

**West College Scotland
AUDIT COMMITTEE**

**25 January 2023 at 4.00 p.m.
By TEAMS**

AGENDA

General Business

- | | | |
|--|----------|-------|
| 1. Welcome and Apologies | | Chair |
| 2. Declaration of Interests | | Chair |
| 3. Minutes and actions | | |
| .1 Minutes of the meeting held on 21 September 2022 | Enclosed | Chair |
| .2 Actions from the Audit Committee Minutes | Enclosed | Chair |
| .3 Minute of meeting of Joint Audit and Corporate Development Committee 22 November 2022 | Enclosed | Chair |
| .4 Actions from the Joint Committee Minutes | Enclosed | Chair |
| 4. Matters arising from the minutes not otherwise on the agenda | | |
| .1 None | | |

Main Items for Discussion and/or Approval

External Audit

- | | | |
|--|---------|----|
| 5. Evaluation of External Auditor | Paper 5 | GL |
| 6. Draft Performance and Accountability Report | Paper 6 | AR |

Internal Audit

- | | | |
|--|----------|----|
| 7. Internal Audit Service Contract Extension | Paper 7 | AR |
| 8. Internal Audit Report – Safeguarding | Paper 8 | SP |
| 9. Internal Audit Report – IT Strategy | Paper 9 | SP |
| 10. 2022-23 Internal Audit Progress Report | Paper 10 | SP |
| 11. Rolling Audit Action Plan | Paper 11 | AR |

Items for Information (to note only)

- | | | |
|----------------------------------|----------|----|
| 12. 2022-23 Schedule of Business | Paper 12 | AR |
| 13. Any other business | | |

Next meeting: 27 March 2023 at 4.00 p.m. by TEAMS

AUDIT COMMITTEE

MINUTES: Wednesday 21 September 2022.

PRESENT: Graeme Bold (in the Chair), Grant Lyall, Ronald Leitch.

ATTENDING: Amy McDonald (Vice Principal, Operations), Alan Ritchie (Director of Finance), Vivienne Mulholland (Head of Finance and Student Funding), Shirley Gordon (Board Secretary).

**ATTENDING
BY**

INVITATION: Stephen Pringle (Wylie & Bisset), Joanne Buchanan (Mazars).

APOLOGIES: Liz Connolly (Principal).

AM651 WELCOME AND APOLOGIES

The Chair welcomed everyone to the meeting and apologies were noted.

AM652 DECLARATIONS OF INTERESTS

The standing declarations of interests of members, as available on the Register of Interests on the College website, were noted as current. There were no specific interests declared in regard to the items on the agenda.

AM653 MINUTES

The minutes of the meeting held on Thursday 26 May 2022 **were approved**.

AM654 ACTIONS FROM THE MINUTES

The Committee **noted** the actions taken and outstanding since the last meeting and **agreed** that the completed actions could now be removed.

AM655 MATTERS ARISING FROM THE MINUTES (AND NOT OTHERWISE ON THE AGENDA)

No matters arising were raised that were not already covered on the agenda.

AM656 COMMITTEE REMIT, MEMBERSHIP AND DATES OF MEETINGS IN 2022-23

Given this was the first Audit Committee meeting of the academic session, the Chair asked the Committee to consider and approve the Audit Committee remit, current membership and 2022/23 meeting dates.

The Committee noted that, at its request, a commitment to receive an annual report on IT security / controls and their application had duly been added to Section 1.5 (first bullet point) of the remit.

The Committee approved its remit, membership and 2022/23 meeting dates.

AM657 2021-22 AUDIT COMMITTEE REPORT TO THE BOARD

The Chair of the Audit Committee detailed the work carried out by the Audit Committee during the period 1 August 2021 to 31 July 2022 and explained that the Annual Report was a requirement of both the Scottish Funding Council (SFC) Financial Memorandum and the Scottish Public Finance Manual, and the report complied with the requirements of these documents.

The Director of Finance led the Committee through the report and noted that, despite the governance and operational challenges faced by the College, the 2021-22 schedule of Committee business was completed within the year.

Based on the assessments and reports provided by the internal / external auditors and College management, the Audit Committee was satisfied that its responsibilities to the Board of Management had been satisfactorily discharged for the 2021-22 year.

The Committee noted that through the Rolling Audit Action Plan, it reviewed progress made by the College in addressing recommendations made by both internal and external auditors. That systematic approach, saw audit actions monitored at each Committee meeting, ensuring progress was maintained in addressing audit recommendations, which was key in maintaining internal control of identified risks.

The Audit Committee approved the content of the draft Annual Report from the Audit Committee to the Board of Management.

AM658 ANTI-BRIBERY AND CORRUPTION POLICY

The Director of Finance reported that the College Anti-Bribery and Corruption Policy had been reviewed and he led the Committee through amendments proposed confirming that it reflected best practice as confirmed by the College legal advisors, Anderson Strathern.

The Committee discussed the Policy and noted the commitment to communicate the requirements of the Policy to employees at least once a year. Mr Ritchie confirmed that training and refresher training would be provided to all employees on a regular basis to accompany and supplement that annual communication. The Policy would also be visible via the College website and intranet.

It was suggested that the Policy be added to the new College staff learning experience platform “Evolve” to facilitate the monitoring of staff reading it.

{ACTION – AR}

The Audit Committee approved the revised Anti-Bribery and Corruption Policy.

AM659 ACCEPTANCE OF GIFTS, BENEFITS AND HOSPITALITY POLICY

The Director of Finance presented the results of the review of the College Acceptance of Gifts, Benefits and Hospitality Policy.

Mr Ritchie reported that the Policy had been reviewed and he led the Committee through amendments proposed confirming that it reflected best practice as confirmed by the College legal advisors, Anderson Strathern.

The Committee discussed the Policy and welcomed the table at Section 8.1 setting out the different categories of hospitality offered and the requirements for registering these.

It was suggested that the Policy be added to the new College staff learning experience platform “Evolve” to facilitate the monitoring of staff reading it.

{ACTION – AR}

The Audit Committee approved the revised Acceptance of Gifts, Benefits and Hospitality Policy.

AM660 PUBLIC INTEREST DISCLOSURE (WHISTLEBLOWING) POLICY AND PROCEDURE

The Director of Finance presented the results of the review of the College Public Interest Disclosure (Whistleblowing) Policy and Procedure.

Mr Ritchie reported that the Policy had been reviewed against best practice guidance, by the Senior Management Team and there were no proposed changes confirming that it reflected best practice as confirmed by the College legal advisors, Anderson Strathern.

Mr Ritchie reminded members that the College Whistleblowing Policy and procedures would be reviewed in 2022-23 by the internal auditors as it formed part of the 2022-23 Internal Audit Plan.

The Committee discussed the Policy, and it was suggested that it be added to the new College staff learning experience platform “Evolve” to facilitate the monitoring of staff reading it. **{ACTION – AR}**

The Audit Committee approved the Public Interest Disclosure (Whistleblowing) Policy and Procedure.

AM661 NATIONAL FRAUD INITIATIVE 2022

The Head of Finance and Student Funding explained that the College continued to participate in the National Fraud Initiative (NFI) and that Audit Scotland’s latest report “The National Fraud Initiative in Scotland 2022”, published in August 2022, described how the NFI had helped to identify outcomes from the 2020-21 exercise, and cumulative outcomes across Scotland of fraud, overpayments, and errors.

As the College had now received a communication from Audit Scotland to request the continued participation in the NFI, Ms Mulholland presented an update on the NFI process along with the Self-Assessment Checklist that the College had reviewed and updated.

The Committee noted that the College had no issues to raise from its review and no further actions were required in its preparedness for the upcoming NFI exercise.

The Audit Committee considered and noted the content of the report and Audit Scotland’s self-appraisal checklist.

AM662 2021-22 IT SECURITY / CONTROLS REPORT

The Vice Principal Operations presented an overview of the IT Security / Controls environment in operation at the College.

Ms McDonald described the more significant general computer controls that the College had in place explaining that those controls were reviewed to ensure there was strength and continued robustness covering both network access and the applications within the College environment. She confirmed that there would continue to be an assessment of vulnerabilities at application as well as network level.

Ms McDonald led the Committee through a summary of the following 2021/22 activities:

- Cyber Incident Response Plan.
- Microsoft 365 Defender.
- IT Systems Administrator Internal Audit.
- Server Rationalisation.
- Cyber Insurance.

adding that 2022/23 planned activities included Multi Factor Authentication (MFA), Cloud Backups, further server rationalisation, the role of Information Security Officer and the Cyber Resilience Framework.

The Committee was reminded of an IT Systems Administration Internal Audit undertaken by the College's Internal Auditor during March 2022 with the resultant report making three recommendations (one in each of the high, medium, and low categories). Ms McDonald summarised progress to address the recommendations and confirmed they would be monitored by the Audit Committee through the ongoing review of the Rolling Audit Action Plan.

With regard to the five 2022-23 planned activities, it was suggested that, to provide additional context and progress monitoring, timescales be added.

{ACTION – AMcD}

Ms McDonald confirmed that server rationalisation work had commenced to ensure that the College's Server Estate was operating with an appropriate quantity of servers for the running of current services used in the College, and that opportunities to utilise currently held Cloud resources were being fully realised. That rationalisation work would continue with a focus remaining on the retirement of on-campus file servers as part of a Use of Cloud Storage key project.

The Audit Committee noted the content of the report.

AM663 2021-22 EXTERNAL AUDIT PROGRESS UPDATE

Joanne Buchanan, Audit Senior Manager, Mazars, provided a report on the progress made by Mazars in delivering their responsibilities as the College's external auditors. She also highlighted key emerging national issues and developments of interest to members of the Committee.

Ms Buchanan summarised key audit stages adding that overall, work was on track and there were no significant issues arising.

