



Meeting of the Audit and Risk Committee

**to be held on
Wednesday 26
November 2025 at
1000hrs via MS Teams**

AUDIT & RISK COMMITTEE

NOTICE

There will be a meeting of the Audit & Risk Committee on Wednesday 26 November at 10:00am via Microsoft Teams, directly followed by a joint Audit & Risk and Finance & Resource Committees Meeting.

AGENDA

| Agenda Item | | Paper |
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| 13-25 | Apologies for Absence | |
| 14-25 | Declaration of any Potential Conflicts of Interest in relation to any Agenda Items | |
| 15-25 | Minute of Previous Meeting (18/09/25) | X |
| 16-25 | Matters Arising Report | X |
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| | Reserved Matter for Discussion | |
| 17-25 | Annual Internal Audit Report 2024/25 | X |
| 18-25 | Audit Certification of Student Activity & Report AY2024/25 | X |
| 19-25 | Audit Certification Support Fund Year-End Returns AY2024/25 | X |
| 20-25 | Strategic Risk Register | X |
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| | Matters for Discussion | |
| 21-25 | Good Governance Compliance Report (from May 2025) | X |
| 22-25 | University of Dundee Key Findings Report | X |
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| | Matters for Information | |
| 23-25 | Data Protection Report AY2024/25 | X |
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| 24-25 | Any Other Business | |
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| 25-25 | Summation of Actions and Date of Next Meeting | |
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| | Reserved Matter for Decision (in conjunction with F&R Committee) | |
| 26-25 | Financial Statements, 2024-25 Overview | X |
| 27-25 | Draft Audited Financial Statements, 2024-25 | X |
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| | Reserved Matter for Discussion (in conjunction with F&R Committee) | |
| 28-25 | Audit Scotland Annual Audit Report AY2024/25 | X |

AUDIT & RISK COMMITTEE

MINUTE OF MEETING

DRAFT Minute of Meeting of the Audit & Risk Committee held on Thursday 18 September 2025 at 1400hrs via Microsoft Teams.

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| Agenda Item | <p>Present: Jim Gifford (Chair) Bryan Hutcheson Caroline Laurenson Ellie Zemani Leona McDermid Iain Watt (Vice Chair)</p> <p>In attendance: David Archibald, Partner, Henderson Loggie Stuart Thompson, Vice Principal Finance & Resources Karen Fraser, Minute Secretary</p> |
| 01-25 | <p>Apologies for Absence Apologies were received in advance of the meeting from G Lawrie, A MacDonald and S Lawrance.</p> |
| 02-25 | <p>Declaration of any Potential Conflicts of Interest in relation to any Agenda Items J Gifford declared a potential conflict of interest by virtue of his position with Aberdeenshire Council.</p> <p>L McDermid declared a potential conflict of interest by virtue of her position with Aberdeen Foyer.</p> |
| 03-25 | <p>Minute of Previous Meeting (28/05/25) The Minute was approved as a true and accurate record.</p> |
| 04-25 | <p>Matters Arising Report Members noted the updates to the 5 Matters Arising captured in the shared report.</p> |
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| | <p>Matters for Decision</p> |
| 05-25 | <p>Internal Audit Reports Reports were presented by guest attendee D Archibald to enable consideration of their overall levels of assurance.</p> <p>Workforce Planning Discussions focused on the controls in place to mitigate specific Risks 1.2, 2.1, and 2.2 in the Strategic Risk Register (SRR), the overall "Good" outcome of this Audit was shared.</p> <p>The positive picture was emphasized, with the People Strategy fitting into the over-arching Strategic Plan, recognition of changes to peoples' roles to enable development to have proper succession planning in place, and staff being used effectively to support an agile delivery model noted.</p> <p>Regarding the succession planning piece, D Archibald acknowledged the need, as auditors, for more pragmatism and an understanding of where the</p> |

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| | <p>skills gaps exist.</p> <p>The "Satisfactory" score against workforce planning performance metrics being in place was queried. It was confirmed that this was one of two actions recorded as being already in progress.</p> <p>S Thompson highlighted the necessity for manual intervention in order to extract data for presentation at the HR Committee and confirmed ongoing discussions with Zellis UK Ltd regarding this. More transparency at management level of some of this data is anticipated due to the creation of an SLT dashboard in PowerBI.</p> <p>In response to a query regarding succession planning scrutiny, L McDermid advised the Terms of Reference, including the HR Committee's specific roles and duties are to be considered at the next HR Committee.</p> <p>Overall, the very positive report on this important area of the College was emphasised.</p> <p>Systems Development/Implementation Discussions centred on Risk 4.3 of the SRR, the "Good" outcome of this Audit was highlighted.</p> <p>D Archibald outlined focus had been on 2 specific projects – the replacement of UNIT-e, and the Virtual Learning Environment. Risk management for both was found to be effective. One recommendation was put forward regarding having more of a structured approach to project management.</p> <p>S Thompson confirmed that the student records system replacement project will be discussed further at Regional Board on 30/09/25.</p> <p>A suggestion was put forward that a capturing of the noted good practice would be advantageous.</p> <p>It was confirmed that follow-up reporting will pick up on progress made with the recommendation, with the action deadline of July 2026 noted.</p> <p>Awareness-raising at SLT level was highlighted, with the identification of useful training to effectively oversee and manage projects being carried out to address the recognised gap. An observation around the implementation of project management champions was shared.</p> <p>Progress Report – September 2025 Progress with the annual 2024/25 plan was captured in the shared report.</p> <p>(Decision = if identified as required, the content of the Reports was approved).</p> |
| 10-25 | <p>Internal Audit Plan 2025/26 Immediately following the Internal Audit reports item, Members considered the Internal Audit Plan.</p> <p>D Archibald reminded Members of the 3-year Audit programme, with opportunities at the end of and within each year, to amend the proposed topics. Discussion with senior management enabled consideration of the optimum timing of each review.</p> <p>Opinion was sought regarding the Committee's comfort with the subject headings and their scheduling, and whether the scopes proposed for 2025-26 had been focused in the right areas.</p> <p>S Thompson highlighted input from SLT which has resulted in the swapping of the payroll audit into 2025-26 and the business development audit into 2026-27. The reasons for this were highlighted to Committee.</p> <p>Attention was drawn to the audit heading "Digital Strategy (including Artificial Intelligence)" and the need to illustrate that AI has not previously been audited. Action: Note to be added by D Archibald, flagging that AI hasn't been audited so that this remains on the radar.</p> <p>It was confirmed that the 2025-26 IT Network Arrangements audit will ask some</p> |

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| | <p>questions on the use of AI, compliance, and cyber security and risks associated with AI. An observation was shared that a lot of organisations are publishing their AI Strategies in response to a rapidly changing landscape.</p> <p>Members were asked to comment on the Plan, consider any omissions and to consider whether new inclusions should be implemented. Reference was made to the SRR, which acts as the driver for and an early indicator of audit need. S Thompson highlighted reliance on the expertise of the internal auditors to indicate if other Colleges are undertaking something of noticeable difference.</p> <p>Concluding remarks confirmed that Members were content with the Plan with the proviso noted that timings can potentially alter.</p> |
| 06-25 | <p>Programme of Business (Draft) AY2025/26</p> <p>The Draft PoB was presented for consideration. Members noted the annual review procedure in line with governance, no significant change to previous versions, the 3 standing Agenda items at every meeting, and the core discussion points and timings captured.</p> <p>D Archibald commented on the assurance provided by the presentation of specific Reports at defined times.</p> <p>Decision = Approved as presented with the caveat that the PoB can be added to or amended throughout the year.</p> |
| 07-25 | <p>Committee Terms of Reference</p> <p>The ToR were presented for annual review. The compliance with governance and no proposed changes in the shared draft were noted.</p> <p>Decision = Approved as presented.</p> |
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| | Matters for Discussion |
| 08-25 | <p>ASET Risk Register Update (late paper based on ASET Board Meeting being 17/09/25)</p> |
| 09-25 | <p>NESCol Strategic Risk Register</p> |

