

## Audit & Risk Committee

Meeting at 17:00 Thursday 9 October 2025

On Teams

### ACTIONS



Item	Action	Responsibility and Date	Action Status

## Audit & Risk Committee

Meeting at 17:00 Thursday 9 October 2025

### On Teams

### MINUTES

<b>ITEM</b>	<b>MINUTE</b>
<b>Present</b>	Dave Roberts (Chair) Gordon Donald Lindsey Hastie Cherene Thomson Mark Cockburn
<b>In Attendance</b>	Kirsty Robb (Vice Principal, Finance & Corporate Services) Pete Smith (Principal) Ray McCowan (Board Chair) Ingrid Earp (Board Secretary) Siobhan Archibald (Wylie Bisset Group [WBG] - Internal Auditors) Gregor Hall (Financial Controller) Suzie Hartley (Minutes)
<b>41/25</b>	<b><u>Chair's Welcome</u></b> D Roberts welcomed everyone to the meeting, including Gregor Hall, Financial Controller, who was attending for the first time.  Changes to the committee membership were noted; Phil Macdonald has moved from this committee to the Finance & Resources Committee and Sonia Pythian has joined this committee, having moved from Finance & Resources.
<b>42/25</b>	<b><u>Declaration of Conflict of Interest</u></b> No conflicts of interest were noted.
<b>43/25</b>	<b><u>Register of Members' Interest</u></b> No changes/additions to the Register of Interest were raised.
<b>44/25</b>	<b><u>Apologies for Absence</u></b> Apologies were noted from Amy Hughes and Chris Brown (Azets – External Auditors) – there were no agenda items which required External Audit attendance. Sonia Phythian also submitted apologies.
<b>45/25</b>	<b><u>Minutes of Previous Meeting held on 22 May 2025 (Paper A)</u></b> The minutes were agreed as an accurate representation of discussion.
<b>46/25</b>	<b><u>Matters Arising</u></b> All actions were noted to have been completed.  Further discussion with regards to the Strategic Risk Register is to take place at the upcoming Board Development session, with any actions being taken to the October Board meeting.

<b>SECTION A – ITEMS FOR DECISION</b>	
<b>47/25</b>	<p><b><u>Internal Audit Assignment – Credits (K Robb, ToR 2.7, Paper B)</u></b>  An overview of the internal audit work relating to the recording of credits was provided. Work was undertaken in September, resulting in recommendations, one of which has already been formally responded to. The remaining work is underway and expected to be completed within the agreed timescales.</p> <p>S Archibald, WBG (Internal Auditors) confirmed that the review is being conducted in line with SFC and Audit guidelines published on 13 August. No major issues were identified; however, one recommendation was raised concerning credits being claimed incorrectly for students who had withdrawn. This resulted in an 8.5 credit adjustment. While not significant, it was acknowledged as an issue, though not indicative of a systemic problem.</p> <p>It was confirmed that all reports have been completed, and certificates issued.</p> <p>The Committee Chair invited questions and commented on apprenticeships and distance learning and noted that the new structure should support improved coordination across these areas. There were no further comments or questions.</p>
<b>48/25</b>	<p><b><u>Internal Audit Assignment – Student Support Fund (K Robb, ToR 2.7, Paper C)</u></b>  The College are no longer be required to provide documentation for this area, although a certificate requires completion for next year.</p>
<b>49/25</b>	<p><b><u>Internal Audit Assignment – Educational Maintenance Allowance [EMA] (K Robb, ToR 2.7, Paper D)</u></b>  A clean certificate has been issued, and no recommendations were made. S Archibald confirmed that all funding has been claimed appropriately and that the College has submitted both the certificate and the SAAS return as required.</p> <p>There were no questions from members. The Committee Chair expressed satisfaction with the positive Audit reports and requested that, in the event of any issues arising in future audits, a system be put in place to ensure the Audit and Risk Committee is informed prior to any formal submission. The Vice Principal for Finance &amp; Corporate Services agreed to keep the Committee Chair updated and to ensure the timing of Audit and Risk Committee meetings aligns with submission deadlines.</p>
<b>50/25</b>	<p><b><u>Draft Annual Report to Regional Board (K Robb, ToR 2.15 / 2.14 / 2.11, Paper E)</u></b>  It was noted that the report remains in draft form as the External Audit report has not yet been completed and is being shared to invite any comments or suggested amendments, subject to a satisfactory outcome from the External Audit. The final version will be brought back to this Committee in December for approval, prior to submission to the Regional Board.</p>

