

AUDIT & RISK COMMITTEE

MINUTE OF MEETING

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

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>
	Matters for Decision
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>

	<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>

	<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>
	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>

10-25	Item discussion immediately followed Item 05-25.
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.
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			
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

Signed: J Gifford, Audit & Risk Committee Chair

Dated: 26.11.25