

## AUDIT & RISK ASSURANCE COMMITTEE

### AGENDA

A meeting of the Audit & Risk Assurance Committee will be held at 15:00 hours on Wednesday 22 February 2022 via Microsoft Teams.

		Lead Speaker	Paper
1	WELCOME & APOLOGIES	Chair	
2	DECLARATIONS OF INTEREST	Chair	
3	<a href="#">MINUTES OF PREVIOUS MEETING</a> <i>for approval</i>	Chair	A
4	MATTERS ARISING REPORT		
	4.1 Matters Arising Update	Chair	B
	4.2 Business Committees of the Board Update		
	• Policy & Resources Committee	Chair	Verbal
	4.3 Board Development Session 09.02.22: Risk Management and Cyber-Resilience	Chair	C <b>Attached</b>
5	INTERNAL AUDIT REPORTS		
	5.1 Summary of Audit Recommendations	A Williamson	D
	5.2 Internal Audit Report: IT Services	BDO	E
	5.3 Internal Audit Report: Development & Delivery of Digital Learning	BDO	F
<i>Item 5 is presently exempt from publication under the Freedom of Information (Scotland) Act 2002, Section 30, Prejudice to the Effective Conduct of Public Affairs</i>			
6	RISK ASSURANCE		
	6.1 Risk Management Report	N Croft	G
	6.2 Cyber-Security Control Risk Matrix Report	A Williamson	H
	6.3 Deep Dive: Environmental Sustainability	N Croft	I
	6.4 Deep Dive: Course Completion and Student Destinations	J Pearson	Pres.
<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	ANY OTHER COMPETENT BUSINESS		
8	FOR INFORMATION		
	8.1 Internal Audit Progress Report		J

- 8.2 Data Breach Incidents and Cyber Attacks Update
- 8.3 Audit & Risk Assurance Committee Business  
Planner 2022

K **Attached**  
L **Attached**

9 DATE OF NEXT MEETING: 25 May 2022

*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.*



<b>Title</b>	<b>Board Development Session 09.02.22: Risk Management and Cyber-Resilience</b>
<b>Appendices</b>	None
<b>Disclosable under FOISA</b>	Yes
<b>Primary Contact</b>	Marcus Walker, Clerk to the Board
<b>Date of Production</b>	10.02.22
<b>Action Required</b>	Information / Discussion

**1. RECOMMENDATIONS**

The Audit & Risk Assurance Committee are asked to note matters arising from the Board Development Session on 9 February 2022.

**2. PURPOSE OF REPORT**

This report provides a summary of the Board Development Session which included presentations on risk management and cyber-resilience. The session was convened by the Chair of the Audit & Risk Assurance Committee, Nigel Paul.

PowerPoint presentations for both sessions can be accessed by Board members on the [Board Portal](#), via Microsoft Teams. *[N.B. Attendees without access to the Board Portal will be provide copies of both presentations on request via the Clerk to the Board]*

**3. DETAIL**

**3.1 Risk Management Session**

Nick Croft, Director of Communications, Policy & Research, led a session focussing on risk management arrangements at Edinburgh College - as highlighted below:



Risk management governance arrangements and the responsibilities of the Board, the Audit & Risk Assurance Committee, the Risk Management Group (and Senior Management Team) and the individual Operational Management Teams, with regards to the regular review of top-level risks, risk appetite and business continuity management, were clearly outlined.

As a practical example, related to the application of the Risk Management Methodology, Board Members were provided with an opportunity to score a current top-level strategic risk and consider relevant mitigation/controls and monitoring/assurances.

### **3.2 Cyber-Resilience Session**

Risk Management Consultants, Martin Clemmit and Arunava Banerjee (Zurich Insurance Group Ltd.) led a session outlining what members of the Board needed to know in relation to cyber-resilience. It was recognised that cyber-security breaches were a top-level strategic risk for the College and as such it was essential that all Board members understood the threat posed and potential mitigations.

During the session, seven key areas for Board consideration, and engagement with the Executive, around cyber-resilience were highlighted:

- Business change
- Preparedness
- Supplier & Partners;
- Risk Appetite
- Risk Assessment
- Risk Assurance, and;
- Culture.

The culture of the College towards cyber-security was viewed as an overarching area of importance for the Board, and included the attitudes, knowledge, assumptions, norms and values of the workforce towards cyber-security.

### **3.3 Board Discussions / Actions Arising**

The following points were raised by Board Members in relation to risk management and cyber-resilience:

- The publication of the new Edinburgh College Strategic Framework as a further opportunity for Board Members to actively engage with top-level strategic risks.
- The need for the Board to consider how it wished to prioritise cyber-security risks going forward. For instance, potentially prioritising risks that may inhibit the College's abilities to meet its core strategic objectives.
- The need for the Risk Management & Assurance Group and the Senior Management Team to further consider business continuity planning in response to the potential impact of a cyber-attack on the College's direct communication channels to both staff and students.

