Edinburgh College

AUDIT & RISK ASSURANCE COMMITTEE

Approved minutes of the meeting held at 15:00 on 26 November 2025 in the Boardroom, Sighthill Campus.

Present:	Kenneth Brooker (Independent Member); Peter Burns (Independent Member); Judit Harangozo; Derek Hynds; and Bill Troup (Chair).	
In attendance:	Audrey Cumberford	Principal and Chief Executive (items 1-7.1)
	Ian Deed	Director of Finance and Estates Infrastructure
	Ruth Holland	External Auditor, Forvis Mazars (items 1-9.1)
	Gordon Hope	Digital Infrastructure Service Lead (items 1-4)
	Gemma MacLeod	Internal Auditor, BDO (items 1-9.1)
	Pauline MacPherson	Information Governance Manager (items 1-4)
	Fraser Rudge	Interim Board Secretary
	Michael Speight	External Auditor, Forvis Mazars (items 1-9.1)
	Alan Williamson	Chief Operating Officer

1 WELCOME & APOLOGIES

The Chair welcomed those present to the second meeting of the Audit and Risk Assurance Committee in academic year 2025/26; and thanked the internal and external auditors for meeting privately with the committee members prior to the start of the meeting.

No apologies were received from the Committee's members, and the Chair confirmed that the meeting was quorate.

2 DECLARATIONS OF INTEREST

No declarations of interests were received.

3 MINUTES OF PREVIOUS MEETING

The Committee APPROVED the minutes of the meeting of 8 October 2025 (Paper A) as an accurate record.

4 MATTERS ARISING REPORT

The Committee NOTED the status of actions as detailed within the Matters Arising Report (Paper B).

4.1 Policy Register (Complete)

The Committee NOTED a verbal update on the College's Policy Register and associated document control processes. The Information Governance Manager provided background information on the development of College's documentation control process, an overview of the current process in operation, and upcoming project objectives and milestones. Members DISCUSSED briefly engagement with the document process across the College, how policies were made available to members of the college community, and the measures in place to ensure compliance with policies.

4.2 Loss of Access to IT Systems (In progress)

The Committee NOTED that the dependency mapping document has been circulated to members as part of the meeting's agenda (minute 11.1 refers).

The Digital Infrastructure Service Lead advised members of the Committee that further progress had been made in mapping the dependency of the College's IT systems, and in updating the operational risk register. Guidance from committee members was sought on the level of information required for regular reporting to the Committee, and Judit Harangozo and Derek Hynds agreed to meet with the Digital Infrastructure Service Lead.

4.3 Cyber Essentials Plus (In Progress)

The Digital Infrastructure Service Lead advised that the action remained in progress, and members received an update on recent activity to achieve Cyber Essentials Plus. The Committee was advised that work was pending on specific servers and that, once complete, network access could be denied to non-compliant devices. It was anticipated that this work would be completed by the close of February 2026.

4.4 Internal Audit: Data Protection (In Progress)

Members were informed that additional resource had been provided to assist the Information Governance Manager, covering two days per week, and that this would enable work on the Information Asset Register to be prioritised and completed in early 2026 (a change to the previous expected completion date in 2027). Members noted that a Data Protection deep-dive was scheduled to take place on 20 May 2026.

4.5 Internal Audit Report: IT Security (Complete)

The Committee NOTED that the Chair and Chief Operating Officer had met to discuss the College's assurance arrangements related to third-party service organisations. The Committee also NOTED that the Head of Procurement had presented relevant information to the recent meeting of the Finance, Business Development, and Resources Committee; and that this information had been included as an appendix to the Matters Arising Report. Members sought further information on how the College understood and managed risk related to third-party service organisations. The Committee AGREED that the impact of failure or non-compliance relating to the College's highest value suppliers be shared with the Committee at a future meeting.

Separately, the Digital Infrastructure Service Lead provided a brief update on the status of the four audit recommendations. Members were informed that two recommendations had been completed, and that work on the other two recommendations remained in progress. Members discussed briefly the College's recent procurement of specialist insurance from CFC, which would help the College to reinstate its systems in the event of a cyber-attack.

5 RISK ASSURANCE

5.1 Whistleblowing Policy and Procedure

The Committee NOTED the revised Whistleblowing Policy and Procedure (Paper C), and were advised that minor changes had been proposed to provide additional clarity and to update contact information.

The Committee were advised that, following correspondence prior to the meeting, further clarification would be included on the escalation of cases whereby the Chief Operating Officer or

Principal were implicated in a report. An additional clause would also be inserted to protect against detrimental treatment following an unproven whistleblowing claim.

Subject to the amendments agreed above, the Committee APPROVED the revised policy.

In response to a query, it was confirmed that there had been no whistleblowing cases recorded. The Committee AGREED that the number of cases, including no cases, to be reported on a routine basis.

6 INTERNAL AUDIT

6.1 Internal Audit Plan 2025-26

The Committee NOTED the 2025/26 Internal Audit Plan (Paper D); and the Internal Auditor highlighted the changes made following previous consideration of the plan at the Committee's meeting of 21 May 2025.

The Chair observed that the College's Transformation Programme would be instrumental to achieving the College's strategies, and queried how the progress of the Programme would be monitored and the associated risks managed. It was also noted that there were regular updates on progress and performance at Board of Management meetings. The Chair invited members to consider whether the Committee required assurance from the internal audit function that the plan was being delivered as required. It was observed that the Transformation Programme was still at an early stage, and that certain benefits would not be realised within the current year. Following discussion, the Committee AGREED that a deep dive into the internal controls supporting the delivery of the Transformation Programme be arranged for the 20 May 2026 meeting.

