is agreed. Additionally, the internal audit plan has been cross-referenced with the Edinburgh College top risk register.
4.9	Does the audit committee's terms of reference include oversight of the risk management process?	Yes	Paragraphs 3.1 and 4 (in the ToR) outline the Committee's oversight of risk.
4.10	Does the audit committee consider assurances provided by senior staff?	Yes	The Committee has received specific reports from senior staff and members of the Executive Team. Reports from Finance, Corporate Development, Quality, HR and ICT are regularly included in the 'Internal Audit Recommendation Summary Report'.
4.11	Does the audit committee receive and consider stewardship reports from senior staff in key business areas such as Finance, HR and ICT?	Yes	See 4.10 (above).
5	Financial Reporting and regulatory matters	Yes/No	Comments/Action
5.1	Is the audit committee's role in the consideration of the annual accounts clearly defined?	Yes	Paragraph 3.2.15, within the ToR outlines the Committee responsibility in-relation to the College's annual financial statements.
5.2	Does the audit committee consider, as appropriate:		

	<ul style="list-style-type: none"> • the suitability of accounting policies and treatments 	Yes	An FRS 18 accounting policies report is provided to the A&RA prior to the preparation of the annual accounts.
	<ul style="list-style-type: none"> • major judgements made 	Yes	These will be reported as required.
	<ul style="list-style-type: none"> • large write-offs 	Yes	Debt write off is reported on an annual basis. Should there be an occasion whereby a large one-off item is required to be written-off, authorisation would be required through the Policy & Resources Committee.
	<ul style="list-style-type: none"> • changes in accounting treatment 	Yes	This will be covered in the FRS 18 accounting policies report, and/or reported during the year when accounting changes are known.
	<ul style="list-style-type: none"> • the reasonableness of accounting estimates 	Yes	As above.
	<ul style="list-style-type: none"> • the narrative aspects of reporting? 	Yes	All reports are considered and discussed.
5.3	Is an audit committee meeting scheduled to receive the external auditor's report to those charged with governance including a discussion of proposed adjustments to the accounts and other issues arising from the audit?	Yes	The External Auditors presented their report on the Annual Accounts To 31 July 2019 at the 20 November 2020 meeting of the Committee.
5.4	Does the audit committee review management's letter of representation?	Yes	Outlined in ToR, Paragraph 3.2.16. Agreed by the A&RA Committee and the Board as part of Financial Accounts.
5.5	Does the audit committee gain an understanding of management's procedures for preparing the body's annual accounts?	Yes	An annual accounts timetable is prepared and is available for discussion. There is also an External Auditors audit plan which is presented to the A&RA Committee,
5.6	Does the audit committee have a mechanism to keep it aware of topical legal and regulatory issues?	Yes	The Chief Operating Officer and Head of Communications, Policy & Research provide regular reports to the Committee and the Board. The internal and external auditors are also present at Committee meetings to advise members - as appropriate. At each meeting there is a 'horizon scanning' agenda item where updates on the economic, legal and regulatory environment are raised.

6	Internal Audit	Yes/No	Comments/Action
6.1	Does the Head of Internal Audit attend meetings of the audit committee?	Yes	A senior representative from the internal auditors (BDO) attends each Committee meeting.
6.2	Does the audit committee approve, annually and in detail, the internal audit plans including consideration of whether the scope of internal audit work addresses the body's significant risks?	Yes	The Committee considered/approved the 2019/20 Internal Audit Plan on 10 October 2018. Subsequent changes requested by the Committee have been incorporated and progress updates reviewed.
6.3	Does internal audit have a direct reporting line, if required, to the audit committee?	Yes	The internal auditors have a direct reporting line to the A&RA Committee and attend each meeting. The chair privately meets with Internal Audit during the year, and the Committee meets privately with the Internal Auditors prior to its November meeting. The auditors are able to raise any issues with the chair of the A&RA Committee at any time.
6.4	As well as an annual report from the Head of Internal Audit, does the audit committee receive progress reports from the internal audit service?	Yes	See 6.2 (above). Regular updates on the Plan have been provided to Committee meetings. Progress updates on audits are presented at meetings.
6.5	Are outputs from follow-up audits by internal audit monitored by the audit committee and does the committee consider the adequacy of implementation of recommendations?	Yes	The Committee receives a status update report at each meeting in relation to ongoing internal audit recommendations. Members are provided with an opportunity to consider the adequacy of each recommendation implementation.
6.6	If considered necessary, is the audit committee chair able to hold private discussions with the Head of Internal Audit?	Yes	The Committee Chair met privately with the Head of Internal Audit on multiple occasion in 2019/20. The full committee met privately with the auditors in advance of the 20 November 2019 meeting.
6.7	Is there appropriate co-operation between the internal and external auditors?	Yes	Both sets of auditors are represented at all meetings and the external auditors gain assurance from the work of internal auditors.
6.8	Does the audit committee review the adequacy of internal audit staffing and other resources?	Yes	There is an annual review of the performance of the internal audit service.