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| 10-25 | Item discussion immediately followed Item 05-25. |
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| 11-25 | Any Other Business J Gifford highlighted the proposal to hold at least one Committee meeting per Academic Year in-person, to be further discussed at Regional Board. |
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| 12-25 | Summation of Actions and Date of Next Meeting The actions were summarised and it was confirmed that the Audit & Risk Committee are next due to meet on 26 November 2025 at 1000hrs, followed immediately by a joint meeting with the Finance & Resources Committee. |

| Actions from the Audit & Risk Committee Meeting – 18 September 2025 | | | |
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| Agenda Item | Action | Responsibility of | Deadline |
| 10-25 | Internal Audit Plan 2025/26: Note to be added regarding AI, flagging that this hasn't been audited so that this remains on the radar. | D Archibald | ASAP |

AUDIT & RISK COMMITTEE

An update on matters arising from the meeting of the Audit and Risk Committee held on 18/09/25.

| Agenda Item | Action |
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| 10-25 | Action: Internal Audit Plan 2025/26: Note to be added regarding AI, flagging that this hasn't been audited so that this remains on the radar. |
| | Status: Complete. Artificial Intelligence will be addressed as part of the planned review of Digital Strategy, which is included in the 2027/28 audit year in the approved Strategic Internal Audit Plan 2025 to 2028. However, this can be brought forward as part of the planning discussions for 2026/27 or at any time, should the Committee feel that this topic merits earlier review. |

| AUDIT & RISK COMMITTEE | |
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| Meeting of 26 November 2025 | |
| Title: Code of Good Governance for Scotland's Colleges – Compliance Check | |
| Author: Susan Lawrance | Contributor(s): |
| Type of Agenda Item: For Decision <input type="checkbox"/> For Discussion <input checked="" type="checkbox"/> For Information <input type="checkbox"/> Reserved Item of Business <input type="checkbox"/> | |
| Purpose: To enable the Committee to consider the Board's performance and compliance with the Code of Good Governance for Scotland's Colleges over the last 12 months. | |
| Linked to Strategic Goal: | |
| Linked to Annual Priority: | |
| Executive Summary: <p>It is a condition of the Financial Memorandum with the SFC that governing bodies comply with the principles of good governance set out in the Code of Good Governance for Scotland's Colleges. Colleges are required to include a statement in their annual Financial Statements confirming compliance, providing an explanation in the event that its practices are not consistent with particular principles.</p> <p>In setting the Programme of Business for the Audit & Risk Committee for AY2024-25 it was agreed that an annual compliance check of the Board's performance against the Code should again be undertaken.</p> <p>Attached as Appendix 1 is a summary table, prepared by the Secretary to the Board, providing information on Board activities and behaviours demonstrating compliance against each of the Code's individual criteria.</p> | |
| Recommendation: <p>It is recommended that the Committee consider the information provided.</p> | |
| Previous Committee Recommendation/Approval (if applicable): <p>None</p> | |
| Equality Impact Assessment: | |

Positive Impact ☐

Negative Impact ☐

No Impact ☐

Evidence:

| Code of Good Governance Criteria | Evidence |
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| LEADERSHIP AND STRATEGY | |
| 1. Board decisions and behaviour reflects the Boards Code of Conduct and Nine Principles of Public Life. | <ul style="list-style-type: none"> Evidenced in Board and Committee minutes Internal and external Board induction process highlighted Code and Principles The Board continue to adopt the latest Standards Commission for Scotland Revised Code of Conduct The Board Secretary participated in regular meetings with other Governance Professionals from the College sector where regular updates on any proposed changes or updates to the Code of Conduct are discussed. |
| 2. We determine the vision, direction, educational character, values and ethos of the College. | <ul style="list-style-type: none"> A Strategy Event to help the Regional Board co-create the College's New Strategic Plan was held in November 2024. Regional Board Members were joined by Executive Team and Leadership Team colleagues. Workshops were led by Vice Principal for Curriculum and Quality and the Head of Planning and Academic Partnerships. The Strategy Event built on the previous one where consideration of new sub-strategies was held. The New Strategy Event included discussions on: <ul style="list-style-type: none"> Why create a new Strategic Plan: To establishing a shared understanding of the College's purpose, for everyone. Envisage a Brighter Future: Visualise the thriving future, 10 years from now. Align Vision to Values: Future planning. Mission Statement: collaborative input on the development of a new Mission Statement. Branding: Help co-create a memorable, effective strapline to strengthen NESCol's brand identify. The New Strategic Plan will continue to be refined. Workshops, surveys, one/one discussions with staff, students and stakeholders undertaken. Regular updates on Strategic Plan, including sub-strategies and verbal feedback from workshops to be presented to Committee and Regional Board. Final approval of Plan to be requested by Regional Board ahead of its planned launch in early AY 2025/26. |
| 3. Our performance management system is adequate, identifying KPIs and we monitor progress. | <ul style="list-style-type: none"> Data DashBoard using Microsoft Power Bi provides 'live' data which can be filtered as required and is accessible by Regional Board through COLIN. |

| Code of Good Governance Criteria | Evidence |
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| | <ul style="list-style-type: none"> Quality Assurance processes, including new layer of scrutiny and challenge continue, (Curriculum Spotlight Review process (overseen by the Curriculum Quality and Student Support Committee). An overview of Scotland's Tertiary Quality Enhancement Framework (and its principles was presented to Curriculum and Quality Committee in November 2024, including: <ul style="list-style-type: none"> Outcome Framework and Assurance Model overview Principles of the TQEF. How the quality assurance and enhancement will be delivered effectively. The Quality Cycle and Review. The evidence base for TQER A presentation of the RGU Transitions and Degree Link Programme, the performance and trends, and initiatives to enhance and improve articulation and transition, along with the impact of SFC Pathfinder Pilot Project was presented to Curriculum and Quality Committee in November 2024. Credits position and planning presented to both Curriculum and Quality Committee and Regional Board as a Standing Item. Monthly updates on credits position and planning discussed by Strategic Leadership Team. College's annual KPI publication includes sector benchmarking information, with an internal version produced to include sector benchmarking information at team and unit level to feed into quality improvement processes Regular Applications updates are provided to Executive and Strategic Leadership Teams and Curriculum and Quality Committee Revised Curriculum Planning Process and review of curriculum provision regularly undertaken and reported to Strategic Leadership Team and Regional Board through Curriculum and Quality Committee and Regional Board Meetings. |
| <p>4. Relevant stakeholders are engaged in compiling the outcome agreement and outcome framework and assurance model.</p> | <ul style="list-style-type: none"> Outcomes Framework and Assurance Model – overview paper presented to Regional Board in December 2024, outlining the revised approach to assurance and accountability, including: <ul style="list-style-type: none"> Key differences from previous approach Key outcomes |

| Code of Good Governance Criteria | Evidence |
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| | <ul style="list-style-type: none"> • The Assurance Model • Engagement • Monitoring • TQEF • Next Steps • Outcome Agreement presented to Community Planning Partnership Aberdeen. • Ongoing external engagement activities fed into Outcome Agreement process as appropriate, including labour market intelligence from direct engagement with employers, SDS, Local authorities, AGCC, DWP, and industry bodies. • Representation on regional groups such as CPA, PACE, Local employability partnerships, employability training providers forum, NESA and University links, SWAP |
| <p>5. We provide leadership on ethics, equalities, diversity and staff welfare.</p> | <ul style="list-style-type: none"> • A new Board Equality and Diversity Champion appointed and joined the Equality and Wellbeing Committee meetings. • Regular Q&A All Staff webinars held. • Wellbeing Matters events held throughout the year, topics included Financial Wellbeing Sessions, Digital Wellbeing Workshops, promotion of Grampian Wellbeing Festival in May 2024. Wellbeing Matters Champions appointed throughout the College. • Annual Wellbeing Day now established within NESCol calendar with a wide range of activities offered for all staff, across all campuses. • Equalities and Wellbeing Committee chaired by G Watt, with input from staff and students plus Board Equality and Diversity Champion meet regularly. Curriculum and Quality and HR Committee receive reports on Equality and Wellbeing for staff and students. • Equalities Action Plan update presented to HR Committee throughout AY2024/25. • Employee Voice Group established in AY2023/24. Findings of survey shared with HR Committee in May 2024. • Employee Voice Engagement Survey published in December 2023. Results fed back to Executive and Leadership Team in March 2024 with update provided to May HR Committee. • Employee Voice Working Group (with several new members based across all campuses) update shared with HR Committee in May 2025. |