She outlined the audit progress since the issue of the Audit Strategy Memorandum in May 2022 explaining that the final audit fieldwork was due to begin on 19 September 2022. Most of the audit fieldwork would be carried out remotely and the audit team had prepared accordingly to facilitate a smooth process including the setting up of a secure online portal for sharing information. This ensured easier tracking of information provided and was accessible to all members of the audit and Finance Team.

Detailed arrangements would be discussed and made with the Finance Team in the coming weeks to ensure the audit was carried out as efficient as possible. Ms Buchanan would report to the Joint Audit and Corporate Development Committee on 22 November 2022 with the Annual Audit Report and draft opinion on the financial statements. The accounts were due to be approved by the West College Scotland Board on 12 December 2022.

The Committee noted the content of the report.

AM664 ACCOUNTS DIRECTION FOR SCOTLAND'S COLLEGES 2021-22

The Head of Finance and Student Funding reported that the SFC issued mandatory guidance for the preparation of the annual report and accounts each year. She provided the Committee with an overview of the detailed requirements for the 2021-22 financial year.

Ms Mulholland set out the requirements for the preparation of the annual report and accounts the deadline of which was 31 December 2022. Two copies of the College annual report and accounts also required to be sent to the Auditor General for Scotland by 31 December 2022.

The College was complying with the requirement for the reporting year to 31 July 2022 and Ms Mulholland highlighted key points arising from the 2021-22 SFC Accounts Direction and Guidance notes.


The Audit Committee noted the content of the report.

AM665 INTERNAL AUDIT REPORT 2021-22

Stephen Pringle, Wylie & Bisset, presented the Internal Audit Report 2021-22 which formed part of the suite of year-end reports and was designed to assist the Board of Management inform its governance statement contained within the College Financial Statements.

He documented the scope and responsibilities of both management and the Internal Auditors and reported the internal audit opinion on the adequacy and effectiveness of management's internal control systems as follows:

"We are satisfied that sufficient internal audit work has been undertaken to allow us to draw a conclusion as to the adequacy and effectiveness of the College's risk management, control and governance processes. In our opinion West College Scotland did have adequate and effective risk management, control and governance processes to manage its achievement of the College's objectives at the time of our audit work. In our opinion, the College has proper arrangements to promote and secure value for money."



The Committee noted that Wylie & Bisset had an extensive external assessment undertaken in November 2021 of its compliance with the overarching framework of the Chartered Institute of Internal Auditors, Definition of Internal Auditing, Code of Ethics, and International Standards for the Professional Practice of Internal Auditing, together with the UK Public Sector Internal Audit Standards. Mr Pringle was delighted to report the conclusion as follows:

"We are pleased to report that the Wylie and Bisset LLP Internal Audit Department conforms with the Standards, as well as the Definition of Internal Auditing, Core Principles and the Code of Ethics, which form the mandatory elements of the Public Sector Internal Audit Standards (PSIAS) and the Institute of Internal Auditors' International Professional Practices Framework (IPPF), the globally recognised standard of quality in Internal Auditing".

and it was suggested that confirmation of that be included in the 2021-22 Audit Committee Report to the Board.

{ACTION – AR}

The Audit Committee considered and approved the contents of the Internal Audit Report 2021-22.

AM666 2022-23 INTERNAL AUDIT PROGRESS REPORT 2022-23

Stephen Pringle, Wylie & Bisset, summarised progress with the 2022-23 report and outlined what was coming up. This was **noted**.

AM667 ROLLING AUDIT ACTION PLAN

The Director Finance explained that the purpose of the Rolling Audit Action Plan (RAAP) was to update the Audit Committee on the status of the recommendations made by both the internal and external auditors.

Mr Ritchie led the Committee through the report, summarising the movement in relation to the audit recommendations made since the last meeting and confirmed that the RAAP was reviewed by the staff with responsibility for the implementation of the audit recommendations on an ongoing basis.

Mr Ritchie reported that the College considered good progress had been / was being made in addressing the recommendations made by the internal and external auditors.

The Committee discussed the detail of the plan noting that:

- There were no requests to remove any actions.
- Five date extension requests had been made in relation to:
 - ❖ Update Corporate Strategy to include aims in relation to sustainability and carbon management.
 - ❖ Review and amend the reporting lines and resources for sustainability and carbon management.
 - ❖ Introduce a process for the collection and recording of data on sustainability and carbon management emissions within the college.
 - ❖ Extend the Mobile Device Management and Multi-Factor Authentication functionality to further protect College data
 - ❖ Introduce a standard practice across all sectors and campuses for short listing of applications and the recording of the interview process

Members agreed that the progress bar for each audit action was an excellent addition to the report.

The Audit Committee:

- **Approved the date extension of five recommendations.**
- **Considered and approved the updated Rolling Audit Action Plan.**

AM668 2021/22 REPORT ON FREEDOM OF INFORMATION AND DATA PROTECTION ACT REQUESTS / HOSPITALITY AND GIFTS REGISTER

The Director of Finance reported that the remit of the Committee required it to receive an annual report on:

- Public Interest Disclosure.
- Freedom of Information and Data Protection Acts requests.
- Register of Interests.
- Gifts and Hospitality registers.

Mr Ritchie detailed an update regarding each of the above areas.

Mr Bold agreed to email all Board members reminding them of their obligation to complete a Registration of Interests form. **{ACTION – GB}**

The Audit Committee noted the 2021-22 report.

AM669 2022-23 SCHEDULE OF BUSINESS

The Audit Committee noted the 2022-23 Schedule of Business.

AM670 ANY OTHER BUSINESS

- Mr Bold reported that he was stepping down as Chair of the Audit Committee and Grant Lyall would take over that role following approval at the Board meeting scheduled for 10 October 2022.
- Date of Next meeting:
Joint Committee - 22 November 2022 at 4.00pm by TEAMS
Audit Committee - 25 January 2023 at 4.00 p.m. by TEAMS

Audit Committee: Actions from the Minutes

Date of Meeting	Min Ref	Matter for Action	Responsible Person	Action Taken	Timescale (where applicable)
21 Sept 22	AM658, 659, 660	Add the 3 Policies to the new College staff learning experience platform "Evolve" to facilitate the monitoring of staff reading it.	A Ritchie	Currently working with OD Manager to facilitate Policies being uploaded to Evolve platform.	Pending 31 March 2023
21 Sept 22	AM662	2021-22 It Security / Controls Report - the five 2022-23 planned activities, should have timescales added.	A McDonald	Currently reviewing 2022/23 workplan and developing appropriate timelines	Pending 31 March 2023
21 Sept 22	AM665	Confirmation of Wylie & Bisset's extensive external assessment be included in the 2021-22 Audit Committee Report to The Board.	A Ritchie	Annual Report updated and approved.	Complete
21 Sept 22	AM668	Email all Board members reminding them of their obligation to complete a Registration of Interests form.	G Bold		
26 May 2022	AM645	Consider what training for Board members might be supported by Wylie & Bisset.	W Hatton / L Connolly	To be considered as part of contract extension discussions.	Pending

JOINT MEETING OF AUDIT COMMITTEE AND CORPORATE DEVELOPMENT COMMITTEE

MINUTES: Tuesday 22 November 2022

Present: Grant Lyall (Chair)

Audit: Graeme Bold, Ronald Leitch.

CD: John Leburn, Linda Johnston, Daniel McMahon.

Attending: Amy McDonald (Vice Principal Operations), Stephanie Gunn (Vice Principal Educational Leadership), Alan Ritchie (Director Finance), Nathan Tyler (Director Communications, Policy & Engagement), Vivienne Mulholland (Head of Finance and Student Funding), Brian Stobbs (Head of IT), Charlene Clark (PA to Principal)

Attending by invitation:

Joanne Buchanan (Mazars – External Auditors).

Stephen Pringle (Wylie & Bisset – Internal Auditors).

Apologies: Liz Connolly, Jane McKie, Douglas Bayley, Sandor Nagy, David Mark, Lucy Nutley (Mazars – External Auditors), Graham Gillespie (Wylie & Bisset – Internal Auditors).

AFM55 CLOSED SESSION WITH EXTERNAL AUDITORS - Restricted Item

AFM56 WELCOME

The Chair welcomed members, attending officers and auditors (internal and external) to the joint meeting of the Audit and Corporate Development Committee.

AFM57 DECLARATIONS OF INTERESTS

The standing declarations of interests of members, as available on the [Register of Interests](#) on the College website, were noted as current. There were no specific interests declared with regard to the items on the agenda for the meeting.

AFM58 MINUTES

The minutes of the joint meeting of the Audit and Finance and General Purposes Committee held on 23 November 2021 **were noted (having already been approved at each of the Committees)**.

AFM59 ACTIONS FROM THE MINUTES

The Committee **noted** that all actions arising from the previous minutes had been completed.

AFM60 EXTERNAL ANNUAL AUDIT REPORT AND LETTER OF REPRESENTATION 2021-22

Ms Buchanan, external auditor - Mazars, presented their report on the audit of the financial statements for the year ending 31 July 2022 and the letter of representation 2021-22 was considered.

Ms Buchanan summarised the audit conclusions and explained that Mazars had substantially completed their work on the financial statements and wider scope work for the year ended 31 July 2022.

Ms Buchanan led the Committee through the report and highlighted that the auditors delivered an unqualified opinion concerning:

- The financial statements for the year ending 31 July 2022.
- The regularity of income and expenditure (in all material respects the expenditure and income recognised in the financial statements have been applied for the purposes intended).
- The remuneration and staff report, performance report and governance statement.

The external auditors also concluded that the College had:

- effective arrangements in place, including budgetary control, which helped the Board members scrutinise finances.
- adequate financial planning arrangements in place. The long-term operational funding gap previously identified by the College as well as a need for significant capital investment increases and becomes more urgent. The College is reliant on the outcome of dialogue with the Scottish Funding Council to ensure future capital investment is made and therefore the risk of the College not being financially sustainable is partially reduced.
- governance arrangements in place that provide appropriate scrutiny by the Board of Management of decisions made.
- an effective performance management framework in place that supports progress towards the achievement of value for money.