6.9	Are internal audit performance measures monitored by the audit committee?	Yes	As above.
6.10	Has the audit committee considered the information it wishes to receive from internal audit?	Yes	The Committee considered the 2019/20 Internal Audit Plan in 09 October 2019. The scoping and format of subsequent audit reports was discussed.
6.11	Do formal terms of reference exist defining internal audit's objectives, responsibilities, authority and reporting lines?	Yes	Paragraphs 3.2.3 to 3.2.14 (in the ToR) defined the internal auditor's objectives, responsibilities, authority and reporting lines.
7	External Audit	Yes/No	Comments/Action
7.1	Does the external audit representative attend meetings of the audit committee?	Yes	External auditors from Audit Scotland attended the 20 November 2019 meeting to present the end of year accounts. Audit Scotland representatives attended each meeting of the A&RA Committee during the academic year.
7.2	Do the external auditors present and discuss their audit plans and strategy with the audit committee (recognising the statutory duties of external audit)?	Yes	The Financial Accounts Annual Audit Plan is presented to the Committee.
7.3	Does the audit committee chair hold periodic private discussions with the external auditor?	Yes	The Committee Chair met privately with the external auditor on multiple occasion in 2019/20, and the full committee meet privately with the auditors in advance of the 20 November 2019 meeting.
7.4	Does the audit committee review the external auditor's annual report to those charged with governance?	Yes	The A&RA Committee reviews the annual report from the external auditor.
7.5	Does the audit committee ensure that officials are monitoring action taken to implement external audit recommendations?	Yes	External audit recommendations are reviewed and addressed.

7.6	Are reports on the work of external audit presented to the audit committee?	Yes	The A&RA Committee receive and discuss the audit plan, the interim report, the annual report and the Scotland's Colleges 2019 Report.
7.7	Does the audit committee assess the performance of external audit?	Yes	Audit Scotland requested feedback on the performance of the external auditors.
7.8	Does the audit committee consider the external audit fee?	Yes	Audit Scotland presents a fee range to the Committee and the fee is agreed with the external auditors.
8	Administration	Yes/No	Comments/Action
8.1	Does the audit committee have a designated secretariat?	Yes	Secretariat duties are designated to the Clerk to the Board of Management.
8.2	Are agenda papers circulated in advance of meetings to allow adequate preparation by audit committee members?	Yes	An agenda and papers are circulated one week prior to the Committee meeting.
8.3	Do reports to the audit committee communicate relevant information at the right frequency, time, and in a format that is effective?	Yes	The A&RA Committee members are generally satisfied with the reports that they receive
8.4	Does the audit committee issue guidelines and/or a pro forma concerning the format and content of the papers to be presented?	Yes	All papers have a front sheet setting out the paper's purpose, the action(s) required and any strategic / financial / risk / legal / equality implications.
8.5	Are minutes prepared and circulated promptly to the appropriate people, including all members of the Board?	Yes	Draft minutes are provided to the Executive Lead (for review) within 10 working days, and are subsequently circulated to Committee members.
8.6	Is a report on matters arising presented or does the chair raise them at the audit committee's next meeting?	Yes	Matters arising are reported to each Committee meeting as a paper.