| Code of Good Governance Criteria | Evidence |
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| | <ul style="list-style-type: none"> NESCol Wellbeing Strategy 2021-23 published and available on COLIN which gives details of the wrap-around support services for staff and students. Old Wellbeing Strategy 2021-23 (available on COLIN and via NESCol website) replaced with NESCol Wellbeing Strategy 2024-2027 with broader consultation from staff and students included. People Services Enhancement Plan (including strategic areas and the proposed new sub-strategy (Strategic Plan) is a Standing Item for HR Committee. Board reviews and approves the College's Equality and Diversity Policy, Equality Outcomes, and Mainstreaming Report, and Equal Pay Policy & Statement The Board continues to adopt the latest Standards Commission for Scotland Revised Code of Conduct into its Governance Manual which is reviewed annually by the Board. |
| <p>6. We have regard to the social and economic needs of our area.</p> | <ul style="list-style-type: none"> Key discussions held at Board Strategy Events Reflected upon as part of Board and Committee business College works collaboratively and closely with Aberdeen City Community Planning Partnership; and continues to try to advance engagement with Aberdeenshire Community Planning Partnership. Head of Planning and Academic Partnerships gives regular updates on current credit and planned activity to Curriculum and Quality Committee, Regional Board, Executive and Leadership Teams. Head of Planning and Academic Partnerships also convenes Curriculum Planning Group. College is a key member of the Regional Economic Strategy Group. College is a member of the the Regional Learning and Skills Partnership. Post pandemic the College continues to be heavily involved in many regional partnership discussions regarding economic recovery. The skills, networks and experiences of Board Members, established and new, add additional social and economic contextual information to Board and Committee discussions. The College is a key partner in the Regional Pathfinder Delivery Board focusing on delivering pilot collaborative activity, on curriculum development, skills delivery, and close links with employers. |

| Code of Good Governance Criteria | Evidence |
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| | <ul style="list-style-type: none"> • The Boards of NESCol, UoA and RGU met for a Joint Skills Seminar with a Seminar on Staff and Student wellbeing in June 2023. • New National Energy Skills Accelerator (NESA) established. Collaborative initiative between RGU, UoA and NESCol – supported by key regional partners, including SDS, ETZ Energy Transition Zone and supported by SFC. • Energy Career pathways, an interactive tool for prospective employers in the energy sector to identify qualifications required for specific roles and where they can be undertaken, launched by NESA in April 2024. • The Board have approved the partnership with ETZ and a local stakeholder, the lease of the new Energy Transition Skills Academy, located adjacent to the College's Altens Campus. • The new Energy Transition Skills Academy is nearing completion. When opened it will provide an enhanced curriculum, offering learning in state-of-the-art facilities including new welding bays. • Regular updates/oversight of ETSA progress, including finances, build advances and high-level curriculum planning provided to the Regional Board and committees. • Outreach vehicle, a hydrogen dual-fuel lorry called "Energy on the Move" which serves as a mobile classroom and science centre to promote energy transition careers and skills formally launched in early 2025. It is a collaborative project between NESCol, ETZ Ltd and Shell UK. |
| QUALITY OF THE STUDENT EXPERIENCE | |
| <p>1. The voice of students and the quality of their experience is central to our decisions including monitoring student surveys and any resulting action plans.</p> | <ul style="list-style-type: none"> • Students' Association has a standing item – Activity Report at meetings of the Curriculum & Quality Committee • Students' Association regularly asked to contribute at Strategy Events • Students' Association President has contributed to College "all staff" webinars. • Curriculum & Quality Committee review the results of the First Impressions and Student Satisfaction & Engagement Surveys • Curriculum & Quality Committee received collated feedback from student-related quality processes – focus groups, peer-led reviews, lesson observations • Priority Projects updates supplied to Curriculum and Quality Committee. |

| Code of Good Governance Criteria | Evidence |
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| | <ul style="list-style-type: none"> Students' Association have representation on Curriculum, Quality and Student Support Group; Equality and Wellbeing Committee; Health and Safety Group; IT Steering Group and Estranged Students and Student Carers Working Group. The Students' Association are also involved with Campus Futures Groups and other short-life working groups. |
| 2. We have open ongoing engagement with students, working in partnership and encouraging a strong independent student association having regard to the Student Association Framework. | <ul style="list-style-type: none"> Board Members interact with students through attendance at College events Board awareness of Framework Regular meetings held between Students' Association and Executive Team Student Association Partnership Agreement presented to Curriculum and Quality Committee and approved by Regional Board in December 2024. Increased Student Engagement evidenced at Curriculum and Quality Committee. SA President and Vice President contributed to College "all staff" webinars. SA refreshed constitution was approved by the Regional Board in June 2022. Student Engagement Internal Audit carried out during AY2024/25 with a satisfactory overall level of assurance recorded. Student Engagement Internal Audit presented and discussed by Audit and Risk Committee in May 2025. |
| 3. Our Students' Association is adequately resourced, operates fairly and in a democratic manner, fulfilling its duties; it has a written constitution that the Board has reviewed in the last five years. | <ul style="list-style-type: none"> Refreshed Constitution discussed at Curriculum and Quality Committee in May 2022. Refreshed Constitution presented, and approved by the Regional Board at their June 2022 meeting. Curriculum & Quality Committee considers Association's budget proposal prior to its inclusion in the College budget Association Activity Report is a standing item at meeting of the Curriculum & Quality Committee with update on Enhancement Plan also provided to Curriculum and Quality Committee. |
| 4. We are aware of and foster good relationships with partner organisations that help us provide coherent learning, including employability | <ul style="list-style-type: none"> Good relationships are maintained with the two local universities, two local authorities and regional schools Events are held with the local authorities and regional schools e.g. Developing the Young Workforce, Apprenticeships Awareness raising, |

| Code of Good Governance Criteria | Evidence |
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| | <ul style="list-style-type: none"> Enhanced partnership working agreement with RGU. The College partnership with RGU has been strengthened through the development of a Joint Planning and Delivery Board with pilot projects fully supported by SFC. New and successful external engagement approaches have been developed The College are leading on two key strands of SFC Pathfinder: <ul style="list-style-type: none"> Strategic Partnership with RGU to explore joint planning, provision of programmes, development of programmes and some shared services. Enhancing the School Senior Phase with Aberdeen City and Aberdeenshire, RGU and UoA. A detailed report on SFC Pathfinder Projects was presented to the Curriculum and Quality Committee in February 2024. New Technology centre featuring new equipment, multi-media and flexible furniture (sitting alongside Fujitsu Innovation Hub in Fraserburgh) to engage with staff, students and local community (able to accommodate 60 learners) introduced in AY2021/22. Opening Event for Futures Zone held in April 2022 and attended by Regional Board Members, staff, stakeholders and students. Donation from local benefactor secured (fourth year) for Fraserburgh Campus to enable the College to purchase a range of equipment to benefit current and future NESCol students Quarterly Stakeholder bulletins continue (introduced in 2021 (regularly circulated to more than 600 stakeholders) Following an initial Joint Skills Seminar the Boards of NESCol, RGU and UoA are met in June 2023 to discuss Student and Staff Wellbeing. Aspiration to meet jointly continue. Regional Chair holds regular meetings with Chair of UoA and RGU The College in conjunction with ECITB and ETZ launched the Energy Transfer and Wind Turbine Technician Scholarships. Curriculum Planning Internal audit findings reported to Committee, who noted overall "good" grading. |
| 5. Mechanisms ensure effective oversight of quality and inclusiveness of learning. | <ul style="list-style-type: none"> Regional Board approve the College's Evaluative Report & Enhancement Plan and receive an interim progress update and end of year progress update |