This led to the Auditors anticipating the Report being unqualified.

Ms Buchanan noted there remains a long-term funding gap and need for capital investment which is ongoing. On performing the audit there were no significant difficulties and there was no deviation from the previously presented plan. There were also no internal control weaknesses to bring to the Committees attention. Ms Buchanan noted in relation to land and buildings that the uncertainty has been removed this year after correspondence with the valuer and there is no need for an emphasis of matter.

Ms Buchanan noted that during the audit process, the College were informed by the SFC of the introduction of a 2% tolerance for those colleges that had not met their credit target. This resulted in an adjusted misstatement of £886k being made to the financial statements presented for audit. Ms Buchanan noted this is not something the College could have been aware of, is not a reflection on what was prepared and is being flagged with SFC.

The Oakshaw Building condition was discussed with management with the intention to bring it back into use and, as such, no impairment was deemed necessary. The defined benefit pension was also discussed and will show as a surplus on the accounts this year.

Ms Buchanan noted that overall, the annual audit was an extremely straight forward process and thanked Mr Ritchie and the team for their work and support not only this year but over the last six years.

The following points were raised:

- Responding to a question on going concern and the significant savings noted as required to balance the budget, Ms Buchanan responded that going concern considers a period of 12 months from the date of signing of financial statements. The auditors consider the level of savings required with a focus on a 12-month view, and consider whether there will be a continued provision of service. With the cash position of the College and the actions proposed to be taken, Mazars has no concern that the College cannot deliver over the next 12 months. In the longer term, all factors are considered.
- Responding to a question on adequate financial planning and forecasting over a 2 to 5 year period, Ms Buchanan responded there is constant dialogue with other Auditors, Audit Scotland and SFC on how challenging this is. There are slight differentials in approach with other colleges, but all institutions find themselves in similar challenging positions.
- Responding to a question on any new material risks, Ms Buchanan responded that there was no change to the main material risks identified at the planning stage being Management Override Controls and Revenue Recognition which are two standard risks on every audit. Also identified at the planning stage was Expenditure Recognition and no other risks were identified.

The Chair noted that members are very conscious of the financial challenges ahead and thanked Ms Buchanan for the report and for clarifying the position on going concern.

The Committee approved for presentation to the Board of Management the:

- **Audit Annual Report to the Board of Management and the Auditor General for Scotland for the year ended 31 July 2022.**
- **The letter of representation.** [Action: AMcD]

AFM61 2021-22 CREDITS AUDIT REPORT

Stephen Pringle (Wylie & Bisset) presented the results of the SFC Credit (student activity) Audit for 2021-22 which included the audit certificate.

Mr Pringle reported that Wylie & Bisset conducted the 2021-22 audit of student activity (Credits) and he led the Committee through the results of that audit work against each of the key risk areas highlighted by the SFC in their guidance.

Mr Pringle added that Wylie & Bisset had concluded:

- The College had reasonable procedures and controls in place over the collection of data for the credits return and that assurance could be taken that the credits count for the College was not materially mis-stated.

- The audit certificate (Appendix B) is in the format set out in the audit guidance. The audit certificate was submitted to the SFC on 14 October 2022 which was out with the SFC set deadline of 7 October 2022 due to technical issues. The SFC were kept informed of the reasons for the delay and have not raised any issue with the late submission of the required return.

The auditors have raised one low grade recommendation relating to the 2021-22 year. Of the five recommendations outstanding from last year, the auditors were able to confirm that four have been fully implemented and one is still partially implemented.

The Committee thanked the auditor for a thorough audit report and noted the one low level recommendations which had been accepted by College management. Mr Ritchie confirmed that these would be added to the Rolling Audit Action Plan alongside timescales for implementation.

The Committee noted the unqualified opinion and approved the:

- **The removal of the four recommendations from the 2020-21 audit as per Appendix E of the report.**
- **The inclusion of one new low level audit recommendation as per Appendix C of the report.**
- **The 2021-22 Credits Audit Report.**

AFM62 2021-22 STUDENT SUPPORT FUNDS - AUDIT REPORTS AND CERTIFICATES

Stephen Pringle (Wylie & Bisset) presented the outcomes from the 2021-22 Student Support Fund audits explaining that the College operated several student support funds which were subject to independent audit. Wylie & Bisset conducted the 2021-22 audits of the College student funding expenditure against the relevant SFC or SAAS guidance. The assignment covered the audits of:

- Student Support Funds – which covered the following:
 - ❖ Scottish Funding Council (SFC) Student Support Fund which encompasses bursary, childcare and discretionary funds.
 - ❖ Student Awards Agency for Scotland (SAAS) Discretionary Fund.
- Educational Maintenance Allowances (EMA).

Mr Pringle reported that in respect of the Student Support Funds the auditors concluded that:

'We have examined the books and records of West College Scotland and have obtained such explanations and carried out such tests as we considered necessary. On the basis of our examination and of the explanations given to us, we report that the information set out in these forms is in agreement with the underlying records. We also report that, in our opinion, the College used these funds in accordance with the guidance issued by the SFC. We are satisfied that the systems and controls of the administration and disbursement of these funds are adequate.'

He confirmed that the audit did not make any recommendations as to the operation of the funds which is better than the average of one recommendation made to other organisations of similar size.

In respect of the Educational Maintenance Allowances the auditors had concluded that:

'We have examined the books and records of the above college, including evidence of checks of 5% of applications and payments, with a sample size appropriate to the total number of applications, and have obtained such explanations and carried out such tests as I/we considered necessary.

On the basis of our examination and of the explanations given to us, we report that the information set out in these forms is in agreement with the underlying records.

We also report that, in my/our opinion, the college used these funds in accordance with the SFC's conditions and the principles of the Education Maintenance Allowance programme.

We are satisfied that the systems and controls of the administration and disbursement of these funds are adequate.'

Mr Pringle confirmed that the audit made no recommendations which is in line with similar sized organisations.

Wylie & Bisset have issued unqualified audit opinions for all three funds.

The Committee approved the:

a) 2021-22 Audit Report on Student Support Funds.

b) 2021-22 Audit Report on Educational Maintenance Allowance.

AFM63 2021-22 INTERNAL AUDITORS ANNUAL REPORT

Mr Pringle presented the 2021-22 Internal Auditor's Annual Report and provided further background information in considering approval of the Financial Statements. He explained that the report would also be submitted to the Scottish Funding Council (SFC).

Mr Pringle noted Wylie & Bisset's last assessment from the Chartered Institute of Internal Auditors was in November 2021, this is a mandatory assessment to be taken every 5 years. The firm decided to undertake this review every 2 years mainly due to growth in client and staffing numbers and due to Covid moving through remote and hybrid working models. Mr Pringle highlighted their compliance with all 64 standards.

Mr Pringle noted all reviews were completed except for the Estates Strategy which was moved forward to 2022-23 as the revised Strategy was not ready for review. The reviews resulted in two high grade recommendations, 14 medium and 11 low. Where it was possible to benchmark in each review these were slightly lower than average and in relation to KPI's one management response was received out with the set 15 working days.

The key extract from the report was in relation to the overall internal audit opinion based on the work undertaken during the year which was as follows:

'We are satisfied that sufficient internal audit work has been undertaken to allow us to draw a conclusion as to the adequacy and effectiveness of the College's risk management, control and governance processes.'

In our opinion, West College Scotland did have adequate and effective risk management, control and governance processes to manage the achievement of the College's objectives at the time of our audit work. In our opinion, the College has proper arrangements to promote and secure value for money.

The Chair noted it was pleasing to see the overall conclusions on the accuracy of the governance, risk management and controls of the College. The Chair asked if the Auditors continue to be satisfied with the progress that Management are making in relation to the recommendations raised. Mr Pringle confirmed they are satisfied, and any implemented recommendations are checked.

Members agreed with the Chair and thanked the Auditors for the reports which are also discussed in detail in the Corporate Development Committee.

The Joint Committee noted the content of the Internal Auditor's Annual Report 2021-22.

AFM64 2021-22 REPORT AND FINANCIAL STATEMENTS

The College Report and Financial Statements for the year to 31 July 2022 were presented by the Director Finance for review and approval for presentation to the Board of Management. The report provided an overview of the 2021-22 Financial Statements and encompassed:

- Financial reporting requirements.
- The College's underlying adjusted operating position as of 31 July 2022.
- An overview of the final year end position, reconciling the College 2021-22 budget to the audited position as of 31 July 2022.
- Consideration of balance sheet movements.

Mr Ritchie confirmed that the Report and Financial Statements for the year ended 31 July 2022 had been audited by Mazars and referred to the associated 2021-22 Annual Audit Report along with the associated Letter of Representation that had been considered earlier.

Mr Ritchie noted the adjusted operating position has been challenging this year due to several factors including the level of credits delivered, late guidance from SFC, industrial action, continuing pressures with HE students offered places at university and the cost-of-living crisis.

The accounts did originally record a significant deficit. However, the late introduction by the SFC of the 2% credit tolerance has made a significant change, with the accounts now recording an adjusted operating surplus of just over £500k. Mr Ritchie noted that 85% of College income comes from student

credits and provided details on the fluctuating movement. Mr Ritchie also noted the efficiencies achieved through vacancy management, consolidating courses and reducing temporary staffing.

Mr Ritchie noted the previous discussions on going concern and highlighted the concern on long term financial sustainability under the current operating model, which the SFC are aware of. The risks faced by the College have not changed and will roll into 2022-23. Mr Ritchie noted the accounts show a positive picture, however, through a mechanical exercise and asked the Committee for its consideration and approval for presentation to the Board of Management.