8.7	Do action points indicate who is to perform what and by when?	Yes	The matters arising report attributes actions and outlines timescales agreed by the Committee.
8.8	Does the audit committee provide an effective annual report on its own activities?	Yes	A report of its own activities is presented by the Chair of the A&RA Committee to the Board of Management.
9	Overall	Yes/No	Comments/Action
9.1	Does the audit committee effectively contribute to the overall control environment of the organisation?	Yes	Through its works developing the three lines of defence control and assurance framework the Committee made a significant contribution to the control environment of the organisation.
9.2	Are there any areas where the audit committee could improve upon its current level of effectiveness?	Yes	<p>The Committee shall continue to monitor its effectiveness and seek to make further improvements.</p> <p>The Covid-19 pandemic offers significant challenges for the College and the wider sector/ The Committee has an important role to play in ensuring that appropriate risk management and business continuity planning is taking place. The issues raised through the short, medium and long-term issues raised through the pandemic will provide an opportunity for the Committee to review its effectiveness.</p>
9.3	Does the audit committee seek feedback on its performance from the Board and Accountable Officer?	Yes	The Committee Chair will receive feedback from the Chair of the Board annually, as part of the Board member review process.

Review of Audit & Risk Assurance Committee Operation 2019/20 - Part 2

Performance Monitoring Role

1. Is the Committee monitoring the KPIs it needs to in line with its remit or is there a need for review or change?

The role of the Committee is to review, gain assurances, and report to the Board on the effectiveness of the College's governance arrangements, financial systems, internal control environment and risk management arrangements.

It does this by: receiving reports from management; requesting specific presentations on key topics/risks from management; receiving key financial and other performance information; receiving the output from the college's Statement of Internal Control process; reviewing the key risks and mitigations of the College; receiving reports from, and having meetings with internal auditors and external auditors; receiving reports from other external bodies; attendance of individual committee members at Risk Management & Assurance Group meetings; and horizon scanning. Many of these areas have been the focus of continued development over the past year.

2. Does the Committee receive the information it needs to monitor performance effectively?

The Committee receives sufficient information to undertake its role effectively, and constantly looks at means of improving its understanding of the control and risk environment of the College and obtaining assurances of the adequacy of the College's governance, risk and control processes.

3. Have there been any areas where the Committee has not been able to exercise its performance monitoring role effectively or where practice could be improved?

The Committee is content with current arrangements, but will continue to monitor its practice going forward.

From 09 October 2020 onwards, the Committee received verbal feedback from non-executive members on key matters considered by each business committee of the Board. This has helped to give the Committee a clearer picture of the risk elements that are considered in other Committees across the College. Similarly, Audit & Risk Assurance Committee members attend internal risk assessment meetings on a rotational basis and it would help if verbal reports of these meetings were shared with other Committee members.

Strategic Role

4. How would the Committee define the key strategic issues within its remit?

This is clearly outlined in the Committee's terms of reference.

5. In what ways has the Committee influenced strategy in its area of remit in the last year?

The Committee looks to influence and gain assurance that the College is delivering on its key strategic priorities, through the mechanisms described above (under 'Performance Monitoring').

6. Are there particular areas in which the Committee might improve practice in relation to its strategic role?

The Committee will continue to review its practice and the development of the Board's horizon scanning report.

Decision-Making

7. Has decision-making been "transparent, informed, rigorous and timely"¹ in the past year?

Where the Committee is required to make decisions, it has done so in an informed and timely manner.

8. Are there ways that the Committee could strengthen its practice in relation to decision-making?

The Committee continues to need high quality papers to ensure that informed and timely decisions are made, when necessary.

9. Are there examples that show how the student experience has informed and been central to the Committee's decisions?

The Committee has considered internal audit reports on the EMA, bursaries and student support funds.

Relationships

10. Has the Committee's relationship with the Board been effective in the past year, and are there any examples of where it could have been more effective?

The Committee's relationship with the Board is defined by: the regular reporting of its minutes at each Board meeting, the annual report to the Board, the attendance of the Board Chairman and Principal at A&RA Committee meetings and the participation of members of the Committee in other Committees.

Members of the Committee have also had the opportunity to discuss matters of concern amongst themselves outside formal meetings. This has provided an effective relationship between the Committee and the Board, and enabled the boundary between governance and management to operate effectively with members of the Committee able to challenge and advise executive colleagues as appropriate.

As a standing item presented at each meeting, the Committee receives verbal updates from the three other business committees of the Board on key matters of business.

11. Has the Committee's relationship with the Executive been effective in the past year, and are there any examples of where it could have been more effective?