| Code of Good Governance Criteria | Evidence |
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| | <ul style="list-style-type: none"> Curriculum Business Planning regularly reported to Regional Board and its Committees KPI performance reported to the Regional Board and its Committees, with any associated actions highlighted. The Curriculum and Quality Committee receive regular Complaints Summary Reports. Annual Quality Report presented to Curriculum and Quality Committee in November 2024. An overview of Scotland's Tertiary Quality Enhancement Framework (and its principles) was presented to Curriculum and Quality Committee in November 2024, including: <ul style="list-style-type: none"> Outcome Framework and Assurance Model overview Principles of the TQEF, How the quality assurance and enhancement will be delivered effectively. The Quality Cycle and Review. The evidence base for TQER A presentation of the RGU Transitions and Degree Link Programme, the performance and trends, and initiatives to enhance and improve articulation and transition, along with the impact of SFC Pathfinder Pilot Project was presented to Curriculum and Quality Committee in November 2024. Equalities Mainstreaming Report (including approval of new Equality Outcomes) presented, and approved, by Regional Board in March 2023. The Regional Board at their March 2025 meeting received and approved the Equalities Mainstreaming Report for AY2025-29. An update on the AY2021-25 Outcomes was also provided by G Watt (the full report is available on the College Intranet). Summary of the Quality team activities, including enhancement initiatives, presented to Curriculum and Quality Committee in February 2024, including Education Scotland on-site thematic review which focussed on approaches to meeting the additional needs of all learners (January 2024) Summary of Findings. |
| ACCOUNTABILITY | |

| Code of Good Governance Criteria | Evidence |
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| 1. We fulfil our primary accountability to our funding body by: a. delivering our outcome agreement. b. fulfilling our statutory duty and terms of our grant. | <ul style="list-style-type: none"> • The College achieved its AY2023-24 Credits Target. • The College is on track to achieve its AY2024-25 Credits Target. • Annual returns to SFC completed by required deadlines and reported to Audit & Risk Committee • College's Financial Statements for the year to 31 July 2024 include statement that the College complies with all the principles of the 2016 Code of Good Governance for Scottish Colleges, and it has complied throughout the year ended 31 July 2024. • Annual Certificate of Assurance for AY2023-24 completed with no areas of concern highlighted • Audited AY2023-24 Financial Statements presented and approved by Regional Board in December 2024. • External Auditor presented Audit Scotland report to Regional Board in December 2024. |
| 2. We fulfil our accountability to students, public, employers and our community for provision of education that enhances social and economic wellbeing. | <ul style="list-style-type: none"> • Board and Committee meeting agendas, papers and minutes publicly available on College website • Key strategy and evaluation documents – Strategic Plan, Outcome Agreement, Evaluative Report & Enhancement Plan – also available on College website • Partnership working between the Board and key regional stakeholders to address social and economic wellbeing issues |
| 3. We manage conflicts of interest and disclose our register of interests. | <ul style="list-style-type: none"> • Declaration of potential conflicts of interest is a standing item on Board and Committee agendas • Register of Interests maintained and reviewed annually and made available on College website with members updating changes through Board Secretary. |
| 4. Our decision making is transparent, informed, rigorous and timely and associated documentation is adequate. | <ul style="list-style-type: none"> • Board and Standing Committee agendas, minutes and papers published on College website – accessible by public, staff and students (with exception of reserved items) • Programme of Meetings and Programmes of Business reviewed annually to ensure there is alignment with the College's planning and business cycles ensuring that decision making is timely and that "the Board is serving the College rather than the College serving the Board" |

| Code of Good Governance Criteria | Evidence |
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| <p>5. Our scheme of delegation to staff and committees is clear and fit for purpose with appropriate two way communication with the Board. We ensure:</p> <ul style="list-style-type: none"> a. we have audit, remuneration, finance and nominations/appointments committees. b. the staff charged with advising each committee are clear. c. committee minutes go to the next meeting of the Board. | <ul style="list-style-type: none"> • The Governance Manual contains Schemes of Delegation, and Terms of Reference for the Board and its Committees, and is reviewed annually by the Regional Board. • The Board operates the following Committees: Audit & Risk, Curriculum & Quality, Finance & Resources, Human Resources, Remuneration Committee, Governance and Nominations Committee. • Committee Terms of Reference include details of the senior staff member(s) who provide objective, specialist advice to support the Committee to discharge its remit • Committee Terms of Reference are reviewed annually by Committee. • Committee minutes go to the next meeting of the Board as part of the 'Report by Committee Chairs' • Chairs Committee with agreed Terms of Reference established |
| <p>6. We set the risk appetite, balancing risk and opportunity and this is known to senior staff.</p> | <ul style="list-style-type: none"> • Strategic Risk Register is a monthly standing agenda item for review by the College's Strategic Leadership Team. • The updated Strategic Risk Register, as approved by A&R and Regional Board in 2023 remains a standing for Audit and Risk Committee. • The College's Risk Management Policy (which includes a Risk Appetite Statement, reviewed, updated and approved by the Audit and Risk Committee in November 2023. • Strategic Risk Register is a Standing Item on Audit and Risk Committee and Regional Board agendas. |
| <p>7. We ensure sound risk management and supporting review systems.</p> | <ul style="list-style-type: none"> • Internal Audit of Risk Management undertaken in June 2019 with outcome of 'Strong' and 3 low recommendations • Strategic Risk Register reviewed regularly by Strategic Leadership Team – this was previously undertaken by the Senior Executive Team, its reallocation to the Strategic Leadership Team ensures there is wider collective ownership of the document and risk across all areas of the College are recorded • Strategic Risk Register is a standing item for meetings of the Audit & Risk Committee and Regional Board • Meeting held in February 2023 with senior staff and members of Audit and Risk to discuss development of Strategic Risk Register. |

| Code of Good Governance Criteria | Evidence |
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| | <ul style="list-style-type: none"> • Risk Register training provided in Summer 2023 to Leadership Team and Executive team by MHA Henderson Loggie to help support development of new Strategic Risk Register. • New Strategic Risk Register developed following consultation with Leadership Team, Executive Team and Board. • New Risk Register presented to Audit and Risk Committee in September 2023. • New Risk Register presented and approved by Regional Board in October 2023. • Opportunities Register now regularly report to F&R Committee. • ASET Risk Register now standing agenda item on Audit and Risk Committee and presented to Regional Board. • ASET Risk Register format amended to follow NESCol template and scoring. |
| <p>8. The Audit Committee:</p> <p>a. Reviews the comprehensiveness, reliability and integrity of all our assurances on the governance, risk and control frameworks, engaging with internal and external auditors and monitoring any actions recommended.</p> <p>b. Members are all non-executive, objective and independent with at least one having recent relevant financial or audit experience.</p> <p>c. Can hold all or some of its meetings in private, meeting internal and external auditors privately at least once a year.</p> | <ul style="list-style-type: none"> • Audit & Risk Committee approves the annual Internal Audit Programme and the scope for each internal audit, and receives the reports from each internal audit to enable recommendations to be considered and approved • Audit & Risk Committee reviews the annual External Audit Plan • Audit & Risk Committee approved the Internal Audit Plan • Audit and Risk Members have significant financial and audit experience through job roles • Audit & Risk Committee Members meet privately with both the internal and external auditors |
| <p>9. The Remuneration Committee:</p> <p>a. Members understand their role and are trained in it: the chair is not also Board chair.</p> <p>b. Implements a procedure agreed by the Board for setting the principal's salary, including consulting staff and students.</p> | <ul style="list-style-type: none"> • Chair of Remuneration Committee is not Board Chair, office bearer is Chair of HR Committee • Senior Staff Pay Policy established. • The Remunerations Committee in September 2024 approved the Senior Pay Policy. • Remuneration Committee membership includes one staff member and one student member |