## **4. IMPACT AND IMPLICATIONS**

The oversight of strategic risk management and cyber-security sits with the Board of Management. It is important that all Board members understand the governance around risk management and cyber-security at the College, and how to mitigate any associated risks.

## **5. LINKS TO STRATEGIC PLAN AND KPIS**

The activities and key priorities described in this report are linked to the strategic aim to be 'An Effective and Efficient College'.

<b>Title</b>	<b>Data Breach Incident and Cyber Attack Update - February 2022</b>
<b>Appendices</b>	None
<b>Disclosable under FOISA</b>	Yes
<b>Primary Contact</b>	Nick Croft, Director of Communication, Policy & Research
<b>Date of Production</b>	16.02.22
<b>Action Required</b>	Information

**1. RECOMMENDATIONS**

The Audit & Risk Assurance Committee are asked to note the update provided.

**2. PURPOSE OF REPORT**

This report provides a summary of *reportable* data breach incidents within Edinburgh College for the reporting period from 01 November 2021 to 31 January 2022.

**3. INCIDENTS**

There were no reportable data breach incidents in this reporting period (reportable data breach incidents being defined as personal data breaches of sufficient seriousness to require notification of the Information Commissioner's Office).

**4. IMPACT AND IMPLICATIONS**

To monitor any trends that may occur and assess (where possible) areas of potential risk. Further to this, the report for remedial actions to be implemented to ensure the college meets legal compliance.

Monitoring and carrying out investigations ensures that the college is operating in compliance with data protection legislation.

**5. LINKS TO STRATEGIC PLAN AND KPIS**

The activities and key priorities described in this report are linked to the strategic aim to be 'An Effective and Efficient College'.

**AUDIT & RISK ASSURANCE COMMITTEE  
23 FEBRUARY 2022  
PAPER L**



<b>Title</b>	<b>Audit &amp; Risk Assurance Committee Agenda Planner 2021/22</b>
<b>Appendices</b>	None
<b>Disclosable under FOISA</b>	Yes
<b>Primary Contact</b>	Marcus Walker, Clerk to the Board and Governance Advisor
<b>Date of Production</b>	14.01.22
<b>Action Required</b>	Information

**1. RECOMMENDATIONS**

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

**2. PURPOSE OF REPORT**

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

**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 25 May 2022**

- INTERNAL AUDIT
  - Summary of Audit Recommendations (A Williamson)
  - Internal Audit Report: Workforce Planning (BDO)
  - Internal Audit Report: Application, Induction & Enrolment (BDO)
  - Internal Audit Report: Course Planning & Timetabling (BDO)
  - Internal Audit Report: Cash Handling (BDO)
  - Draft Internal Audit Plan 2022/23 (BDO)
- RISK ASSURANCE
  - Risk Management Report (N Croft)
  - Deep Dive: Commercial Income (M Jeffrey)
- AUDIT SCOTLAND: 2021/22 ANNUAL AUDIT PLAN (Audit Scotland)
- REVIEW OF COMMITTEE OPERATION 2021/22 (Chair)

### 3.2 October 2022 (Date to be confirmed)

- TERMS OF REFERENCE (Chair)
- AUDIT SCOTLAND: SCOTLAND'S COLLEGE 2022 (Audit Scotland)
- INTERNAL AUDIT
  - Summary of Audit Recommendations (A Williamson)
  - Internal Audit Report: Follow-up Report 2021/22 (BDO)
  - Internal Audit Annual Report 2021/22 (BDO)
- RISK ASSURANCE
  - Risk Assurance Report (N Croft)
  - Three Lines of Defence Annual Report (N Croft)
  - Annual Report on Data Breach Incident and Cyber Attacks (N Croft)
- EXTERNAL AUDIT
  - Compliance with the Code of Good Governance (N Croft)
  - Internal Control Assurance Statements (A Cumberford)
  - Draft Annual Report and Financial Statement (L Towns)
- ANNUAL COMPLAINTS REPORT (K Heathcote)
- HORIZON SCANNING REPORT (N Croft)

### 3.3 November 2022 (Date to be confirmed)

- AUDIT SCOTLAND: SCOTLAND'S COLLEGE REPORT 2022 (Audit Scotland)
- INTERNAL AUDIT
  - Summary of Audit Recommendations (A Williamson)
  - Internal Audit Report: FES Return 2021/22 (BDO)
  - Internal Audit Report: Student Support Funds (BDO)
  - Internal Audit Progress Report (BDO)
  - Evaluation of Internal Audit 2021/22 (Chair)
- RISK ASSURANCE
  - Risk Management Report (N Croft)
  - Deep Dive: TBC (TBC)
- 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)

**4. IMPACT AND IMPLICATIONS**

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.

**5. LINKS TO STRATEGIC PLAN AND KPIs**

The activities and key priorities described in this report are linked to the full range of strategic aims and key performance indicators.