51/25	<p><b><u>Draft Annual Accounts including Corporate Governance Statement (K Robb, ToR 2.2 / 2.15, Paper F)</u></b></p> <p>S Archibald confirmed that the Accounts had been completed within the required timescales and that the audit process had now commenced. A significant amount of information was required, and the accounts are currently in draft form and follow the guidance issued by SFC. This year's process is noted to have been more straightforward than in previous years.</p> <p>The Committee Chair emphasised the importance of not leaving comments until the last minute, given the short time period between the the Board meeting and submission deadline. The version presented at the next Audit and Risk Committee meeting will have been signed off, and no changes should be made at that stage. Members were therefore invited to share any comments over the coming weeks, either during meetings or directly via email.</p> <p>The Committee Chair commented on the tone of the Principal's introduction, describing it as appropriately upbeat while still acknowledging the severe financial challenges. The Board Chair recognised that tone was a challenge given the current context, but felt the narrative struck a sensible and realistic balance. The potential volume of changes and how the Committee would remain sighted on these was queried and Vice Principal for Finance &amp; Corporate Services assured that herself and the Principal would assess the level of impact and alert the Committee accordingly. Recent audits had resulted in only minor changes, with no major alterations to structure or tone. It was suggested that any revised wording is circulated to the Committee via email. The Committee Chair confirmed he was comfortable with this approach and added that, if necessary, a meeting of the Committee could be convened with sufficient notice. He cautioned that making major changes too late in the process could risk reopening the audit and missing submission deadlines.</p>
<b>SECTION B – ITEMS FOR DISCUSSION</b>	
52/25	<p><b><u>Strategic Risk Register (K Robb, ToR 2.9, Paper G)</u></b></p> <p>The Strategic Risk Register has been reviewed by both the CQSE and Finance &amp; Resources Committees and has undergone full review by the Senior Leadership Team on at least two occasions. Completed actions are now reflected within the mitigations, and new actions have been added for the 2025–26 period.</p> <p>There was an extensive discussion at the Finance &amp; Resources Committee regarding Risk 1.1 – commercial income targets. SLT agreed to increase the risk rating, reflecting the reduction in certain grant income streams and the increase in income targets.</p> <p>In relation to Risk 1.2 – financial sustainability, the score has not been reduced. Although the financial sustainability plan has been implemented, the risk remains at the higher end of the scale. The CQSE Committee is satisfied with the current position, and no fundamental changes have been made.</p> <p>A broader discussion on strategic risks is planned for the upcoming Board Development Day.</p>