¹ This is a definition of effective decision-making given in the Code of Good Governance for Scotland's Colleges.

The Committee's relations with the Executive is defined by: private meetings with the Chief Operating Officer; meetings with the Principal and the Board secretariat, as well as inviting other members of the Executive team into A&RA committee meetings.

12. Has the boundary between governance and management been effective in practice in the past year or are there examples of where it could have been more effective?

The A&RA Committee has satisfactorily maintained the boundary between governance and management.



FOR DISCUSSION / INFORMATION			
Meeting	Audit & Risk Assurance Committee 07.10.20		
Presented by	Kerry Heathcote		
Author/Contact	Claire Fulton-Dick	Department / Unit	Curriculum Planning & Performance / Complaints
Date Created	02.09.20	Telephone	-
Appendices Attached			
Disclosable under FOISA	Yes.		

COMPLAINTS ACTIVITY SUMMARY

1. PURPOSE

The paper provides a summary of complaints received by Edinburgh College from 01 August 2019 to 31 July 2020.

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 19/20, and offers comparison to the Academic Year 18/19.

2. BACKGROUND

The Scottish Public Services Ombudsman Act 2002 (as amended) provides the legislative basis for SPSO to publish the Model Complaints Handling Procedures (MCHP) for bodies under the SPSO's jurisdiction. The Further Education MCHP was first developed by SPSO in partnership with Scotland's colleges and a working group of further education complaints experts.

It was produced taking account of the Crerar and Sinclair Reports and within the framework of the SPSO's Guidance on a Model Complaints Handling Procedure, published in February 2011. It also reflects the SPSO Statement of Complaints Handling Principles approved by the Scottish Parliament and published in January 2011. These two documents took account of stakeholder views expressed through public consultation at the end of 2010.

Edinburgh College fully implemented this procedure on 1 August 2013.

3. DETAIL - KEY FACTS

COVID-19 and the associated lockdown has been a major factor in terms of the number of formal complaints received (six recorded between April and July 2020). There were a lot of requests for help sent to the Complaints' inbox, which the Complaints Handling Co-ordinator (CHC) swiftly actioned.

There was a **63% reduction** of complaints from, **18/19 – 148** complaints (21 of which were related to the strike) **19/20 - 54** complaints. This reduction is still being achieved by the (CHC) changing the way that staff initially deal with complaints from students, making them more proactive in helping the student resolve their issue(s) instead of advising them to make a complaint to resolve the issue. This does not always work but in most instances, this has proven to be successful. Also, the quick action of the CHC to respond to complainants and assist them has also helped in the continuing reduction of formally logged complaints.

There was an **increase** of complaints remaining open from 18/19 – 19/20, this increase was two Stage 1 complaints relating to the same issue that were logged just before lockdown. The students requested with the investigating officer to postpone the meeting due to the current climate and they would be back in touch, to date no communication received from the students to progress the complaint. The CHC is ensuring that all complaints are closed off within the required timescales, however during the Covid-19 lockdown timescales have been extended but the complainant is always kept informed of any delays to their investigation.

The College managed to **reduce the number of Stage 1 upheld complaints by 84%** in comparison to that upheld in 2018/19. However, the Stage 2 upheld complaints **rose from 1 in 18/19 to 4 in 19/20**.

There was an **50% decrease** in complaints being escalated from Stage 1 to Stage 2 from 18/19 to 19/20. This decrease has been achieved by the CHC quick action to resolve the Stage 1 complaints, using new methods of asking staff to directly contact the student by phone or e-mail always ensuring that the CHC is kept informed of any conversations and outcomes. This direct contact with the student has proven to be a great success.

4. Complaints by Campus

The majority of complaints again were once again from the Sighthill Campus, closely followed by Granton, as illustrated in the table below.