| Code of Good Governance Criteria | Evidence |
|--|--|
| <p>10. We ensure our body's sustainability, including compliance with the Financial Memorandum and the Scottish Public Finance Manual, ensuring adequate reporting and monitoring and economic, efficient and effective use of our funds.</p> | <ul style="list-style-type: none"> • Board set a Strategic Goal in relation to 'Building Sustainability' • Revised Strategic Theme 'Leading Sustainability' included in Interim Strategic Plan AY2021-23 and discussed at Board Strategy Event in April 2021. • Revised Finance Strategy presented and approved by Finance & Resource Committee in May 2021. • IT Strategy Annual Report presented to February 2025 Finance and Resource Committee. • Environmental and Sustainability Annual Report presented to February 2025 Finance and Resource Committee. • Reformatted Financial Regulations in line with CIPFA guidance approved by the Finance & Resources Committee in January 2019 • Changes to the College Financial Regulations with regard to procurement process and delegated limits, approved by the joint meeting of the Finance and Resource/Audit and Risk Committee in November 2023 • Revised Statement Accounting Policies approved by Audit & Risk Committee in April 2019 • Board at their March 2021 meeting formally endorsed and adopted the Scottish Colleges' Statement of Commitment on the Climate Emergency. • Having been presented to various Committees and discussed at Board Strategy Event, the Regional Board at their June 2022 meeting approved the new Sustainability Strategy, produced following consultation with staff, students, and external stakeholders. • BSI Assessment report carried out (ISO 14001:2015 standards) in October 2022 – findings presented to Finance and Resource Committee in November 2022. • BSI EMS ISO14001:2015 Accreditation: Full re-certification audit carried out in February 2024 with no noted non-conformities of observation noted. • The College continues, as reported to Feb Finance and Resource Committee, to submit in time it's mandatory climate change reporting in line with the Climate Change (Scotland) Act 2019. • College's Sustainability Committee continue to meet regularly with regular reporting to Strategic Leadership team. • Update provided at February 2025 Finance and Resource Committee on Scottish Governance Asset Disposals Guidance. |

| Code of Good Governance Criteria | Evidence |
|--|---|
| | <ul style="list-style-type: none"> Opportunities Register standing Agenda item for Finance and Resource Committee. |
| 11. We ensure compliance with charities provisions. | <ul style="list-style-type: none"> OSCR returns submitted by required deadlines OSCR publications and communications circulated to Board as appropriate |
| 12. As an employer we: <ol style="list-style-type: none"> promote positive employee relations. ensure effective management: union partnerships. comply with the Staff Governance Standard. comply with any national collective agreements placed on us. ensure fair and effective staff management. | <ul style="list-style-type: none"> A new Board Equality and Diversity Champion appointed and joined the Equality and Wellbeing Committee meetings. Regular Q&A All Staff webinars held. Wellbeing Matters events held throughout the year, topics included Financial Wellbeing Sessions, Digital Wellbeing Workshops, promotion of Grampian Wellbeing Festival in May 2024. Wellbeing Matters Champions appointed throughout the College. Annual Wellbeing Day now established within NESCol calendar with a wide range of activities offered for all staff, across all campuses. Equalities and Wellbeing Committee chaired by G Watt, with input from staff and students plus Board Equality and Diversity Champion meet regularly. Curriculum and Quality and HR Committee receive reports on Equality and Wellbeing for staff and students. Equalities Action Plan update presented to HR Committee throughout AY2024/25. Employee Voice Group established in AY2023/24. Findings of survey shared with HR Committee in May 2024. Employee Voice Engagement Survey published in December 2023. Results fed back to Executive and Leadership Team in March 2024 with update provided to May HR Committee. Employee Voice Working Group (with several new members based across all campuses) update shared with HR Committee in May 2025. NESCol Wellbeing Strategy 2021-23 published and available on COLIN which gives details of the wrap-around support services for staff and students. Old Wellbeing Strategy 2021-23 (available on COLIN and via NESCol website) replaced with NESCol Wellbeing Strategy 2024-2027 with broader consultation from staff and students included. People Services Enhancement Plan (including strategic areas and the proposed new sub-strategy (Strategic Plan) is a Standing Item for HR Committee. |

| Code of Good Governance Criteria | Evidence |
|--|--|
| | <ul style="list-style-type: none"> Board reviews and approves the College's Equality and Diversity Policy, Equality Outcomes, and Mainstreaming Report, and Equal Pay Policy & Statement The Board continues to adopt the latest Standards Commission for Scotland Revised Code of Conduct into its Governance Manual which is reviewed annually by the Board. |
| EFFECTIVENESS | |
| 1. The Board chair provides leadership and ensures Board effectiveness, working well with the principal and Board secretary. | <ul style="list-style-type: none"> Demonstrated by the Annual Appraisal of the Regional Chair undertaken by Scottish Government. Regional Chair meets weekly with Principal Regional Chair meets weekly with Board Secretary Board Meeting pre meetings are held with Regional Chair, Principal and Board Secretary |
| 2. Our Board and committees have the right balance of skills, experience, independence and knowledge of the college to fulfil their role effectively. | <ul style="list-style-type: none"> All Board Members, (including new Board Members) are in the process of completing national induction workshop delivered by CDN. Training and development is discussed at Members' Annual Development Meetings with Regional-Chair and at the recently established Annual Chairs Meeting Board Member Skills Matrix kept under review by Governance and Nominations Committee and reflected upon ahead of the commencement of Board Member recruitment processes Board Skills Matrix ensured that any skills gaps were considered when the most recent round of Board member recruitment was undertaken and will be taken into consideration for next Board Recruitment opportunity. New Board members given the opportunity to undertaken CDN Board Member training. Board Recruitment process held in March 2024 with three new members appointed with a start date of June 2024 as approved by Scottish Government. Existing Board Member Skills Matrix kept under review by Governance and Nominations Committee Board Development Day held in February 2025 when Members received training on Charing and Questions Skills (from CDN); Cyber Security (from CISO and NESCol) and Artificial Intelligence (from NESCol Learning and Development staff member). |

| Code of Good Governance Criteria | Evidence |
|---|--|
| 3. We abide by collective responsibility, taking decisions in the interests of the body and managing conflicts of interest appropriately. | <ul style="list-style-type: none"> Evidenced in Board and Committee minutes |
| 4. Staff and student members are treated as full Board members. | <ul style="list-style-type: none"> Staff and student Members are treated as full Board Members. Staff and student Members are only asked to withdraw from any part of any meeting of the Board at which the appointment, promotion, conduct, suspension, dismissal, retirement or terms and conditions of employment of any employee of the College is to be considered To strengthen partnership working with its local Trade Union Representatives the Local Joint Negotiating Committee (LJNC) self-selected two members to attend Regional Board Meetings as observers – commenced in AY2020-21. This is ahead of expected legislation to provide a mechanism for the election of TU nominees. Following change to Trade Union Membership on Regional Board Legislation, a UNISON nominated member of the Board was appointed. An EIS-FELA member will change from Observer status to full Board Member once EIS-FELA confirmation of nomination is received. Board received updates regarding Trade Union Membership, noting the UNISON member resigned – with a replacement still being sought from UNISON. An EIS-FELA member was appointed in December 2024. |
| 5. We have an open and transparent process for recruiting and setting the performance measures for our principal; staff and students can contribute to it. | <ul style="list-style-type: none"> Comprehensive recruitment process implemented for recruitment of new Principal appointed in December 2019, process involved Board Members, Leadership Team members, students and external stakeholders Progress against performance management objectives for Principal throughout the Academic Year regularly reported to Board Meetings |
| 6. There is a clear understanding of the responsibilities delegated to the principal and the respective roles of the chair, Board members and executive staff. | <ul style="list-style-type: none"> Defined in the Governance Manual which is reviewed annually by the Board Board is aware of its strategic rather than operational role Regional Chair has provided clarification at meetings when required Responsibilities of being a Board Member, and delegated responsibilities outlined during Induction. |
| 7. The Board secretary is: | <ul style="list-style-type: none"> Board Secretary is not a member of the Senior Executive Team |