The following points were raised:

- Concerns were raised by Committee members over the accounts showing a surplus due to technical accounting adjustments which doesn't reflect the challenging underlying operating position with fluctuating numbers in credits, flat cash funding settlement, high inflation and the cost of living crisis.
- Members agreed that the Principal should look to include brief commentary in the Performance report to highlight the challenges faced by the College in relation to the operating model and in respect of the national discussions taking place on the future of the education sector in Scotland. **It was agreed that Mr Ritchie will update the text and circulate the updated paper before submission to the Board of Management for approval.** [Action: AR]

Mr Ritchie updated the Committee on discussions with the Chair of the Audit Committee on the risk and control framework section of the annual report and the role of the Audit Committee. During these discussions, Mr Ritchie proposed, and the Chair agreed, that it would be beneficial **to have a fundamental look at the content of the Performance and Accountability reports ahead of the next Financial reporting cycle and to present updated versions to the Audit Committee and Corporate Development Committees in early 2023.**

[Action: AR]

In the meantime, Mr Ritchie shared updated text with members making clear:

- That the Audit Committee report to the Board of Management covers the activities of the Audit Committee during the year in supporting the Board of Management in its responsibilities of assessing the effectiveness of the risk, control and governance frameworks in place in the College. The report is not an independent opinion on the adequacy and effectiveness of the College control systems.
- That the Audit Committee is accountable to the Board of Management and to make it clear in the wording that the Principal and Chief Executive does not take assurance from the work of the Audit Committee in concluding on the soundness of the College systems for governance, risk management and internal control.

The Chair recorded his thanks on behalf of the Committee to the finance team for the work undertaken through the year to get to the yearend reported

position, reached under the challenging circumstances. The Chair noted the considerable work the College Management team had undertaken to mitigate as far as possible the credit shortfall, boost alternative income streams and constrain expenditure. The Chair also noted the late guidance provided by SFC in respect of the 2% credit tolerance.

The Joint Audit / Corporate Development Committee viewed and approved the Report and Financial Statements as they stand for the year to 31 July 2022 for presentation to the Board of Management and will review the additional wording in advance of the Board of Management on 12 December. [Action: AMcD]

AFM65 2021-22 ANNUAL REPORT FROM AUDIT COMMITTEE TO BOARD OF MANAGEMENT

The Chair presented the Annual Report to the Board of Management which detailed the work conducted by the Audit Committee during the period 1 August 2021 to 31 July 2022.

The Annual Report was a requirement of both the Scottish Funding Council (SFC) Financial Memorandum and the Scottish Public Finance Manual and complied with the requirements of those documents. It was based on the guidance laid out in the Scottish Government's 'Audit and Assurance Committee Handbook.'

The Report was approved, subject to some slight amendment at the Audit Committee meeting of 21 September 2022 as part of the 2021-22 financial statement considerations.

The Committee considered and noted the content of the Annual Report from the Audit Committee to be presented to the Board of Management at its 12 December 2022 meeting. [Action: GL]

AFM66 ANY OTHER BUSINESS

Mr Ritchie noted his thanks to Joanne Buchanan and Lucy Nutley from Mazars for the seamless transition to remote auditing and the excellent working relationship developed over the past six years.

The Chair thanked members of the Committee, attending officers and auditors for their attendance and expressed his thanks on behalf of the Committee for the professionalism and support from Mazars. It is clear the good strong working relationship between the College and the Audit Team.

Ms Buchanan thanked the Committee and expressed her thanks once again to the Finance Team.

No other business items were raised.

Joint Audit and Corporate Development Committee: Actions from the Minutes

Date of Meeting	Min Ref	Matter for Action	Responsible Person	Action Taken	Timescale (where applicable)
22 Nov 2022	AFM60	External Audit Report to be presented to the next meeting of the Board and recommend to the Board that the Letter of Representation be approved, and the Chair and the Principal be authorised to sign on its behalf.	A McDonald	Approved at December 2022 meeting of the Board	Complete
22 Nov 2022	AFM64	Performance Report text to be updated to reflect adjusted operating surplus generated in challenging times.	A Ritchie	Text updated and approved at December 2022 meeting of the Board	Complete
22 Nov 2022	AFM64	Content of Performance and Accountability Reports to be updated based on best practice guidance. Drafts to be presented to Audit and Corporate Development Committees.	A Ritchie	Draft Performance and Accountability Report to be considered by January 2023 Audit Committee	Pending
22 Nov 2022	AFM64	Financial Statements for the year ended 31 July 2022 be presented to the next meeting of the Board of Management.	A McDonald	Approved at December 2022 meeting of the Board	Complete
22 Nov 2022	AFM65	Audit Committee Annual Report 2021-22 to be presented to the Board.	G Lyall	Approved at December 2022 meeting of the Board	Complete

Meeting	Audit Committee
Date	25 January 2023
Location	MS Teams
Title of Paper	Evaluation of External Auditor
Presented By	Grant Lyall Chair of Audit Committee
Recommendation to Members	For Consideration
Appendix Attached	Appendix A - Summary of findings

PURPOSE

The purpose of this report is to provide a summary of the responses received to the questionnaire undertaken to evaluate the College external auditors, Mazars.

The paper is presented in line with West College Scotland Audit Committee Terms of Reference:

"To establish appropriate performance measures and indicators to monitor the effectiveness of the External Auditors".

The paper is submitted For *Consideration*.

1. BACKGROUND

Introduction

- 1.1. The Audit Committee has a responsibility to evaluate the effectiveness of the College external audit arrangements. The Audit Committee remit includes a requirement to:

'Establish appropriate performance measures and indicators to monitor the effectiveness of the External Auditors'.

- 1.2. This report presents the findings of the 2022 evaluation of the external auditors, Mazars. 2021-22 was the final year of Mazars appointment with their replacement, Azets Audit Services, being announced by [Audit Scotland](#) in November 2022.
- 1.3. Prior to commencing the 2022 review, the College undertook in conjunction with the Chair of the Committee a review of the content of the evaluation questionnaire. It has been several years since the questionnaire had been reviewed with the revised content being taken from a best practice guide produced by KPMG.
- 1.4. The questionnaire was issued to those who have interacted with the external auditors during 2021-22: All Audit Committee members, Principal, Vice Principal Operations, Director Finance, Head of Finance and Student Funding and the Principal Accountant.
- 1.5. The questionnaire was issued to the Internal Auditors who replied that they do not participate in such reviews. The internal auditors did note that they have had a good working relationship with the external auditors and have no issues to report to the Audit Committee.
- 1.6. Five questionnaires were returned and form the basis of the content of this paper. A summary of the responses made to the questionnaire can be found at Appendix A.

2. Findings

- 2.1. The completed questionnaires indicate that the respondents were for most part satisfied with the external **auditor's** approach to their audit work. The questionnaires indicate that the auditors:
- Understand the business of the College.
 - Are responsive and proactive.
 - Provide a consistent service.
 - Audit planning is effectively undertaken and identifies relevant risks.
 - Work is completed on time and to a professional standard.
 - Clear and effective communication with a no surprises culture.

2.2. Areas where the questionnaire might have identified potential areas for future consideration relate to the questions noted below.

- (14) The audit team identified changing risks and circumstances and adjusted the audit plan accordingly with sufficient communication to the Audit Committee?

Most respondents indicated they were happy with the change in risk being communicated to the Committee, but two respondents were either unsure or thought the question was not applicable.

- (28) The audit partner maintains contact with the Audit Committee on an **informal basis 'between meetings'**?

There is a variety of responses to this question which seems to indicate a level of uncertainty.

- (38) The external auditor advises the Audit Committee about new developments regarding risk management, corporate governance, financial accounting and related risks and controls on a timely basis?

Most of the respondents agree that the level of advice is sufficient but there are two answers which are either not sure or not applicable.

- (44) The audit firm provide appropriate technical support through seminars and publications?

There are a variety of responses to this question which indicates a level of uncertainty.

- (50) The audit firm has a formal process in place to remedy the independence breaches?

Most of the responses indicate that they are unsure as to how this matter would be dealt with.

2.3. The Audit Committee is requested to consider whether any of the issues identified above requires to be addressed by the incoming audit firm? If they are seen as being an issue, how would the Audit Committee like these matters to be remedied?

- 2.4. The following table provides a summary of the planning and execution of the 2021-22 audit as a set of other metrics the Audit Committee may wish to consider when evaluating the external auditor:

Action	Status
Initial planning meeting with College staff	Complete in line with agreed timetable
Audit Strategy Memorandum considered by Audit Committee	Complete in line with agreed timetable
Interim audit carried out	Complete in line with agreed timetable
Audit fieldwork	Complete in line with agreed timetable
Audit completion – financial statements and Annual Audit Report	Complete in line with agreed timetable
Attendance at Audit and Joint Committee meetings	Attended as required
Audit fee	Work completed in line with agreed fee

2022-23 Audit Fee

- 2.5. As the Committee is aware the appointment of the College external auditor is undertaken by Audit Scotland. The only point the College are involved in the process is when the initial appointment are made at which point the College can challenge the appointment if it is seen as a conflict. At this stage the audit fee is not discussed or made known to the College. Further information on the Audit Scotland appointment and fee setting process can be found [here](#).
- 2.6. The College was informed by Audit Scotland on the 15 December 2022 of the intended fee for undertaking the 2022-23 audit. The expected fee to be charged by Azets is £50,160 compared to £34,000 which was charged by Mazars. This represents a 48% increase in the fee charged (£16,160).
- 2.7. The auditor **"...has discretion to vary the fee by up to 10% above the level set (20% for bodies with an expected fee below £35,000) depending on the level of identified audit risk. In exceptional circumstances higher remuneration can be agreed with the prior agreement of Audit Scotland."** There is not an option to lower the proposed fee.

2.8. The increase in fees is unreasonable given the work undertaken by colleges to ensure that audit firms are provided with sufficient information to carry out their work. The Chair of the Colleges Principals Group has written to Audit Scotland to express the sectors concern at this increase in fees which colleges have not accounted for. The Committee will be updated should there be any further developments.

3. Conclusion

3.1. The Audit Committee is asked to comment on this summary of the evaluation of the external auditors.

4. FINANCIAL IMPLICATIONS

4.1. There are financial implications in this report. The 48% increase in the audit fee has not been accounted for in future budgets and will require funds to be diverted from learning and teaching.

