

Meeting	Audit and Risk Committee
Date	12/09/2024
Time	10:00-13:00

## Minute

<b>Members</b>	
John Fyffe	Non-Executive Board Member (Chair)
David Gemmell	Non-Executive Board Member
Aileen Ponton	Non-Executive Board Member
James Wallace	Independent Audit and Risk Committee Member
<b>Attendees</b>	
Gary Gibb	Internal Audit, SG
David Gregory	Strategic Director, ES
Gillian Hamilton	Chief Executive and Accountable Officer
Gillian Howells	Head of Finance, ES
Janie McManus	Strategic Director, ES
Roz McCracken	Head of Governance and Financial Management, ES
Andy Pope	Head of Corporate Governance, Transport Scotland
Tommy Yule	Audit Scotland
Erin Middlemass	Secretariat, ES
<b>Apologies</b>	
Ollie Bray	Strategic Director, ES
Avril Hamilton	Assurance Manager, ES
Zoe Headridge	Audit Scotland
Gill Ritchie	Strategic Director, ES
Dougie Shepherd	Internal Audit, SG
Robert Strachan	Strategic Director, ES

### 1. Welcome and apologies

1.1 The Chair welcomed Members and attendees to the meeting.

1.2 Apologies were noted from Ollie Bray, Gillian Ritchie, Robert Strachan, Dougie Shepherd, Zoe Headridge and Avril Hamilton.

1.3 The Chair welcomed everyone to the meeting, noting that Andy Pope from Transport Scotland would be observing the meeting.

### 2. Previous meeting

2.1 The minutes of the previous meeting were approved with a minor amendment to wording.

2.2 The Action log was reviewed, and updates reflected.

Actions closed

ARC 23/23-24 – ARC members to discuss risk framework and feedback to Committee meeting. Feedback from meeting provided at item 7.

ARC 24/23-24 - GH to provide reviewed budget paper to ARC Q2 meeting. Provided at item 6.2

ARC 4/23-24 - AH to meet with the Chair, the Strategic Director of Corporate Services and RM to give a robust overview of the risk register. Meeting taken place and updated provided under agenda item 7.

### **3. Declarations or conflicts of interest**

3.1 No declarations or conflicts of interest were noted.

### **4. Internal Audit**

4.1 The Internal Auditor gave an overview of their Progress Report, highlighting key messages and sharing that the Digital Capacity and Governance review was underway , as well as two follow up reviews.

4.2 The Committee acknowledged the appointment of the new Director of Internal Audit and Assurance.

4.3 A brief discussion took place around the placeholder for an audit in quarter four, noting that a meeting was in the calendar for Internal Audit to meet with senior officials to agree the focus of the audit. The Committee suggested risk accountability and the approach to governance as a whole in the context of reform, as potential options.

### **5. External Audit**

5.1 External Auditors gave an overview of their update paper sharing key messages around the conclusion of the 2023/24 audit work, noting that the Annual Report and Accounts were signed after the previous Audit and Risk Committee meeting.

5.2 The Committee was advised that although planning had not begun for the 2024/25 Audit, Auditors were engaging with Finance ahead of the Audit.

### **6. Finance Update**

6.1 The Head of Finance gave an overview of both the finance report and revised budget allocation paper for 2024-25.

6.2 There was an in-depth discussion about the budget pressures facing the Agency and the wider SG, including how to achieve the required savings, whilst honouring our business critical work such as inspection and support to Local Authorities.

### **7. Risk Update**

7.1 An overview was given of the risk papers and changes to the risk register were highlighted.

7.2 The Chair provided an update from his meeting about the Agency's risk management approach with The Strategic Director of Corporate Services and Governance and the ES

Assurance Manager. The Chair confirmed that it had been confirmed at that meeting that ES would investigate using Power BI for reporting purposes, trialing the reports already used successfully by the SG Risk Management team.

7.3 Members were asked to consider any missing risks that should also be considered for inclusion in the Risk Register.

7.4 The Committee agreed that the wording of Risk 13 should be amended to focus on implications and impact rather than timeline.

7.5 Members agreed the need to amend the wording on one of the issues on the issues log.

ACTION 5/24-25 – Assurance Manager to update the issues log accordingly.

## **8. Reform update**

8.1 The Chief Executive gave an update on the progress of reform, advising that an overall timeline would be available imminently, however noting that this was a timeline for reform and not a timeline for the individual functions within ES.

8.2 The Committee noted the imminent recruitment of both a Chief Executive and Chief Inspector.

8.3 It was also shared that Business Implementation Boards has been set to progress reform workstreams and thematics.

8.4 The Committee members offered their support and advice to Scottish Government colleagues on the governance workstreams, offering to share their learning and experiences as Education Scotland Board members.

ACTION 6 /24-25 – GH to convey offer from board members to DG to share their learning and experiences as Education Scotland Board members

## **9. Information Security Update**

9.1 An update was provided on the Information Security paper, noting no change to risk position. The Committee were advised that cyber security awareness training would be available to all staff from October.

9.2 The Committee suggested sharing lessons from data breaches to support staff development.

9.3 The Committee noted the imminent departure of Michael Moynihan and thanked him for his significant input into both the work with Education Scotland and the Audit and Risk Committee.

## **10. Health, Safety and Wellbeing Committee Update**

10.1 The Committee noted the minute of the latest meeting.

## **11. AOB**

11.1 No items were submitted for any other business.

**Date of next meeting:**

21 November 2024

<b>Name</b>	Erin Middlemass
<b>Role</b>	Secretariat
<b>Date</b>	18/09/2024