Campus 19/20	Complaints Raised	Stage 1 Complaints Received	Stage 1 Complaints Upheld	Stage 2 Complaints Raised	Stage 2 Complaints Upheld
Granton	19	16	5	3	1
Midlothian	3	2	1	1	1
Milton Road	8	6	3	2	1
Sighthill	22	16	2	6	2
Open Learning	1	0	0	1	0
Other	1	0	0	1	0
Totals	54	40	11	14	5

Campus 18/19	Complaints Raised	Stage 1 Complaints Received	Stage 1 Complaints Upheld	Stage 2 Complaints Raised	Stage 2 Complaints Upheld
Granton	26	22	5	4	1
Midlothian	14	11	2	3	0
Milton Road	28	26	11	2	0
Sighthill	75*	72	34	3	2
Open Learning	1	1	1	0	0
Other	4	4	1	0	0
Totals	148	136	54	12	3

**Please note that 21 complaints raised at Sighthill were strike-related.*

5. SPSO Investigations

Four requests for information from SPSO:

- 1 not upheld and no investigation took place.
- 1 progressed to a full investigation and the college was upheld on 2 points, not upheld on 1 point. Apology letter sent to complainant and final evidence of actions to be submitted to SPSO by 8th September 2020.
- 1 investigation from Oct 2019, SPSO have just requested more information on 26th August 2020, currently waiting on staff to provide evidence before 23rd September 2020.
- 1 request for information currently being collated to send to SPSO on or before 8th September 2020.

6. Complaint Categories/Sub Categories

C1: Customer Care (22) 52% decrease from 18-19 to 19-20. Sub-category was mainly related to Staff Conduct(C1S06), although we have seen a **39% decrease from 18-19 to 19-20** in staff conduct complaints.

C2: Applications to Progression (8) 33% decrease from 18-19 to 19-20. All complaints in this category related to issues with applications, admissions, interviews and enrolments (C2S02).

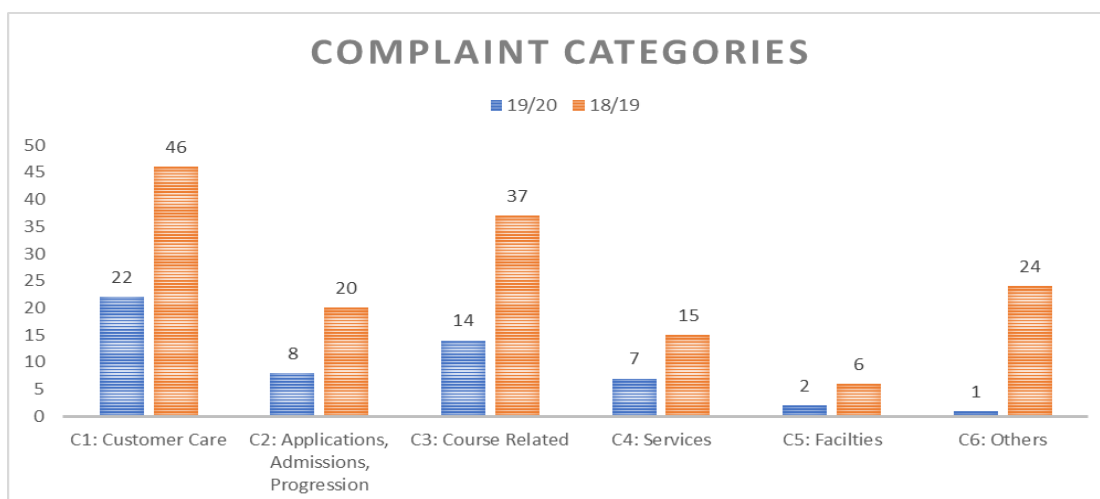
C3: Course Related (14) 62% decrease from 18-19 to 19-20 Learning and Teaching (C3S01) received the most complaints, closely followed by Course Management (C3S03).