	<p>The Committee Chair emphasised the Committee’s role in ensuring that the Strategic Risk Register is actively monitored and felt comfortable that everyone has a clear understanding of the risk appetite.</p>
53/25	<p><b><u>Audit Recommendations Monitoring (K Robb, ToR 2.8, Paper H)</u></b></p> <p>The Vice Principal for Finance &amp; Corporate Services reported that five internal audit recommendations are currently ongoing. Of these, four have been completed; however, they will not be officially marked as complete until the follow-up audit is conducted and confirmation is provided through the final report.</p> <p>In relation to external audit, one recommendation is believed to be complete, pending formal confirmation from the auditors.</p> <p>There have been a couple of data breaches since the last report, though none were deemed reportable. Recommendations have been implemented to prevent recurrence, and the College is now in a significantly stronger position than previously.</p> <p>S Archibald noted that the specific funding recommendation will be addressed as part of the upcoming funding review, as it aligns closely with that process. An update will be provided around the same time as the main audit.</p>
54/25	<p><b><u>Donations, Gifts, Hospitality &amp; Sponsorship Procedure Review (K Robb, ToR 2.10, Paper I)</u></b></p> <p>No donations or gifts were received during the last reporting period. A review of the current procedure has been undertaken, resulting in a recommendation to increase the reportable value from £20 to £30, in line with inflation.</p>
55/25	<p><b><u>Data Protection and Freedom of Information Update (K Robb, ToR 2.10, Paper J)</u></b></p> <p>A total of 30 FOI requests were received during the reporting period, with 97% responded to within the required timescales. There were no requests relating to environmental impact. The report included a breakdown of the types of requests received, with a notable number originating from trade unions.</p> <p>Comparative data was provided, showing that the College is above the sector average in terms of FOI reporting.</p> <p>Five Data Protection incidents were recorded, and all associated recommendations have been implemented. The most common issue continues to be email etiquette, though none of the incidents constituted major data breaches. All were considered low-grade and did not require intervention from the Information Commissioner.</p> <p>A member suggested that providing more detailed information proactively could help reduce the volume of FOI requests. The Vice Principal for Finance &amp; Corporate Services explained that while some requests are recurring and could potentially be addressed through publication, many are highly specific — for example, regarding wages or commercial offers — and are often redirected to existing published sources such as Board papers.</p>

	<p>It was queried whether any patterns had emerged in relation to data breaches and specific departments. The Vice Principal for Finance &amp; Corporate Services confirmed that there were no regular or repeat sources of incidents. Additional training and guidance have been provided across the organisation, with email etiquette remaining the most common area of concern.</p>
<b>56/25</b>	<p><b><u>Committee Self Evaluation (I Earp, Paper K)</u></b>  A positive response was received from members for their self-evaluation. This exercise forms part of the general compliance requirements for the Audit and Risk Committee and has now been rolled out to other committees. The inclusion of the question, “How do you know the answer to your question?” was highlighted as a useful addition, prompting deeper reflection from respondents.</p> <p>The Committee Chair observed that there was no significant variability in the scores, which were generally satisfactory. One area for consideration was the rotation of committee membership across the Board, noting that this is currently limited. The Board Secretary acknowledged this challenge, citing comments from members who felt time was needed to build familiarity and a sense of team cohesion. The need for a delicate balance was recognised, given that sub-committees meet only three times per year, and members may need a couple of cycles to gain continuity and a full understanding of the matters being considered. A gradual approach was suggested, rotating one or two members at a time, ideally before Christmas. It was agreed that cross-committee experience is valuable but acknowledged that time and availability are also factors. A regular rotation model was proposed. The Vice Principal for Finance &amp; Corporate Services noted the importance of maintaining a balance of skills and knowledge on each committee, cautioning that rotating members too frequently could risk losing valuable expertise.</p>
<b>SECTION C – ITEMS FOR INFORMATION</b>	
<b>57/25</b>	<p><b><u>Information Update (K Robb / I Earp, Paper L)</u></b>  The latest edition of Audit Scotland’s technical bulletin had been received. A key item of note is the requirement for the College to provide full trustee details. The Board Secretary is currently progressing this work, and members are encouraged to submit their information to her directly.</p> <p>There have also been changes to the accounts, including updates to the disclosure checklist and pension-related guidance, in line with Treasury and Public Audit Standards. There are also additional requirements relating to climate change reporting being introduced. While the College has likely exceeded expectations for this year in terms of sustainability reporting, plans are being put in place to ensure full compliance with future requirements.</p>
<b>58/25</b>	<p><b><u>Papers for Publication</u></b>  The Board Secretary will identify which papers are suitable for publication.</p>
<b>59/25</b>	<p><b><u>Any Other Business</u></b>  No additional matters were raised.</p>

60/24	<b><u>Date of Next Meeting</u></b> The next meeting is due to take place on Tuesday 2 December 2025 <b><u>in-</u></b> <b><u>person.</u></b>
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Signed.....  
Chair

Signed.....  
Board Secretary