5. STUDENT EXPERIENCE

5.1. There are no student experience implications associated with this report.

6. HUMAN RESOURCES IMPLICATIONS

6.1 There are no human resources implications associated with this report.

7. LEGAL IMPLICATIONS

7.1 There are no legal implications in this report.

8. REPUTATIONAL IMPLICATIONS

8.1 There are no reputational implications associated with this report.

9. COMMUNITY/PARTNERSHIP IMPACT

9.1 There are no community implications associated with this report.

10. EQUALITIES IMPLICATIONS

10.1 There are no equality implications associated with this report.

11. ENVIRONMENT IMPLICATIONS

11.1 There are no environmental implications associated with this report.

RECOMMENDATION

The Audit Committee is requested to consider the content of the report and whether there are any further assurances required.

Meeting	Audit Committee
Date	25 January 2023
Location	MS Teams
Title of Paper	Draft Performance and Accountability and Report
Presented By	Alan Ritchie Director Finance
Recommendation to Members	For Consideration
Appendix Attached	Yes – 6(a) Draft Performance and Accountability Report

PURPOSE

The purpose of this report is to provide the Audit Committee with a draft Performance and Accountability Report for consideration.

The paper is presented in line with West College Scotland Audit Committee Terms of Reference:

"To provide an annual report to the Board, timed to support the finalisation of the accounts and the Statement on Internal Control, and summarising its conclusions from the work it has done during the year."

The paper is submitted For Consideration.

1. Background

- 1.1. Following the completion of the 2021-22 Financial Statements, the Audit Committee requested that the College review the content of the Performance and Accountability Report.
- 1.2. It was noted during the completion stages of the 2021-22 Financial Statements that the Report was increasing in length, duplication of content was occurring and there was a lack of clarity in some areas.
- 1.3. The College has therefore undertaken a review of the Report utilising the following guidance:
 - [Audit Scotland - Good practice note on improving the quality of central government annual report and accounts.](#)
 - [Scottish Funding Council – Accounts Direction for Colleges 2021-22.](#)
 - Association of College model accounts guidance – [Casterbridge College 2021-22.](#)
 - Review of other Scottish FE college Financial Statement.
- 1.4. The content of Appendix A is a mixture of old and new text and is provided to allow the Committee to get a sense of the new content and format. The actual content and presentation will be worked up over the course of the next 6 months.

2. Performance and Accountability Report

- 2.1. Appendix A provides the Audit Committee with a draft Performance and Accountability Report for its consideration based upon the review work undertaken. The content of the Report will be reviewed by the College external auditors as part of their year-end work.
- 2.2. The changes being proposed include the following:
 - Overall
 - The key highlights section has been removed and any key highlights will be incorporated into the Principal's Introduction. A link to the College website will be provided to draw readers into using the College website where highlights can be found.
 - There were several areas where the content was repeated. This was especially noticeable in relation to going concern where it was referred to in detail in both the performance and accountability sections. The Report has been updated to shorten the performance section relating to going concern, where reference is now made to the detailed going concern commentary made in the accountability section.

- Where possible reference has only been made once to stated facts i.e., staff numbers and if the data is contained elsewhere in the Financial Statements, links will be provided to refer the reader to the core source data.
- Specific
 - Performance Report
 - Page 1 – The contents page has been shortened to show only the key headings thereby directing the reader to the key areas for their consideration.
 - Page 3 – Key Risks section has been shortened. It will continue to highlight the top 5 risk faced by the College. The previous version was increasing in length and the actual risks being faced by the College were being lost. The risk mitigations have been removed as they are not a reporting requirement. The risk section of the accountability report lays out in detail how the College approaches risk identification and how these risks are dealt with. The mitigations do not add to the content of the Report.
 - Page 5 – The previous Report linked the College Corporate Plan to other regional priorities and skills needs at various points throughout the Report. The updated Report will look to bring these references into one table and link them to the College Corporate Plan. This is a timely piece of work given the College objective to refresh the Corporate Plan by the end of 2022-23.
 - Page 6 - Previously the Report contained performance data within several tables throughout the Report. In line with Audit Scotland guidance the data will be combined into one table and reported on by exception. This will shorten the length of the Report and highlight areas of concern to the reader. Areas of positive outcome will be referred to in the Principals Introduction.
 - Page 7 – Key Curriculum Developments section pulls together the sections from the previous report under one heading. The intention will be to shorten the previous level of text and therefore to highlight the key areas of development and external interactions.
 - Page 8 – Staff, student and employer engagement sections will be shortened in length and concentrate on the key matters which require to be conveyed to the reader.
 - Page 9 – Sustainability Report – This is a reporting requirement and for 2022-23 the section will be shortened to highlight the key areas of success during the year.

- o Page 11 – Financial Planning and Performance – This section will be shortened to provide the key information required to be disclosed i.e., Adjusted Operating Position, Cash Budget for Priorities, Cashflow and Liquidity, a summary of financial performance and taxation status

The Financial Performance section will be utilised to highlight any positive messages or concerns.

Accountability Report

- o Page 16 – Board of Management membership table has been condensed with the remove of members role outside of the College. This is not required information. The list will be alphabetical.
- o Page 16 – Statement of Board of Managements Responsibilities – Standard text utilised. Links will be provided to the external documents referenced within the statement.
- o Page 18 – Governance Statement. The standard text has been simplified and amended to be relevant to the operations of the Board of the College. The section of the role of the various committees has been simplified to highlight the remit of each Committee.
- o Page 19 – Committee membership section has been inserted. This information was originally held in the membership table but made the table very congested. The revised information will include a note of the Chair and Vice Chair for each committee.
- o Page 20 – Board and Committee attendance will now be noted by member and committee. Previously the Report contained only the Board of Management attendance data but in line with best practice this should be expanded to all committees and members / co-opted members.
- o An area of best practice which was noted as part of the review is for the Audit Committee to annually receive a governance compliance paper. The Board annually receive a **paper on the College's** compliance with the SFC Financial Memorandum and Scottish Government financial reporting requirements.
- o Page 21 – Risk Management and Internal Controls. The College has adopted the standard text regarding these two areas and amended it to the College operational arrangements. The text makes it clear that the Board of Management is responsible for reviewing the effectiveness of internal controls and risk management, assisted by the work undertaken by the Audit Committee and the College Executive Team.

- o Page 23 – Going Concern. This section is now the core commentary on the College going concern position and will be updated based upon the year end position. The section makes clear the basis of going concern as it relates to the College.

Remuneration and Staff Report

- o Note that the information contained in this section is mandatory and cannot be removed or condensed.
- o Page 29 – Trade Union facility time information has been consolidated into one table, which will make the information easier to read and understand.
- o Within the Staff and Remuneration Report the College must disclose the following:
 - Other employee matters – such as other diversity issues and equal treatment in employment and occupation; employment issues including employee consultation and/or participation; health and safety at work; trade union relationships and human capital management such as career management and employability, pay policy.

The College will work with the Director of OD&HR to refine the content of this section.

3. CONCLUSION

- 3.1. The draft Performance and Accountability Report has been refined based upon the current best practice guidance.
- 3.2. The intention is to further refine the Report based upon feedback from the Audit Committee and then present the revised report to the new external auditors for their comments.
- 3.3. The draft 2022-23 Report will be presented to the 29 March 2023 Committee meeting for further consideration.

4. FINANCIAL IMPLICATIONS

- 4.1. There are no financial implications in this report.

5. STUDENT EXPERIENCE

- 5.1. There are no student experience implications associated with this report.

6. HUMAN RESOURCES IMPLICATIONS

- 6.1. There are no human resources implications associated with this report.

- 7. LEGAL IMPLICATIONS
 - 7.1. The review of the Performance and Accountability Report will ensure that the College Financial Statements comply with both best practice and the SFC Financial Memorandum / Scottish Government FReM.

- 8. REPUTATIONAL IMPLICATIONS
 - 8.1. There are no reputational implications associated with this report.

- 9. COMMUNITY/PARTNERSHIP IMPACT
 - 9.1. There are no community implications associated with this report.

- 10. EQUALITIES IMPLICATIONS
 - 10.1. There are no equality implications associated with this report.

- 11. ENVIRONMENT IMPLICATIONS
 - 11.1. There are no environmental implications associated with this report.

<p>RECOMMENDATION</p> <p>The Audit Committee is requested to consider and comment upon the draft Performance and Accountability Report.</p>

Meeting	Audit Committee
Date	25 January 2023
Location	MS Teams
Title of Paper	Internal Audit Contract Extension
Presented By	Alan Ritchie Director Finance
Recommendation to Members	For Approval
Appendix Attached	No

PURPOSE

The purpose of this report is to request approval to contract for the provision of internal audit services by Wylie & Bisset, for a further two years.

The paper is presented in line with West College Scotland Audit Committee Terms of Reference:

"To advise the Board on the selection, appointment or re-appointment and remuneration, or removal of the Internal Auditors. The responsibility for selection of the Internal Auditor may be delegated to a Selection Committee as agreed by the Audit Committee."

The paper is submitted For Approval.

1. BACKGROUND

- 1.1. In May 2020, the Audit Committee approved the award of the provision of Internal and Other Audit Services contract to Wylie and Bisset for a period of three years from 1 August 2020 to 31 July 2023 - with the option to extend the contract for a further two years to 31 July 2025 on a one year plus one year basis.
- 1.2. Since that appointment, the Audit Committee has undertaken an annual review of the provision of the internal audit service at the following meetings:
 - 20 May 2021
 - 26 May 2022
- 1.3. Both meetings concluded that the Committee members and College Senior Management Team were satisfied with the overall performance and effectiveness of the internal auditors.
- 1.4. The 2021-22 Internal Audit Annual Report, which was considered at the 21 September 2022 Committee meeting, showed that Wylie & Bisset had achieved all the agreed key performance indicators under their control. The report also indicated that Wylie & Bisset had delivered on the agreed internal audit plan with no amendments to the planned number of audit days.
- 1.5. Wylie & Bisset also conduct other audit services which consist of the annual audit of the following areas:
 - Student support funds
 - Student activity (credits)
 - Educational Maintenance Allowance.
- 1.6. Wylie & Bisset have provided these other audit services for the past three years in line with the agreed delivery plan. The Audit Reports for all three areas have been presented on time and in the required formats. There has been no amendment to the number of audit days and the fee charged has been in line with the agreed number of days.
- 1.7. The audit partner, manager and team have remained consistent throughout the period of the contract with additional members being added to the team as required.
- 1.8. The College has developed a good working relationship with the internal audit team and where changes have had to be made to the plan these have been accommodated.