| Code of Good Governance Criteria | Evidence |
|---|---|
| <p>a. appointed by the Board with the appropriate skills and experience and is not a member of the senior management team in any other capacity.</p> <p>b. available to advise all Board members and committees and has adequate time to fulfil the role.</p> | <ul style="list-style-type: none"> • Board Secretary is a member of the Governance Professionals Group to ensure the Board operates in line with new sector requirements or good practice and is aware of sector developments relating to governance • Annual Appraisal of Board Secretary conducted by Regional Chair. • Board Secretary contact details available to Board Members. |
| <p>8. We have a formal and open Board member recruitment process that reflects Ministerial guidance.</p> | <ul style="list-style-type: none"> • Board has established a Selection & Appointments Policy in line with Ministerial Guidance which is reviewed annually • Vacancies advertised widely, with Members highlighting opportunities to their external networks • In October 2017, Board signed the Scottish Government 'Partnership for Change' pledge – 50/50 by 2020 • Succession Planning discussed by Regional Board and Governance and Nominations Committee. • Board Member recruitment took place in AY23/24, with robust selection and interviews scheduled. • External representation at interviews took place. |
| <p>9. We have appropriate arrangements for student and staff member recruitment.</p> | <ul style="list-style-type: none"> • Student Members are selected by the Students' Association • Board Secretary worked with Association to promote benefits of serving as a Student Member for most recent appointment • Board Secretary is responsible for the election process for staff Members • Anonymous staff ballot held in Spring 2022 to appoint new Staff Board member • A new teaching staff member of staff will be appointed in early AY2025/26 following the appropriate procedure has been carried out (including, if necessary, a ballot of all teaching staff). |
| <p>10. All members undertake training tailored to their needs (including committee training), new members receive formal induction tailored to their needs and there are records of training.</p> | <ul style="list-style-type: none"> • Induction Policy for Board Members in place and reviewed annually • Training discussed at Members' Annual Development Meetings with Regional Chair • Training offered and undertaken at Board, Committee and individual levels-internal & external courses, conferences, internal briefing sessions |

| Code of Good Governance Criteria | Evidence |
|---|---|
| | <ul style="list-style-type: none"> • Opportunities to access extensive catalogue of online training courses through the College highlighted to Members • Mandatory training and opportunities highlighted to new Board Members during inductions • Board Development Day held in March 2025, when Members received training on Chairing an Questioning Skills (CDN); Cyber Security (CISO and NESCol); Artificial Intelligence (from a member of NESCol Learning and Development Team). |
| 11. We review the Board's effectiveness annually using a robust self-evaluation process, externally facilitated at least every three/five years. | <ul style="list-style-type: none"> • External Board Effectiveness Review carried out by MHA Henderson Loggie evidenced a high level of compliance with all aspects of the Code of Good Governance and highlighted no areas of non-compliance and no recommendations – a first in any review of Boards undertaken by MHA Henderson Loggie. • Annual Evaluation process carried out with Annual Board Member Development Meetings and Committee Evaluations taking place in Summer 2023. • Regional Chair, Board Secretary and Principal took part in CDN Research study for external College Governance Review in March 2023 • External Board Effectiveness Review to be carried out during AY2025/26 as part of Internal Audit Programme. |
| RELATIONSHIPS AND COLLABORATION | |
| 1. We work in partnership at a local, regional and national level to: <ol style="list-style-type: none"> secure coherent education provision in our locality. achieve commonly agreed outcomes. develop agreed priorities. address local needs as well as national priorities and specialisms. | <ul style="list-style-type: none"> • Local and regional – local universities and schools, local authorities, Community Planning Partnerships, AGCC, ONE, SCDI, third sector organisations • College is lead partner of the Regional Learning and Skills Partnership • College plays a key role in the delivery of the Regional Skills Strategy, the Regional Economic Strategy, and the region's approach to Developing the Young Workforce • Regional Chair sits on the College's Scotland Board, and is a Member of the Employers' Association • Regional Board, in December 2024, received an annual presentation from ASET Chair. • Appointment of ASET Chair made by Regional Board. • Regular meetings take place between Regional Chair and ASET Chair. |

| Code of Good Governance Criteria | Evidence |
|----------------------------------|---|
| | <ul style="list-style-type: none"> • Regular meetings with ASET/NESCol to develop enhanced and closer collaboration and partnership working • ASET updates now standing agenda item on F&R Committee. • Closer working relationships forged with SFC and its Chief Executive presented Phase 1 Review at Strategy Event in November 2020. • Regular Meetings undertaken with SFC and NESCol Senior Management throughout AY2024/25. • Close working with SFC and member of the North East Tertiary Provision Pathfinder Delivery Board. • The College are leading on two key strands of SFC Pathfinder: <ul style="list-style-type: none"> ◦ Strategic Partnership with RGU to explore joint planning, provision of programmes, development of programmes and some shared services. ◦ Enhancing the School Senior Phase with Aberdeen City and Aberdeenshire, RGU and UoA. |

| AUDIT & RISK COMMITTEE | |
|--|------------------------|
| Meeting of 26 November 2025 | |
| Title: University of Dundee Key Findings Report | |
| Author: Board Secretary | Contributor(s): |
| Type of Agenda Item: For Decision <input type="checkbox"/> For Discussion <input checked="" type="checkbox"/> For Information <input checked="" type="checkbox"/> Reserved Item of Business <input type="checkbox"/> | |
| Purpose: To enable the Committee to note the recently published Gillies Report and the details below regarding the Key Findings. | |
| Linked to Strategic Theme: Choose an item. | |
| Linked to Strategic Risk(s): Insert relevant risk reference number | |
| Executive Summary: As Committee are aware in March 2025 the SFC commissioned an independent investigation to determine the causes and contributing factors to the deterioration of the University of Dundee's financial position. The investigation was led by Professor Pamela Gillies and conducted by international professional services firm, BDO. The report detailing the investigation's findings was published in June 2025. https://www.sfc.ac.uk/wp-content/uploads/2025/06/Gillies-Report.pdf The report details Lessons that may be beneficial for the wider sector in Scotland. It was felt it would be beneficial for those Lessons to be reviewed and commented on with regard to NESCol's governance arrangements (see Appendix 1 below). | |
| Recommendation: It is recommended that the Committee review and note the Gillies Report and the Appendix. | |
| Previous Committee Recommendation/Approval (if applicable): n/a | |
| Equality Impact Assessment: | |

Positive Impact ☒

Negative Impact ☐

No Impact ☒

Evidence:

Appendix 1

Findings on Lessons that may be beneficial for the wider sector in Scotland from the Gillies Report

Introduction

Members will be aware that in March 2025 the SFC commissioned an independent investigation to determine the causes and contributing factors to the deterioration of the University of Dundee's financial position. The investigation was led by Professor Pamela Gillies and conducted by international professional services firm, BDO. The report detailing the investigation's findings was published in June 2025. <https://www.sfc.ac.uk/wp-content/uploads/2025/06/Gillies-Report.pdf>. As part of good governance, the findings have been reviewed drawing comparisons between the University of Dundee and NESCol.

Lessons that may be beneficial for the wider sector in Scotland

General Lessons:

1. *The UEG, or equivalent, should actively consider and challenge the management accounts of the institution from a position of understanding of the totality of operations. There needs to be: – An integrated income & expenditure, cashflow and balance sheet. – Transparent cash reporting and cash management i.e. budgeted and allocated cash, unallocated operational cash. – Control and reporting of capital projects in a way that is not separate to or segregated from the whole university financial reporting; and – Transparent treasury management (especially if RCFs or loan finance is being used or is available)*

Response: The Audit and Risk Committee and Finance and Resource Committee receive regular updates on the monthly management and annual accounts. A robust system of financial reporting exists with regular standing agenda items covering In Year Budget Updates; Annual Accounts Updates and Long-Term Financial Planning (including Capital Projects).

2. *Active and critical appraisal and challenge of the Risk Register;*

Response: The College's Strategic Risk Register is reviewed monthly by the Strategic Leadership Team and is reported, as a standing agenda item, to the Audit and Risk Committee and Regional Board. The Committee also receive, as a separate Agenda item, the ASET Risk Register, (which is discussed at the ASET Board Meeting also).

3. *Where there are obvious sensitivities (high risk rating) on student recruitment or financial sustainability, there should be regular updates to the Finance Committee (or equivalent) as a check and balance on budgets and forecasts.*

Response: Regional Board and Committee receive, as a Standing Agenda Item, an Activity Overview, providing a high-level overview of activity, (f/t and p/t), details of risks, assumptions and caveats relating to the data, plus commentary on actions being taken to achieve SFC Targets and planned activity for the upcoming academic year.