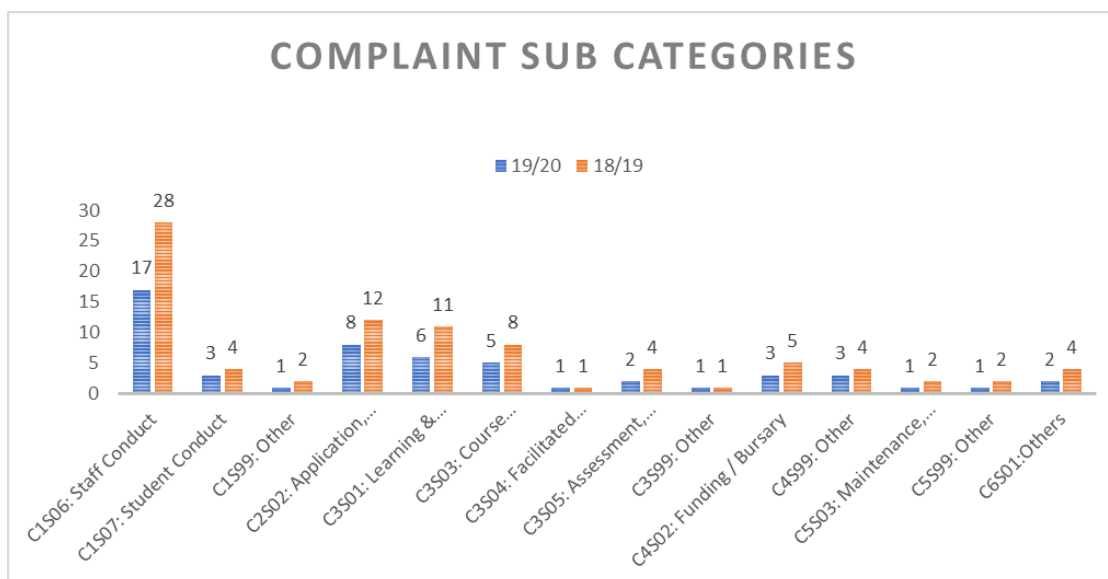
C4: Services (7) 53% decrease from 18-19 to 19-20 Complaints in this category were mainly in relation to Funding/Bursary(C4S02) and Other (C4S99).

C5: Facilities (2) 66% decrease from 18-19 to 19-20 Complaints in this category were related to Maintenance, Lifts, Car Parking (C5S03) and Others(C5S99).

C6: Others (1) 96% - decrease from 18-19 to 19-20 (please note that in 18-19 the majority of complaints related to the strike action).

The 2 charts below show the comparison in the main complaint category and the sub-category for session 19/20 to 18/19:





7. Development

Training:

There is still a need for external training for investigating officers to improve further on how complaint investigations should be handled. We are now looking into SPSO hosting the training online.

Learning from Complaints (LFC):

The aim for 19-20 was to continue with the new 3Cs process, with the aim of implementing a new LFC procedure to change practice where needed and improve services for our students and the public. We are pleased to say that the CHC has created a new LFC template for investigators to complete six to eight weeks after the investigation closes. The LFC provides evidence that any proposed recommendations/solutions/actions/training identified as part of the investigation have taken place, and if they have seen or been made aware of any improvements. If not actioned the investigator must advise why not and give a new date for implementation. This new LFC form is an important factor in completing the learning cycle and forms a sustainable change to the college's complaints process.

Model Complaints Handling Procedure (MCHP) Revision:

SPSO have now revised and reissued all the MCHPs (except the NHS) in January 2020, following consultation with all sectors. The new version includes a core text (which is consistent across all public services in Scotland) with some additional guidance and examples specific to each sector.

The purpose of the Further Education MCHP is to provide a standardised approach to dealing with customer complaints across the further education sector in Scotland. In particular, the aim is to implement a standardised and consistent process for customers to follow which makes it simpler to complain, ensures staff and customer confidence in complaints handling and encourages colleges to make best use of lessons from complaints.

The updated MCHPs have been published under section 16B(5) of the Scottish Public Services Ombudsman Act 2002 on 31 January 2020 to give public sector organisation's time to implement any changes by 1st April 2021.

The College has yet to look at making these amendments, but will ensure that all changes are implemented by 1st April 2021.

8. 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.

9. 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.

10. RISK

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

11. FINANCIAL IMPLICATIONS

Not applicable.

12. 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.

13. WORKFORCE IMPLICATIONS

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

14. REPUTATIONAL IMPLICATIONS

See Risk above.

15. EQUALITIES IMPLICATIONS

Not applicable.

CONCLUSIONS/RECOMMENDATIONS

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



FOR INFORMATION			
Meeting	Audit & Risk Assurance Committee 07.10.20		
Presented by	Nick Croft		
Author/Contact	Nick Croft	Department / Unit	Corporate Development
Date Created	17.08.20	Telephone	-
Appendices Attached			
Disclosable under FOISA	Yes		

EDINBURGH COLLEGE HORIZON SCANNING REPORT – SEPTEMBER 2020 BOARD OF MANAGEMENT CYCLE – EDITION 9

1. PURPOSE

This report seeks discussion on the College’s ninth edition of the Horizon Scanning Report.