The timing of an IT Security audit in 2025/26 was queried, and it was noted that an IT Security audit had occurred in 2024/25 and that a moderate level of assurance had been recorded over the design and operational effectiveness of controls. Due to the proximity to the previous audit, it was commented that clarity would be required on the scope of a further IT Security audit.

It was observed that AI-enabled products were becoming more prevalent, and that the pace at which such products were being introduced into the market-place was increasing. It was suggested that an internal audit covering governance could help future proof the College's internal controls around the procurement and usage of AI-enabled products. Following discussion, the Committee AGREED that the planned audit of IT Security in 2025/26 be replaced by an advisory audit on the College's governance approach and arrangements relating to the procurement and usage of AI-enabled products.

7 END OF YEAR ACCOUNTS

7.1 Draft Annual Report and Financial Statements to 31 July 2025

The Committee NOTED the Draft Annual Report and Financial Statements for the year ended 31 July 2025 (Paper E).

The Director of Finance and Estates Infrastructure provided a brief overview of the year-end outturn, and commented on a few notable factors which had affected the outturn. Members were informed that the Draft Annual Report and Financial Statements had been updated following members' feedback at the October 2025 committee meeting, and as part of feedback provided prior to and at the November 2025 committee meeting.

The Committee DISCUSSED minor points of clarification and potential contextual amendments to the Annual Report. It was suggested that additional narrative be added in relation to the College

Transformation Plan and for the recent decline in student numbers; and an explanation be added for the use of the same expected rate of return across different asset classes.

7.2 External Audit Report

The Committee NOTED the proposed Annual Audit Report for the year ended 31 July 2025 (Paper F) and the unqualified audit opinion on the accounts, which included a report on the audit of the financial statements, the regularity of expenditure and income, and all other reporting requirements.

The Committee NOTED that the External Auditor had not identified any serious weaknesses in the internal control environment, significant fraud, or major accounting errors or other control breakdowns.

The Committee NOTED that the External Auditor had carefully considered a finding related to the valuation of the College's land and buildings; and that audit testing had not highlighted any issues with the valuation of land and buildings undertaken in accordance with the College's policy. Members were further informed that within the next five-year valuation cycle, a desktop valuation would replace indexation in year three and a full valuation would occur in year five.

The Committee RECOMMENDED that the Board of Management APPROVE the Annual Report and Financial Statements by the Board of Management at its meeting of 11 December 2025.

7.3 Draft Letter of Representation

The Committee considered and endorsed the content of the Draft Letter of Representation (Paper G) as provided by the External Auditor. Members noted that, subject to the Board of Management's approval of the Annual Accounts and Financial Statements to 31 July 2025, the letter would be signed by the Chair of the Board and the Principal on 11 December 2025.

8 DRAFT AUDIT & RISK ASSURANCE COMMITTEE ANNUAL REPORT 2025

The Committee NOTED the draft Audit & Risk Assurance Committee Annual Report for 2025 (Paper H); and the Chair invited members to consider whether there were any further matters to bring to the Board's attention. Members AGREED that mention should be made of the Committee's new terms of reference, and that the report should confirm that there was no whistleblowing cases reported within the period of review.

The Committee APPROVED the Annual Report's presentation to the Board of Management meeting on 11 December 2025.

9 ANY OTHER COMPETENT BUSINESS

9.1 Horizon Scanning Update

The Internal Auditor and the External Auditors both advised the Committee that there were no significant updates in the period since the October 2025 committee meeting. Members NOTED the Budget announcement in the House of Commons made earlier that day, the impact of which had yet to be assessed.

The Internal Auditor and the External Auditors left the meeting.

9.2 Evaluation of Internal Audit (2024/25)

The Committee NOTED the consolidated feedback provided as part of the 2024/25 evaluation of internal audit (Paper I); and members NOTED that all survey respondents had rated the Internal Audit function as 'Strong' or 'Adequate', and that no respondents had selected the option 'Needs Improvement'.

The Committee DISCUSSED the consolidated feedback, and considered the performance of the internal audit function. Members commented appreciatively on the level of experience in the internal audit team. Members also took comfort from the internal audit team's exposure to the wider college sector, which was considered to inform the relevance and proportionality of the audit recommendations. Staff members in attendance commented that they had appreciated the Internal Auditors support in the scoping of audits; and that they appreciated being able to discuss draft audit recommendations prior to finalisation. The Committee AGREED that Internal Audit had performed well in 2024/25.

The Chair invited members to consider whether there were any opportunities for improvement. In response, it was suggested that consideration be given to more explicitly highlighting the value added through the internal audit function and, in particular, at the scoping stage.

The Chair thanked members for their helpful comments, and advised that they would provide the Committee's feedback to the Internal Auditor prior to the December 2025 Board of Management meeting.

Reflecting on the design of the evaluation form, the Chair observed that the questions could more clearly align with the key performance indicators the Committee had agreed for the Internal Auditor at its meeting of 21 May 2025. Members were advised that the evaluation form would be revised for 2026, and that respondents' answers and comments in future should indicate whether the KPIs had been met.

10 FOR INFORMATION

10.1 Audit & Risk Assurance Committee Business Planner 2025/26

The Committee NOTED the potential agenda items identified for the Committee's remaining meetings within the 2025/26 academic year, and NOTED the associated mapping against the Committee's terms of reference (Paper J). Members were invited to provide any feedback or suggestions to the Chair and the Clerk following the meeting.

The Committee NOTED that a deep dive into the controls supporting the delivery of the Transformation Programme would be arranged for the 20 May 2026 meeting (minute 6.1 refers).

11 FOR CIRCULATION

11.1 IT Dependency Mapping

12 DATE OF NEXT MEETING: 4 MARCH 2026