4. *Where there are loan or RCF covenants, depending on headroom these should be reported to UEG on a monthly or quarterly basis (in real time and based on the prior month's management accounts);*

Response: Not applicable to NESCol.

5. *There needs to be a culture (in practice) of the validity and value of questioning at all levels in a way that is without fear.*

Response: An open and transparent culture exists within the Regional Board, Committees and NESCol staff. Regular open staff sessions are held with input from Executive Team and Strategic Leadership Team members. The Board also recently received training (March 2025) on Chairing and Questioning Skills from CDN.

6. *The Chair of UEG (ordinarily the Principal) should be receptive to challenge.*

Response: The Principal has an "Open Door Policy"; the Principal's Objectives are discussed regularly by the Regional Board. The Principal also meets weekly with the Regional Chair.

7. *Curiosity should be encouraged (and whether at UEG, ARC, Finance Committee or Court) – one person's 'innocent question' ("I don't really understand but...") is often a catalyst for another person and the engagement leads to a far richer understanding and potentially uncovering of risks and issues that are worthy of debate;*

Response: Engagement from all Board members is encouraged and this is verbally confirmed at each meeting. Members are reminded they are all "equal" with no such thing as a "daft" question. Additionally, after each agenda item discussion is invited. This culture is replicated throughout Executive Team and Strategic Leadership Team meetings.

8. *There should be clear and unambiguous early communication to Court and its committees regarding matters of importance to the whole university;*

Response: There is open communication with the Regional Board and members of the Executive and Strategic Leadership Team. All Board committee agenda items and minutes, regional board agenda items and minutes are available through the use of MS Teams which all members of the Regional Board have access to. Key reports and national information are also available through the MS Teams area.

9. *Minutes should reflect challenges and not bias. They should also make clear how decisions were arrived at;*

Response: All minutes from Regional Board and Committee meetings are shared through MS Teams space and reflect discussions, for example many minutes state "in response to" highlighting the recording of discussions, especially with regard to decision making.

10. *Both the UEG and all members of Court should live the nine principles of public life*

Response: The nine principles of public life are included in the Regional Board Governance Manual which is annually reviewed by the Board Secretary in conjunction with the Regional Chair and the full Board.

11. *The ARC should be able to stand back on any matter and review or enquire. The ARC should be the conscience of the University – the ultimate back stop for any matter*

Response: The Audit and Risk meet regularly with the Programme of Business discussed and agreed. The Audit and Risk Committee have also the opportunity to meet separately with the Internal and External Auditors.

12. *The University of Dundee had a practice of the Chair of FPC 'in attendance at ARC' and the Chair of ARC 'in attendance at FPC'. This overlap can appear functional in theory but from a best practice perspective often falls over in practice. The respective Chairs can readily get sucked into the detail and, in particular, the Chair of ARC returns to ARC with a pre-set and (likely) biased view. ARC should retain an element of independence in the overall governance and certainly absolute objectivity – this is readily lost. Best practice would be for no overlap – there will be members of the Executive that do attend both and the different lenses are helpful;*

Response: The Audit and Risk Committee meet separately to the Finance and Resource Committee except for one meeting held in November to jointly discuss the production and presentation of the Annual Accounts before these are presented for Approval by the Regional Board in December.

13. *In extremis, and it is seen (UK wide), institutions have a habit of forming a 'Committee of Chairs of Committees' or similar. In doing so, the Chair of ARC automatically loses their objectivity. The 'conscience of the University' is lost and objectivity over new and emerging risks can readily be overridden by a bias from prior (and detailed) consideration in a different context to ARC's considerations;*

Response: The Chair of the Audit and Risk Committee does sit on the Chairs Committee. The AR Chair is also Vice Chair of the Regional Board and therefore holds two roles. The Regional Chair does not consider this a "conflict of interest". In terms of risks, the Strategic Risk Register is presented regularly to both the Audit and Risk Committee and full Regional Board for consideration and discussion.

14. *Papers must (not should) be provided in advance of meetings (and regardless of UEG, Court or its committees). Papers should be provided to give members time to read and consider in advance;*

Response: All Committee and Regional Board papers are shared in advance of meetings and area available via the use of the Regional Board MS Teams area where all papers are visible. Late papers are discouraged.

15. *Papers should never be provided retrospectively, this is poor practice, regardless of the considered confidentiality of content – good governance cannot happen in a vacuum and the Executive need to work within the Board and Committee structure of the University;*

Response: No retrospective papers would be considered by Committee or Regional Board.

16. *There are few instances in Scotland where the University Secretary (or equivalent) is the Chief Operating Officer of the institution, but this dual role can create conflicts of interest that are difficult to resolve in real time. While there will be a direct reporting line to the Chair of Court / Governing Body, there will also be a reporting line to the Principal. These two lines often work 'until they do not'. Care should be taken to ensure the primary responsibility is always to the Chair of Court;*

Response: The Board Secretary reports to the Regional Chair and is not a member of NESCol Executive Team.

17. *The FM could usefully be updated for 'responsibilities of the Principal' and in particular in the role as 'Accountable Officer' and the responsibilities of Chair of Court; and*

Response: The Principal's objectives are discussed and if so minded, approved, by the Regional Board. There are clear lines of responsibility for all staff and Regional Board members. The remit of all Committees and the Regional Board are contained within their Terms of Reference which are annually reviewed.

18. *A values-led University culture, which privileges transparency and accountability, is likely to actively support evidence-based collaborative decision making, integrity and openness to challenge and debate.*

Response: NESCol operates under a clear culture of openness and transparency; where collaborative decision making can be actively challenged and discussed.

Conclusion

In listing the responses to the 18 points raised in the report the Board Secretary feels that NESCol's governance arrangements are robust; and that an open and transparent culture exists within the College, the Board and its members.



Agenda Item 23-25

| AUDIT & RISK COMMITTEE Meeting of 26 November 2025 | |
|--|--|
| Title: Data Protection Annual Report 2024-25 | |
| Author: Malcolm Johnson | Contributor(s): Linda Taylor, Marcelyn Akun |
| Type of Agenda Item: For Decision <input type="checkbox"/> For Discussion <input type="checkbox"/> For Information <input checked="" type="checkbox"/> Reserved Item of Business <input type="checkbox"/> | |
| Purpose: To enable the Committee to have oversight of the activities undertaken in relation to Data Protection during 2024/25 and to give assurance that the college is meeting its legal obligations. | |
| Linked to Strategic Theme: New Strategic Aim 5 Striving to deliver excellence and growth 4. Delivering Excellence and Innovation | |
| Linked to Strategic Risk(s): 6.1, 6.2 | |
| Executive Summary: <p>NESCol continues to meet its legal obligations to Data Protection. Staff training has been undertaken to raise awareness of responsibilities. Data Protection Impact Assessments are being completed, and staff are more aware of the requirement for these at the point of design. Data sharing and data processing agreements are being reviewed or put in place to confirm what data we can share, and how we can share it. There has been a sharp rise in the volume of Subject Access Requests and this will continue to be monitored to determine whether this is a temporary rise or a trend.</p> | |
| Recommendation: It is recommended that the Committee note the contents of the report. | |
| Previous Committee Recommendation/Approval (if applicable): | |

Equality Impact Assessment:

Positive Impact ☒

Negative Impact ☐

No Impact ☐

Evidence: Personal data is processed in accordance with legal obligations. ICO has given confirmation that we are carrying out our duties in a compliant manner.

Data Protection Annual Board Report Aug 2024 – July 2025

North East Scotland College

Marcelyn Akun, Data Protection Officer, Malcolm Johnson – Information Security & Data Protection Manager.

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Introduction

This annual DPO report summarises the key activities and outcomes of work carried out by the Data Protection service of the college during the 2024-25 college year. It also provides an oversight of organisational data protection compliance and assurance. This is a Board summary report of key data protection and information governance activity and issues to date. It serves as NESCol's Data protection and information governance annual assurance report. NESCol operate a Data Protection Governance Group which meets quarterly throughout the year which is attended by various departmental heads such as Assistant Principal Student Services, Head of Planning & Academic Partnerships, Information Security & Data Protection Manager (DP&IS) and a host of others. Progress against the Annual DPO Compliance Plan and the college's DP accountability framework are discussed in detail in those meetings and as required on a priority basis throughout the year.