2. MAIN REPORT

Background

As with the previous edition, this report focusses on the various longer term organisational and sector-wide, economic and social developments arising from the Covid 19 Pandemic. These developments are identified below, and relate directly to the College’s Covid 19 Risk Register. Consideration is sought from committee members about these matters:

Scottish Government Covid 19 Guidance

The Scottish Government has updated its [COVID-19 – Framework for Decision Making: Scotland's route map through and out of the crisis. Guidance](#) on the safe re-opening of college, university and purpose-built student accommodation has also been published. The SFC’s [webpage on coronavirus preparedness](#) continues to be updated where required. The College’s 5R Plan Steering Group and five Sub Groups continue to respond to such guidance.

Ministerial Leadership Group

The Ministerial Leadership Group continues to meet, involving Principals and other sector leaders, to oversee and coordinate work in response to the Pandemic. This group works closely with the Advisory Group on Economic Recovery, which published a number of [recommendations](#), which then led to a [government recovery plan](#). In addition, the plan for economic recovery has also been influenced by the [Enterprise and Skills Board report on measures to mitigate against labour market impacts](#). The development of a new college strategic plan, and the Future Proofed College programme, will be aligned to such developments.

Scottish Funding Council (SFC)

The SFC was [seeking views](#) on six key questions to help inform its review of coherent provision and sustainability in Further and Higher Education. The initial deadline for responses was Friday, 10 August 2020, and Colleges Scotland coordinated a sector response. An initial report is expected during late August and early September 2020.

Skills Development Scotland – Labour Market Impact Data

SDS have released a number of [recent reports](#) on the labour market economic impacts, resulting from the Covid 19 Pandemic. In summary, business activity, employment / youth employment, GDP and job postings have all reduced significantly. The College continues to engage with SDS, and other partners, to find economic recovery solutions to these labour market challenges.

Student Awards Agency Scotland (SAAS)

For information, SAAS has published its new [Corporate Plan for 2020/2025](#). The College's Senior Management Team is assessing implications for student funding provision.

Poverty Inquiry

The College Development Network and the Institute for Public Policy Research are working on a project in relation to poverty and inequality, and the college sector response. Completed research will feed directly into Scottish Government decision-making to help colleges meet the needs of students facing poverty. The College was an integral member of the team which established this project and is submitting information on tackling poverty projects it has delivered over recent years.

Foundation Apprenticeships

SDS and SQA has issued a [joint statement](#) regarding interim measures for Foundation Apprenticeships from August 2020. College curriculum areas are now responding to the amended approach to Foundation Apprenticeships.

Climate Action Roadmap

The EAUC has published its [Climate Action for UK FE Colleges Roadmap](#), in collaboration between Climate Commission and management consultancy, Nous Group. The roadmap provides clear actions and guidance on how colleges can respond to the climate emergency and advance sustainability. You can view the Climate Commission's monthly updates on their [website](#). The College Sustainability Steering Group has continued to meet during the Pandemic to progress delivery of the sustainability strategy.

SFC

The SFC has published the following documents since the last briefing note:

- [Student Support Fund audit guidance 2019-20](#)
- [Call for Evidence: A Review of Coherent Provision and Sustainability in Further and Higher Education](#)
- [Tackling Child Poverty Delivery Plan Call for Proposals 2020-21](#)

3. BENEFITS AND OPPORTUNITIES

This report will enable the Board of Management and its committees to improve awareness of, and better respond to, the economic impacts of the Covid 19 Pandemic.

4. STRATEGIC IMPLICATIONS

All identified horizon scanning impacts, and local economic recovery actions, are well aligned to the five strategic aims of the Edinburgh College Strategic Plan 2017/22, and transformational themes of a 'Future Proofed College'.

5. RISK

This report will enable the College to better identify the economic risks arising from the Covid 19 Pandemic, which will be managed through the Top Level Risk Register (TLRR).

6. FINANCIAL IMPLICATIONS

Any financial implications for the College identified in this report will be managed by the Senior Management Team, and Executive Team.

7. LEGAL IMPLICATIONS

Any legal implications arising as a result of this report will be managed by the Senior Management Team, and Executive Team.

8. WORKFORCE IMPLICATIONS

Any workforce implications arising as a result of this report will be managed by the Senior Management Team, and Executive Team.