2. CONCLUSION

- 2.1. Taking account of the factors noted in section (1), the College would propose that rather than appoint Wylie & Bisset for a further year and then come back to the Committee in January 2024 for the final contractual year, that the contract with Wylie & Bisset be extended for a further two years.

3. FINANCIAL IMPLICATIONS

- 3.1. There are no financial implications in this report.

4. STUDENT EXPERIENCE

- 4.1. There are no student experience implications associated with this report.

5. HUMAN RESOURCES IMPLICATIONS

- 5.1. There are no human resources implications associated with this report.

6. LEGAL IMPLICATIONS

- 6.1. There are no legal implications in this report.

7. REPUTATIONAL IMPLICATIONS

- 7.1. There are no reputational implications associated with this report.

8. COMMUNITY/PARTNERSHIP IMPACT

- 8.1. There are no community implications associated with this report.

9. EQUALITIES IMPLICATIONS

- 9.1. There are no equality implications associated with this report.

10. ENVIRONMENT IMPLICATIONS

- 10.1. There are no environmental implications associated with this report.

RECOMMENDATION

The Audit Committee is requested to approve the extension of the Wylie & Bisset contract for the provision of internal and other audit services for a further two-year period to 31 July 2025.

Meeting	Audit Committee
Date	25 January 2023
Location	MS Teams
Title of Paper	Internal Audit Report – Safeguarding
Presented By	Stephen Pringle Wylie & Bisset
Recommendation to Members	For Consideration
Appendix Attached	08(a) – Internal Audit Report – Safeguarding

PURPOSE

In line with the 2022-23 Internal Audit Plan, Wylie & Bisset conducted an assignment to assess whether the College's systems and procedures for safeguarding are fully compliant with legislation and the College are taking all necessary steps to protect its students. The review sought to provide assurance to the Board, via the Audit Committee, that the safeguarding arrangements are adequate.

The paper is presented in line with West College Scotland Audit Committee Terms of Reference:

'To agree the Internal Audit Plan and review the Internal Audit Annual Report'

The paper is submitted *For Consideration*.

1. INTERNAL AUDIT REPORT

1.1. The scope of the review can be found on page 2 and was agreed by the College prior to the commencement of the audit.

1.2. The overall audit report assurance level is STRONG with the conclusion being:

We can provide the College with an overall strong level of assurance surrounding the controls in place for safeguarding, wellbeing, and counselling. We have raised several good practice points and 4 low grade recommendations for improvement. Please refer to Section 3: Detailed Recommendations for further information.

1.3. The report highlights several areas of good practice on page 10.

1.4. The report makes four low grade recommendations which the College accepts and will undertake the necessary work to address the identified control weaknesses.

2. NEXT STEPS

2.1. The report will be presented to the Learning, Teaching and Quality Committee for consideration and the recommendations will be added to the Rolling Audit Action Plan.

3. FINANCIAL IMPLICATIONS

3.1 The report identifies that the College may require to invest in software to allow for the identification of student activity which may require an intervention by the Safeguarding Team.

4. STUDENT EXPERIENCE

4.1 The report highlights the strong control environment associated with the safeguarding procedures in operation at the College. This strong control environment will ensure that there is a limited negative impact on the student experience.

5. HUMAN RESOURCES IMPLICATIONS

5.1 There are no human resource implications associated with this paper.

6. LEGAL IMPLICATIONS

6.1 There are no legal implications associated with this this paper.

7. REPUTATIONAL IMPLICATIONS

7.1 The strong control environment noted in the paper should ensure that any reputational implications associated with College safeguarding activities is minimised.

8. COMMUNITY/PARTNERSHIP IMPACT

8.1 There are no community implications associated with this paper.

9. EQUALITIES IMPLICATIONS

9.1 There are no equality implications associated with this paper.

10. ENVIRONMENT IMPLICATIONS

10.1 There are no environmental implications associated with this paper.

RECOMMENDATION

The Audit Committee is requested to consider and note the contents of the report.

Meeting	Audit Committee
Date	25 January 2023
Location	MS Teams
Title of Paper	Internal Audit Report – IT Strategy
Presented By	Stephen Pringle Wylie & Bisset
Recommendation to Members	Consideration
Appendix Attached	09(a) – Internal Audit Report – IT Strategy

PURPOSE

In line with the 2022-23 Internal Audit Plan, Wylie & Bisset conducted an assignment to **assess the suitability of the College's IT Strategy in line with the College's strategic objectives. We reviewed how the College assess technology as a critical element for business and student success.**

The paper is presented in line with West College Scotland Audit Committee Terms of Reference:

'To agree the Internal Audit Plan and review the Internal Audit Annual Report'

The paper is submitted *For Consideration*.

1. INTERNAL AUDIT REPORT

1.1. The scope of the review can be found on page 2 and was agreed by the College prior to the commencement of the audit.

1.2. The overall audit report assurance level is SUBSTANTIAL with the conclusion being:

We can provide a substantial level of assurance over the College's IT Strategy. We found that there was a process in place which enabled IT related projects, initiatives, and requests to be aligned with the IT Strategy. We can also confirm that reporting arrangements in place were appropriate and that there was sufficient skills and expertise amongst those tasked with delivering the IT Strategy. We have raised 2 recommendations around the frequency of each new IT Strategy and how the IT Strategy is reflected in the wider Corporate Strategy. We have raised 5 good practice points from our review.

1.3. The report highlights several areas of good practice on page 13.

1.4. The report makes two medium grade recommendations which the College accepts and will undertake the necessary work to address the identified control weaknesses.

2. NEXT STEPS

2.1. The report will be presented to the Corporate Development Committee for consideration and the recommendations will be added to the Rolling Audit Action Plan.

3. FINANCIAL IMPLICATIONS

There are no financial implications associated with this paper.

4. STUDENT EXPERIENCE

4.1 There are no student experience implications associated with this paper.

5. HUMAN RESOURCES IMPLICATIONS

5.1 There are no human resource implications associated with this paper.

6. LEGAL IMPLICATIONS

6.1 There are no legal implications associated with this this paper.

7. REPUTATIONAL IMPLICATIONS

7.1 There are no reputational implications associated with this paper

8. COMMUNITY/PARTNERSHIP IMPACT

8.1 There are no community implications associated with this paper.

9. EQUALITIES IMPLICATIONS

9.1 There are no equality implications associated with this paper.

10. ENVIRONMENT IMPLICATIONS

10.1 There are no environmental implications associated with this paper.

RECOMMENDATION

The Audit Committee is requested to consider and note the contents of the report.

Meeting	Audit Committee
Date	25 January 2023
Location	MS Teams
Title of Paper	2022-23 Internal Audit Progress Report
Presented By	Stephen Pringle Wylie & Bisset
Recommendation to Members	To Note
Appendix Attached	10(a) – Internal Audit Annual Plan 2022-23

PURPOSE

The Audit Committee approved the 2022-23 College internal audit plan in May 2022. The attached report provides the Audit Committee with an update on 2022-23 planned internal audit activity for the year including:

- Agreed timings of the approved internal audit assignments.
- Dates that the Committee can expect to receive the internal audit reports.
- Agreed timings for the other audit work to be undertaken.

The paper is presented in line with West College Scotland Audit Committee Terms of Reference:

'To agree the Internal Audit Plan and review the Internal Audit Annual Report'

The paper is submitted *For Noting*.

1. BACKGROUND

- 1.1 The report at Appendix A provides the Audit Committee with an update on the 2022-23 Internal Audit Plan and the key performance indicators for the provision of the service.

2. FURTHER DETAIL ON THE REPORT TOPIC

- 2.1 Phase 1 and 2 assignments have now been undertaken, with the work to complete the phase 3 assignments having commenced on 16 January 2023 as planned.
- 2.2 The College is working with the internal auditor to find a suitable date to undertake the Estates Strategy audit assignment. This work will be completed before the 24 May 2023 Audit Committee.

Next Steps

- 2.3 The College will continue to work with the Internal Auditors to deliver the 2022-23 internal audit assignments as planned.

3. FINANCIAL IMPLICATIONS

- 3.1 There are no financial implications in this report.

4. STUDENT EXPERIENCE

- 4.1 There are no student experience implications associated with this paper.

5. HUMAN RESOURCES IMPLICATIONS

- 5.1 There are no human resources implications associated with this paper.

6. LEGAL IMPLICATIONS

- 6.1 There are no further legal implications in this paper to those listed above.

7. REPUTATIONAL IMPLICATIONS

- 7.1 There are no reputational implications associated with this paper.

8. COMMUNITY/PARTNERSHIP IMPACT

- 8.1 There are no community implications associated with this paper.

9. EQUALITIES IMPLICATIONS

- 9.1 There are no equality implications associated with this paper.

10. ENVIRONMENT IMPLICATIONS

- 10.1 There are no environmental implications associated with this paper.

RECOMMENDATION

The Audit Committee is requested to note the contents of the report.

West College Scotland

Progress Report

2022 - 2023

January 2023

Assignment Plans

A detailed assignment plan will be prepared for each audit undertaken, setting out the scope and objectives of the work, allocating resources and establishing target dates for the completion of the work. Each assignment plan will be agreed and signed off by an appropriate sponsor from the College.

