

AUDIT & RISK ASSURANCE COMMITTEE

AGENDA

A meeting of the Audit & Risk Assurance Committee will be held at 09:30hours on 27 November 2024, Sighthill Campus (Boardroom).

	Lead Speaker	Paper
1. WELCOME & APOLOGIES	Chair	
2. DECLARATIONS OF INTEREST	Chair	
3. MINUTES OF PREVIOUS MEETING <i>for approval</i>	Chair	A
4. MATTERS ARISING REPORT		
4.1 Matters Arising Update	Chair	B
4.2 Business Committees of the Board Update		
• Planning & Resources Committee	Chair	Verbal
5. RISK ASSURANCE		
5.1 Risk Management Update	A Williamson	Verbal
5.2 National Fraud Initiative Update	I Deed	C
6. INTERNAL AUDIT REPORTS		
6.1 Summary of Audit Recommendations Report	A Williamson	D
6.2 Internal Audit Report: Credit / FES Return	I Deed	E
6.3 Internal Audit: Student Support Fund	I Deed	F
7. END OF YEAR ACCOUNTS		
7.1 Draft Annual Report and Financial Statements to July 2024 <i>for approval</i>	I Deed	G
7.2 External Audit Report	Mazars	H
7.3 Draft Letter of Representation	Mazars	I
8. DRAFT AUDIT & RISK ASSURANCE COMMITTEE ANNUAL REPORT 2024 <i>for approval</i>	Chair	J
9. ANY OTHER COMPETENT BUSINESS		
9.1 Horizon Scanning Update	Mazars / BDO	Verbal
9.2 Evaluation of Internal Audit Function 2024	Chair	K
10. FOR INFORMATION		
10.1 Audit & Risk Assurance Committee Business Planner 2024/25		L

11. DATE OF NEXT MEETING: 5 March 2025

N.B: The minutes of the Audit & Risk Assurance Committee are reported directly to the Board of Management, with an accompany commentary from the Committee Chair.

Title	National Fraud Initiative 2024/25 Update
Appendices	None.
Disclosable under FOISA	Yes <input checked="" type="checkbox"/> / No <input type="checkbox"/>
Primary Contact	Ian Deed
Date of Production	13 th November 2024
Action Required	For Approval <input type="checkbox"/> / For Discussion <input checked="" type="checkbox"/> / For Information <input checked="" type="checkbox"/>
Aligned to Strategic Risk	Yes <input checked="" type="checkbox"/> / No <input type="checkbox"/> <i>(If 'yes' please complete Section 5.3)</i>

1. RECOMMENDATIONS

The Committee is asked to NOTE the update provided regarding Edinburgh College’s participation in the 2024/25 National Fraud Initiative.

2. PURPOSE OF REPORT

The National Fraud Initiative (NFI) in Scotland is a counter-fraud exercise led by Audit Scotland and overseen by the Cabinet Office for the UK as a whole. It uses computerised techniques to compare information about individuals and suppliers held by different public bodies, and on different financial systems that might suggest the existence of fraud or error. It means that public bodies can act if any fraud or error has taken place, and it allows auditors to assess fraud prevention arrangements which those bodies have in place.

3. KEY INSIGHTS

The 2024/25 NFI exercise is in progress and the College submitted the required Payroll and Creditor information for analysis by the deadline on 25th October. Results of matching exercise are expected from 20th December and the College will provide commentary/supporting evidence as necessary.

The outcome of the 2024/25 NFI exercise will be reported to the next meeting of the Audit & Risk Assurance Committee on 5 March 2024.

4. IMPACT AND IMPLICATIONS

The Board is responsible for the financial sustainability of the College, and it is considered good practice to monitor all areas of performance that can impact on the College’s viability. By its participation in the NFI the College further risks around financial fraud.

5. ALIGNMENT TO STRATEGIC PLAN / KPIs / RISK REGISTER

5.1 Alignment to Edinburgh College Strategic Pillars [Indicate with an 'X' which Strategic Pillar this paper supports]:

Curriculum Strategy	<input type="checkbox"/>	Finance Strategy	<input checked="" type="checkbox"/>	People Strategy	<input type="checkbox"/>
Commercial Strategy	<input type="checkbox"/>	Digital Strategy	<input type="checkbox"/>	Other	<input type="checkbox"/>

5.2 Relevant Key Performance Indicators [Indicate with an 'X' which performance indicators this paper supports]:

Student Success	<input type="checkbox"/>	Credit Target	<input type="checkbox"/>	Equality, Diversity & Inclusion	<input type="checkbox"/>
Student Satisfaction	<input type="checkbox"/>	Adjusted Operating Position (AOP)	<input checked="" type="checkbox"/>	Staff Costs	<input type="checkbox"/>
Student Retention	<input type="checkbox"/>	Non-SFC Income	<input checked="" type="checkbox"/>	Staff Engagement	<input type="checkbox"/>
Student Enrolments	<input type="checkbox"/>	Gross Carbon Footprint	<input type="checkbox"/>	Partner Engagement	<input type="checkbox"/>

5.3 Alignment to the Top-Level Risk Register [Strategic risk information should be copied directly from the most recent TLRR]:

Strategic Risk(s)	Risk Score*		
(33) FINANCIAL SUSTAINABILITY (INSUFFICIENT BUDGET / FUNDING TO COVER COST OF LIVING, JOB EVALUATION, EMPLOYER PENSION CONTRIBUTION INCREASES) Lead Committee: Policy & Resources Committee Strategic Pillar: People	Inherent (Gross) Risk		
	<i>Probability</i>	<i>Impact</i>	<i>Score</i>
	5	5	25
	Residual (Net) Risk		
	<i>Probability</i>	<i>Impact</i>	<i>Score</i>
	5	5	25
Movement		↔	

*Risk Score Key: 0-10 Low Risk; 11-15 Moderate Risk; 16-25 High Risk. [Further information on risk scoring can be found in the [EC Risk Management Policy & Procedure](#)]