Data Protection Impact Assessments

Assessments reviewed

Data Protection Impact Assessments (DPIA) are how NESCol evidences that Privacy by Design is being implemented into new processes, services and technologies.

Article 35 (GDPR) requires a DPIA to be completed where the "nature, scope, context and purposes of the processing, is likely to result in a high risk to the rights and freedoms of natural persons [living people]." The GDPR requires that "The controller shall seek the advice of the data protection officer, where designated, when carrying out a data protection impact assessment."

The use of a DPIA to review legitimacy, risks and controls for processing of personal and special category data is central to the colleges understanding and management of that processing and reflects a core organisational management tool that is of high interest to senior management of the College. Not all processing or intended processing is likely to result in high risks. However, in line with national and industry recommendations, it is highly recommended that a DPIA is utilised as the default tool for identifying risks and designing controls for processing of personal data. Article 36 (GDPR) requires that the organisation consult with the supervisory authority (ICO) where a DPIA indicates that "the processing would result in a high risk in the absence of measures taken by the controller to mitigate the risk."

Data Protection Impact Assessments Completed (DPIA)

There have been **thirteen (13)** data protection impact assessments completed in the year 2024-25. This year has seen a slight increase in the number of Data Protection Impact Assessments (DPIAs) completed, reflecting growing awareness of data protection considerations across the college. However, there remains a clear need for further staff training to ensure consistent understanding and application of data protection principles. In particular, greater awareness is required among college

staff to recognise when a DPIA should be initiated — specifically at the planning stage of any new project or processing activity involving personal data. Continued focus on training and early engagement will help strengthen compliance and reduce data protection risks moving forward.

Policy & Procedure DPO review

| Review or new | Policy & Procedure title | Date reviewed | Recommendations or changes implemented |
|---------------|---|------------------------|--|
| New | Data Classification & Handling Policy (Draft) | New policy in progress | New policy in progress |
| Review | Procedure 1095 - Data Breach Reporting | September 2025 | changes implemented |
| Review | Procedure 1096 - Subject Access Request procedure | July 2025 | changes implemented |
| Review | Procedure 1122 - Individual Rights - How to Handle Requests | July 2025 | Changes implemented |
| Review | Procedure 1100 - Subject Access Requests from 3rd Parties Procedure | August 2025 | Changes implemented |
| Review | Procedure 1098 – Data Sharing Procedure | April 2025 | Changes implemented |

Data Protection Incidents and Breaches

NESCol have a high awareness when it comes to incident reporting and are keen to capture all incidents, implementing lessons learnt.

Within the 2024 – 2025 period NESCol have experienced sixteen (16) data protection breaches. All sixteen (16) related to email, where emails have been sent in error to the wrong recipients or included personal data which should not have been disclosed. It was noted that three (3) breaches were categorised as low risk and low impact. Thirteen (13) were categorised as very low risk and very low impact.

One of the data breaches categorised as low risk was reported by NESCol to the Information Commissioners Office (ICO) for further advice. ICO decision – “We have considered the information provided and we have decided to close the case and provide you with advice. This decision is based on the information we have recorded about the breach.”

There was one significant incident with a Teams site that was set to public (Staff & Students) instead of private (Specific staff) however no compromise or loss of personal data occurred. Although over 1000 data subjects were affected, the

severity was categorised as very low. Although this data breach was categorised as very low risk it was reported by NESCol to the ICO for further advice. ICO decision – No response from ICO to date.

There has been a significant increase in the number of reported data breaches this academic year. While this upward trend is concerning, it could be largely attributed to the successful efforts of the Learning and Development team in promoting compliance and awareness through mandatory GDPR training, which has so far been completed by 88% of staff. As a result, staff awareness of data protection responsibilities has improved considerably, leading to a positive cultural shift in recognising and reporting all data breaches — including those that may seem minor or low risk. This proactive reporting approach enhances transparency and allows for timely mitigation and learning across the college.

Subject Access Requests (SARs)

There have been **forty-four (44)** subject access requests received in the year 2024-25. The DPO has identified that SAR and the recording of personal data is an area where guidance to individual teams is required to ensure significant improvement in the internal knowledge base to enable NESCol to manage a compliant subject access request service.

SAR, Breaches and lessons learnt

Two complaints were made to ICO regarding a SAR received in April 2025. Following an investigation the ICO informed us that they do not require NESCol to take any further action in relation to these specific data protection complaints.

NESCol lessons learnt - further action to create and run a COLIN data protection awareness theme based on keeping personal data secure and the reporting of personal data breaches if they should occur. The DPO and DP & IS Manager raised these ICO complaints at a Data Protection Governance group meeting with an action for group members to communicate to their teams the importance of keeping personal data secure and completing data protection training.

The need for all staff to complete mandatory data protection training was also reinforced by the senior executive team and the Learning & Development Manager.

This is a significant rise in the number of subject access requests and reported data breaches compared to last year. (See Appendix 1). This has put a huge pressure on the college's ability to respond to SARs within the time limits applicable to SARs. The complexity of some of the requests made this year has also added to the workload. Extensions to the response time had to be made to several of the requests as the initial time limit would not have been met.

The resources available to deal with SARs and other data protection activity has been discussed by the Senior Leadership team to ensure that the small data protection team are not overloaded. The use of technology, including AI tools is being reviewed to provide assistance. Our Policy and Procedures are also being reviewed to ensure they are as efficient and effective as possible.

The volume and associated workload of SARs have meant that the focus and ability to complete outstanding actions on the Accountability Framework is well below the position we had hoped to reach.

The workload and number of SARs received in the future will be reviewed to determine whether this rise is a temporary blip, or a continuing trend

Appendix 1

| Year | Data breaches | SARs |
|--------------|---------------|-----------|
| 2023/24 Q1 | 4 | 3 |
| 2023/24 Q2 | 1 | 0 |
| 2023/24 Q3 | 2 | 0 |
| 2023/24 Q4 | 0 | 2 |
| Total | 7 | 5 |
| | | |
| 2024/25 Q1 | 1 | 4 |
| 2024/25 Q2 | 0 | 1 |
| 2024/25 Q3 | 4 | 5 |
| 2024/25 Q4 | 11 | 34 |
| Total | 16 | 44 |

Contracts and Agreements Reviewed

| April 2025 | Data Sharing Agreement Healthcare Pathways NESCol |
|---------------------------------|---|
| October 2025 | National Articulation Database (NAD) |
| October 2025 | RGU Accommodation Data Processing Agreement |
| September 2025 (In progress) | ACT Credit Data Sharing Agreement |
| September 2025 (In progress) | Shell Data Connect Data Sharing Agreement |

Training Materials Produced by DPO

| | |
|---------------------------|---|
| September 2024 – May 2025 | COLIN Awareness Campaign covering the following areas - Data Protection Awareness - Introduction to Data Protection, Why Data Protection Matters: Key Terms and Concepts, Understanding GDPR & Other Regulations, Identifying Sensitive Data, Email Security: Preventing Phishing & Data Leaks, Secure Password Management: Protecting our Data, Data Encryption: Keeping Information Secure, Data Breach Prevention & Response, Physical Data Security. Data Privacy Week - What is Data Privacy and Why Should You Care? Take Control of Your Data, Manage Your Privacy Settings |
| February 2025 | Staff minibites session – Data Protection |
| October 2025 | SAST Bespoke training - Understanding UK data protection, managing sensitive data, and supporting students securely. Further sessions scheduled throughout 25/26 academic year with other staff cohorts. |

Other DPO Engagement inc. CPD for DPO

| | |
|----------------|--|
| September 2025 | Vinciworks - Data (Use and Access) Act compliance - What's changed in UK data protection |
| June 2025 | Burness Paul - Data Subject Access Request (DSARs) Masterclass Webinar |
| October 2025 | The Information Security & Data Protection Manager was supposed to attend the annual ICO Data Protection Conference, however due to operational demands was not able to attend this event. |

Internal/external Audit

There has been no requirement for an external or internal audit to be carried out for NESCol this year.