Key Dates

Visit	Audit Areas	No. of Audit Days	Provisional Start Date for Visit	Provisional Date of Issue of Draft Report	Status	Provisional Date for Reporting to Audit Committee
Phase 1	Credits SSF EMA	8 4 3	12 September 2022	7 October 2022	Completed	22 November 2022
Phase 2	Safeguarding, Wellbeing and Counselling IT Strategy	6 6	10 October 2022	28 October 2022	Completed	25 January 2023
Phase 3	Curriculum Strategy Payroll Review	6 8	16 January 2023	3 February 2023		29 March 2023
Phase 4	Budget / Financial Planning & Monitoring Curriculum Planning & Timetabling Whistleblowing	5 5 5	20 March 2023	6 April 2023		24 May 2023
Phase 5	Estates Strategy (Postponed January – Date to be agreed)	6	To be agreed			

Head Office

168 Bath Street,
Glasgow, G2 4TP

T: 0141 566 7000

E: info@wyliebisset.com

Oban

4 High Street,
Oban,
Argyll PA34 4BG

T: 0163 156 2478

Manchester

3 Hardman Square,
Spinningfields,
Manchester M3 3EB

T: 0161 694 2830

Meeting	Audit Committee
Date	25 January 2023
Location	MS Teams
Title of Paper	Rolling Audit Action Plan
Presented By	Alan Ritchie Director of Finance
Recommendation to Members	For Approval
Appendix Attached	Yes 11(a) – Rolling Audit Action Plan

PURPOSE

The purpose of this report is to update the Audit Committee on the status of recommendations made by the College internal and external auditors.

The paper is presented in line with West College Scotland Audit Committee Terms of Reference:

'To review the Internal Audit reports, the management response to them and to review implementation of the actions required'

and

'To review the Rolling Audit Action Plan at each meeting'

The paper is submitted For Approval.

1. BACKGROUND

- 1.1 This report provides an update on the progress made by the College in addressing the recommendations arising from the work of both the internal and external auditors.
- 1.2 The Rolling Audit Action Plan (RAAP) (Appendix A) summarises the status of each of the recommendations and includes the latest management comment on progress.

2. FURTHER DETAIL ON THE REPORT TOPIC

Overall Position

- 2.1 The Summary table (page 2) shows where the 30 outstanding recommendations were generated from.
- 2.2 The Current Status table (page 3) summarise the position of the 30 outstanding recommendations:
 - 7 (23%) recommendations have started but are not yet due for completion. The report indicates the progress made against each recommendation:
 - Two external audit recommendations – see [page 3](#)
 - Six internal audit recommendations – see [page 4](#)
 - 5 (17%) recommendations where the College is seeking an extension to the deadline date. None of the recommendations requested for extension are categorised as high priority.

The recommendation where an extension is requested are noted below, along with the reason for the extension:

- 1) IA21-22(27) IT - Conduct risk assessment to ensure that any areas at risk of data leakage such as the use of unmanaged, cloud-based file sharing and USB storage devices is assessed, and that subsequent solutions are appropriately documented

Due date:	31/10/22
Revised date:	30/09/23

Although this work has commenced it is proceeding at a slower pace than anticipated due to other competing work commitments. It is noted that this was categorised as a low priority recommendation. It is requested that the deadline date for this recommendation is extended to 30

September 2023 to allow the IT Team to concentrate on clearing the other higher priority recommendations and deal with other work streams.

- 2) IA21-22(10) Strategies - Devise KPIs which are SMART and have definitive outcomes that can be used to measure the achievement of Digital Strategy objectives

Due date: 31/12/2022
Revised date: 28/02/2023

A set of Performance Indicators (PIs) has been established for the Digital Strategy outcomes. These now require to be refined based on feedback received and this is now being undertaken by the Digital Strategy team. It is expected that work to refine and input the required PIs will be completed over the course of January / February. An extension to 28 February 2023 is therefore requested.

- 3) IA21-22(24) Business Continuity - Review and update Departmental Business Continuity Recovery Plans

Due date: 31/01/2023
Revised date: 31/03/2023

As previously noted, the departmental business continuity plans are available on the Teams site. However, an initial review has indicated that not all departments have fully completed their plans and that those that have still require work to finalise them. The College has initiated a plan to review all plans with the relevant departments over the period January to March 2023. Given the time involved in review over thirty plans an extension is requested to the 31 March 2023.

- 4) IA21-22(26) IT - Extend the Mobile Device Management and Multi-Factor Authentication functionality to further protect College

Due date: 31/01/2023
Revised date: 31/07/2023

The recommendation was in two parts (1) Multi-Factor Authentication (MFA) and (2) Mobile Device Management. The College has successfully initiated the first part of the recommendation with use of Multi-Factor Authentication now in place for all staff who use web access to Microsoft

365 resources. The work to implement the second part (MDM) has commenced but will require a longer lead time to fully recognise the benefits of the system. An extension to the 31 January 2023 is requested to allow the planning and roll out of MDM to be implemented. A revised deadline of 31 July 2023 is requested.

- 5) IA21-22(32) Student Recruitment - Undertake follow-up exercises with those students who fail to complete the full admissions process from application to attendance

Due date: 31/01/2023

Revised date: 30/09/2023

The College had planned for Student Experience Team to implement this recommendation in the second quarter of 2022-23. However, a staff capacity issue in the team has not made this possible and the priority has had to be to obtain feedback from enrolled student experience.

The College intends implementing the recommendation on a sample basis rather than on a whole student population basis due to the labour intensive nature of the work. Given the changes in management, competing priorities for a limited number of staff and this is a low grade recommendation, an extension in time to complete this recommendation is being requested to 30 September 2023.

- The auditor has confirmed that 8 (27%) recommendations are finished and can be removed from the RAAP.
 - Details of the recommendations to be removed can be found on pages 6-7
 - This means that there is now only one recommendation from the 2020-21 audit plan outstanding (IA20-21(13). This is low grade recommendation relating to complaints handling which has now been completed and is awaiting audit review.
- There are 10 (33%) recommendations which are considered as Complete which will be subject to review by the internal auditors during their next period of work. The outcome of this review process will be reported to the March 2023 committee meeting.

Recommendation Status

2.3 Audit recommendations are graded as noted below:

Grading Classification		
1	High	Major weakness that we consider needs to be brought to the attention of the Audit Committee and addressed by Senior Management of the organisation as a matter of urgency.
2	Medium	Significant issue or weakness which should be addressed by the organisation as soon as possible.
3	Low	Minor issue or weakness reported where management may wish to consider our recommendation.

2.4 The table below summarises the gradings of the outstanding recommendations:

Audit Grading	Low (3)	Medium (2)	High (1)	Total
May 2022 report	9	13	1	23
September 2022 report	14	18	2	34
January 2023 report	11	17	2	30

2.5 The two high recommendations relate to:

- *IA21-22(01) Sustainability Strategy, with a due date of 31 October 2022*

A Sustainability Strategy was approved by the October 2022 Board of Management. This recommendation has been approved by the auditors for removal from the RAAP.

- *IA21-22(25) IT - Create a formal and detailed Disaster Recovery Plan as a way of protecting all the College's business-critical IT resources, with a due date of 31 July 2023*

The recommendation highlighted six milestones to deliver the required actions. The College has continued to undertake work to deliver on the six milestones. Further information on the progress made can be found on page 11 of the RAAP.

Next Steps

2.6 The College will:

- Update the Rolling Audit Action Plan following consideration by the Audit Committee.
- Continue to monitor the Rolling Audit Action Plan.
- Continue to work with the internal / external auditors to remove the recommendations considered as fully implemented for consideration by the next Audit Committee.

3. FINANCIAL IMPLICATIONS

3.1 There are no financial implications in this report.

4. STUDENT EXPERIENCE

4.1 There are no student experience implications associated with this paper.

5. HUMAN RESOURCES IMPLICATIONS

5.1 There are no human resources implications associated with this paper.

6. LEGAL IMPLICATIONS

6.1 There are no further legal implications in this paper to those listed above.

7. REPUTATIONAL IMPLICATIONS

7.1 There are no reputational implications associated with this paper.

8. COMMUNITY/PARTNERSHIP IMPACT

8.1 There are no community implications associated with this paper.

9. EQUALITIES IMPLICATIONS

9.1 There are no equality implications associated with this paper.

10. ENVIRONMENT IMPLICATIONS

10.1 There are no environmental implications associated with this paper.

RECOMMENDATION

The Audit Committee is requested to:

- Approve the extension of time relating to 5 recommendations.
- Note the removal of 8 recommendations following review by the auditors.
- Consider and approve the Rolling Audit Action Plan.

Meeting	Audit Committee
Date	25 January 2023
Location	MS Teams
Title of Paper	2022-23 Schedule of Business
Presented By	Alan Ritchie Director of Finance
Recommendation to Members	For Consideration
Appendix Attached	No

PURPOSE

The purpose of this report is to provide a summary of the work of the Audit Committee during 2022-23.

The paper is presented in line with West College Scotland Audit Committee Terms of Reference:

'To review its own effectiveness at least annually and to report the results of that review to the Board.'

The paper is submitted For Consideration.

1. BACKGROUND

- 1.1 The role of the Audit Committee is to support the Board in its responsibilities of risk, control, and governance by reviewing the comprehensiveness of assurances in meeting the assurance needs of the Board, and by reviewing the reliability and integrity of these assurances through a process of constructive challenge.
- 1.2 This report provides a summary of the items which the Committee has considered during 2022-23 in fulfilling the above requirement.

2. FINANCIAL IMPLICATIONS

- 2.1 There are no financial implications in this report.

3. STUDENT EXPERIENCE

- 3.1 There are no student experience implications associated with this paper.

4. HUMAN RESOURCES IMPLICATIONS

- 4.1 There are no human resources implications associated with this paper.

5. LEGAL IMPLICATIONS

- 5.1 There are no further legal implications in this paper to those listed above.

6. REPUTATIONAL IMPLICATIONS

- 6.1 There are no reputational implications associated with this paper.

7. COMMUNITY/PARTNERSHIP IMPACT

- 7.1 There are no community implications associated with this paper.