9. REPUTATIONAL IMPLICATIONS

The College's staff, students, and stakeholders expect the College to have good governance and management arrangements in place to respond to, and recover from, the Pandemic, and for the College to play it's part in economic recovery.

10. EQUALITIES IMPLICATIONS

Any equalities implications arising as a result of this report will be managed by the Senior Management Team, and Executive Team.

RECOMMENDATIONS

The Committee is recommended to NOTE and CONSIDER the implications for the College arising from the report.

**AUDIT & RISK ASSURANCE COMMITTEE
07 OCTOBER 2020
PAPER T**



FOR INFORMATION			
Meeting	Audit & Risk Assurance Committee 07.10.20		
Presented by	Chair		
Author/Contact	Marcus Walker	Department / Unit	Governance
Date Created	25.06.20	Telephone	-
Appendices	N/A		
Disclosable under FOISA	Yes.		

AUDIT & RISK ASSURANCE COMMITTEE - AGENDA PLANNER 2020/21

1. PURPOSE

To provide Committee members with an opportunity to review upcoming items of business.

2. BACKGROUND

It is important that the Board and its committees follow an appropriate plan of work in order to ensure they effectively cover all areas of their remit throughout the year and make the most efficient use of their time.

3. DETAIL

Below are proposed agenda items (and lead speaker) for the next three meetings of the Audit & Risk Assurance Committee, excluding Minutes of the Previous Meeting, Matters Arising, Any Other Competent Business and For Information papers (e.g. Data Breach Report):

3.1 Wednesday 18 November 2020

- AUDIT SCOTLAND: SCOTLAND'S COLLEGE REPORT 2020 (Audit Scotland)
- INTERNAL AUDIT
 - Summary of Audit Recommendations (A Williamson)
 - Internal Audit Report: FES Return 2019/20 (BDO)
 - Internal Audit Report: Student Support Funds (BDO)
 - Internal Audit Progress Report (BDO)
 - Evaluation of Internal Audit 2019/20 (Chair)
- RISK ASSURANCE
 - Risk Management Report (N Croft)
 - Deep Dive: Student Support to Achieve Destination Outcome (K Heathcote)
- END OF YEAR ACCOUNTS
 - A&RA Committee Annual Report to the Board (Chair)
 - External Audit report (Audit Scotland)

- Draft Letter of Representation (Audit Scotland)
- Final Annual Report & Financial Statements (L Towns)
- HORIZON SCANNING REPORT (N Croft)

3.2 Wednesday 24 February 2021

- INTERNAL AUDIT
 - Summary of Audit Recommendations (A Williamson)
 - Internal Audit Report: Curriculum Planning (BDO)
 - Internal Audit Report: Project Management / Progress Against the Future Proofed College Programme (BDO)
 - Internal Audit Report: Student Support (BDO)
 - Internal Audit Progress Report (BDO)
- RISK ASSURANCE
 - Risk Management Report (N Croft)
 - Deep Dive: TBC
- HORIZON SCANNING REPORT (N Croft)
- AUDIT SCOTLAND STATUTORY FEES 2021/222 (A Williamson)

3.3 Wednesday 26 May 2021

- INTERNAL AUDIT
 - Summary of Audit Recommendations (A Williamson)
 - Internal Audit Report: International Contracts (BDO)
 - Internal Audit Report: Workforce Planning (BDO)
 - Internal Audit Report: Communications (BDO)
 - Internal Audit Report: Progress Report 2020/21 (BDO)
 - Internal Audit Plan 2021/22 (BDO)
- RISK ASSURANCE
 - Risk Management Report (N Croft)
 - Deep Dive: TBC
- AUDIT SCOTLAND: 2020/21 ANNUAL AUDIT PLAN (Audit Scotland)
- HORIZON SCANNING REPORT (N Croft)
- REVIEW OF COMMITTEE OPERATION 2020/21 (Chair)

4. BENEFITS AND OPPORTUNITIES

Effective agenda planning will allow the Committee to monitor all aspects of business within its remit in a timely manner.

CONCLUSIONS/RECOMMENDATIONS

The Audit & Risk Assurance Committee are asked to NOTE upcoming items of business, and CONSIDER any additional items for discussion at upcoming meetings.