8. EQUALITIES IMPLICATIONS

- 8.1 There are no equality implications associated with this paper.

9. ENVIRONMENT IMPLICATIONS

9.1 There are no environmental implications associated with this paper.

RECOMMENDATION

The Audit Committee is requested to note the report and whether there are any further assurances required.

REMIT	DELIVERABLES				
	21 Sept 2022	22 Nov 2022 (Joint Meeting)	25 Jan 2023	27 Mar 2023	24 May 2023
1) General					
To provide advice to the Board on the strategic processes for risk, control and governance					
<ul style="list-style-type: none"> • Risk Management Strategy Update • Review of Strategic Risk Register • Corporate Governance Statement - Financial Statements • Internal audit reports (see section 2) • External audit report (see section 3) • Remit of Committee reviewed against best practice and governance requirements • Assurance Map Update 	Y	Y	Y	Y Y	Y
To develop and review the assurance framework and receive reports relating to it in order to provide the necessary assurances to the Board or determine any further action or assurances required.					
<ul style="list-style-type: none"> • Internal Audit Annual Report 2021-22 • Internal Audit Plan 2023-24 • Assurance Map Update 	Y			Y Y	Y
To review and advise the Board of the Internal Auditor's and External Auditor's assessment of the effectiveness of the College's financial and other internal control systems, including controls specifically designed to prevent or detect fraud or other irregularities as well as those for securing economy, efficiency, and effectiveness (value for money)					
<ul style="list-style-type: none"> • Internal Audit Annual Report 2021-22 • External Audit Management Letter as of 31 July • Internal and external audit reports as received • Report on National Fraud Initiative 2022 	Y Y Y	Y Y	Y	Y Y	Y Y

Public

REMIT	DELIVERABLES				
	21 Sept 2022	22 Nov 2022 (Joint Meeting)	25 Jan 2023	27 Mar 2023	24 May 2023
<ul style="list-style-type: none"> Procurement and Commercial Improvement Programme (Late 2023) Gifts, Benefits and Hospitality Policy Anti-Fraud and Corruption Policy Public Interest Disclosure Policy Anti-Bribery and Corruption Policy (Review date July 2023) 	Y Y Y				Y
To advise the Board on the adequacy of the anti-fraud policy and processes, and on the whistle blowing process, and to receive an annual report on any matters raised through these processes.					
<ul style="list-style-type: none"> Annual Report on Whistleblowing Anti-Fraud and Corruption Policy Committee to be made aware of any issues arising during the year (ongoing as required) 	Y Y				
To consider and advise the Board accordingly on any arrangements for special investigations and the outcomes of such investigations					
<ul style="list-style-type: none"> Reports to be received as requested (ongoing as required) 					
To advise the Board on its compliance with corporate governance requirements and good practice guidance, and in particular its compliance with the Financial Memorandum with SFC, the SPFM and the Code of Good Governance for Scotland's Colleges					
<ul style="list-style-type: none"> Review of Audit Committee effectiveness Internal Audit Annual Report 2021-22 External Audit management letter as of 31 July 2022 Report on compliance with SFC FM and SG SPFM Assurance Map Update Draft Performance and Accountability Report 	Y	Y Y	Y	Y	Y Y

REMIT	DELIVERABLES				
	21 Sept 2022	22 Nov 2022 (Joint Meeting)	25 Jan 2023	27 Mar 2023	24 May 2023
To consider the College's Annual Financial Statements at a joint meeting with the Corporate Development Committee, and to recommend to the Board for approval					
<u>2021-22</u> <ul style="list-style-type: none"> External Audit Management Letter / Letter of representation Audit report on student activity Audit report on student funding activity Audit report on Educational Maintenance Allowances Governance Statement Financial Statements as of 31 July 2022 		Y Y Y Y Y Y			
<u>2022-23</u> <ul style="list-style-type: none"> External Audit Engagement Strategy 2022-23 including audit fee 					Y
To provide an annual report to the Board, timed to support the finalisation of the accounts and the Statement on Internal Control, and summarising its conclusions from the work it has done during the year					
<ul style="list-style-type: none"> Annual report to Board of Management from the Audit Committee 	Y	Y			
To report to the Board after each meeting					
<ul style="list-style-type: none"> Minutes and verbal update to each Board Meeting Draft Committee Dates 2023-24 	Y	Y	Y	Y	Y Y
To review its own effectiveness at least annually and to report the results of that review to the Board					
<ul style="list-style-type: none"> Review of Committee remit Annual report to Board of Management from the Audit Committee Annual review of effectiveness of the Committee 	Y Y	Y			Y

REMIT	DELIVERABLES				
	21 Sept 2022	22 Nov 2022 (Joint Meeting)	25 Jan 2023	27 Mar 2023	24 May 2023
2) Internal Audit					
To advise the Board on the selection, appointment or re-appointment and remuneration, or removal of the Internal Auditors. The responsibility for selection of the Internal Auditor may be delegated to a Selection Committee as agreed by the Audit Committee					
<ul style="list-style-type: none"> Review of effectiveness of internal audit function To review internal audit service contract extension 				Y Y	Y Y
To advise the Board on the terms of reference for the Internal Auditors					
<ul style="list-style-type: none"> Internal Audit Plan Update 2022-23 Internal Audit Plan 2023-24 	Y		Y	Y Y	Y Y
To review the scope, efficiency and effectiveness of the work of the Internal Auditors and to advise the Board on these matters					
<ul style="list-style-type: none"> Annual Report to Board of Management from the Audit Committee Review of effectiveness of internal audit function 	Y	Y			Y
To agree the Internal Audit Plan and review the Internal Audit Annual Report					
<ul style="list-style-type: none"> Internal Audit Annual Report 2021-22 Internal Audit Update Report 2022-23 Assurance Map Update Internal Audit Plan 2023-24 	Y Y	Y	Y	Y Y Y	Y Y
To review the Internal Audit reports, the management response to them and to review implementation of the actions required					
<u>2022-23</u> <ul style="list-style-type: none"> Safeguarding, Wellbeing and Counselling IT Strategy Curriculum Strategy 			Y Y	Y	

REMIT	DELIVERABLES				
	21 Sept 2022	22 Nov 2022 (Joint Meeting)	25 Jan 2023	27 Mar 2023	24 May 2023
<ul style="list-style-type: none"> Payroll Review Estate Strategy Budget / Financial Planning Curriculum Planning and Timetabling Whistleblowing 				Y	Y Y Y
To review the Rolling Audit Action Plan at each meeting					
<ul style="list-style-type: none"> Report on Rolling Audit Action Plan 	Y		Y	Y	Y
To encourage appropriate liaison and co-ordination between internal and external audit					
<ul style="list-style-type: none"> Invite / attendance at all Committee meeting by both internal and external auditors 	Y	Y	Y	Y	Y
To establish appropriate performance measures and indicators to monitor the effectiveness of the Internal Auditors					
<ul style="list-style-type: none"> Annual review of internal audit function Annual meeting with internal auditor excluding College staff 				Y	Y Y
3) External Audit					
To receive information on the general terms and conditions of appointment of the External Auditors who are engaged by Audit Scotland to provide audit services to the College					
<ul style="list-style-type: none"> Year end audit update by external auditors Introduction of new external auditors (Azets) Annual external audit appointment terms and conditions Approval of External Auditors Audit Planning Memorandum 2022-23 	Y	Y			Y Y

REMIT	DELIVERABLES				
	21 Sept 2022	22 Nov 2022 (Joint Meeting)	25 Jan 2023	27 Mar 2023	24 May 2023
To consider the External Auditors report on the Financial Statements and the management letter prior to submission to the Board, and to review the implementation of the recommendations					
<ul style="list-style-type: none"> External Auditors report on the Financial Statements 2021-22 		Y			
To review the Statement of Corporate Governance prior to finalisation and incorporation into the Financial Statements.					
<ul style="list-style-type: none"> Review the statement of Corporate Governance 		Y	Y		
To review the External Audit strategy and plan					
<ul style="list-style-type: none"> SFC Accounts Direction for Scotland's colleges External Audit 2022-23 Engagement Strategy 	Y				Y
To establish appropriate performance measures and indicators to monitor the effectiveness of the External Auditors.					
<ul style="list-style-type: none"> Annual review of effectiveness of external audit function Annual meeting with external auditor excluding College staff 		Y	Y		
To consider the objectives and scope of any non-statutory audit work to be undertaken by the External Auditors firm and advising the Board of any potential conflict of interests.					
<ul style="list-style-type: none"> As required 					
4) Risk					
To review the Risk Management Strategy and recommend to the Board for approval					
<ul style="list-style-type: none"> Review of College Risk Management Strategy 				Y	

REMIT	DELIVERABLES				
	21 Sept 2022	22 Nov 2022 (Joint Meeting)	25 Jan 2023	27 Mar 2023	24 May 2023
To consider the Strategic Risk Register and to advise the Board accordingly					
<ul style="list-style-type: none"> Review of Strategic Risk Register Assurance Map 		Y		Y Y	Y
To consider matters of risk at each meeting and to satisfy itself that risks are being managed, including seeking assurances from internal and external audit on the adequacy of their management, and to report to the Board.					
<ul style="list-style-type: none"> Review of Strategic Risk Register 		Y	Y	Y	Y
5) Other					
To receive annual reports on Freedom of Information and Data Protection Acts requests; Register of Interests; Hospitality/Gifts Registers; and IT security / controls and their application.					
a. Freedom of Information and Data Protection Acts requests	Y				
b. Register of Interests	Y				
c. Hospitality / Gift Register	Y				
d. IT Security / control Report 2021-22	Y				
To request any member of the College staff to attend and/or to provide a written report on any matter that falls within the remit of the Committee					
<ul style="list-style-type: none"> As required 					
To procure ad-hoc specialist advice at the expense of the College as appropriate and when necessary, subject to budgets being agreed by the Board					
<ul style="list-style-type: none"> As required 					