

Meeting	Audit and Risk Committee
Date	02/03/2022
Time	10:00 – 13:00
Venue	MS Teams

## Minute

### Members

John Fyffe	Non-Executive Board Member (NEBM) (Chair)
David Gemmell	NEBM
Aileen Ponton	NEBM
James Wallace	Independent Audit and Risk Committee Member

### Attendees

Gayle Gorman	Chief Executive
Craig Clement	Strategic Director
Sharon Fairweather	Director of Internal Audit and Assurance
Gillian Hamilton	Strategic Director
Gillian Howells	Head of Finance
Roz McCracken	Head of Governance
Janie McManus	Strategic Director
Julie Taylor	Internal Audit
Andrew Kerr	Audit Scotland
Patricia Dougan	Head of Digital
Barry Millar	Technical Delivery manager
Lesley Byle	Briefing & Information Manager
Denise Brock	Head of Scrutiny Support
Erin Middlemass	Secretariat

### Apologies

Jim Montgomery	Internal Audit
Gemma McNally	Audit Scotland

## 1. Welcome and apologies

- 1.1 The Chair welcomed everyone to the meeting and reiterated that we are proceeding on the basis that everyone has read the papers.
- 1.2 The Chair confirmed a change to the agenda, bringing Transformation (item 10) forward to the first item on the agenda as LT members had to leave the meeting between 11:00-12:00 for another meeting.
- 1.3 Apologies were noted from Jim Montgomery, Gemma McNally and Allan Panton.
- 1.4 Additional attendees attending for specific items were noted as follows:  
Patricia Dougan and Barry Millar joined for item 10  
Denise Brock joined for item 8  
Maureen Hamilton joined for item 9  
Les Byle joined for item 11.3

## 2. Previous meeting

- 2.1 The Minute of 01 December 2021 was agreed to be an accurate record of discussions.
- 2.2 The Action Log was reviewed and it was agreed that action ARC 22/21-22 should be formally closed as the Change Team was now developing the Change Policy, with support from Governance and SBU.

### **3. Declarations/Register of Interest**

- 3.1 There were no declarations or conflicts of interest to note.

### **4. Transformation Programme Board**

Patricia Dougan and Barry Millar joined the meeting.

- 4.1 Craig Clement gave an overview of papers 10.1 and 10.2. The dashboard (10.1) gave an overview of transformation work, emphasising both the good practice from ES and the issues around CRM and implementation. A delay in the go-live date for CRM was confirmed on the back of the Gate Report at 10.3 which had provided an amber/red rating.
- 4.2 An overview of Paper 10.3 was also given and the recommendations therein discussed.
- 4.3 Members were assured that the governance of the Transformation Programme had already identified the issues presented in the Gate Report, quickly and effectively.
- 4.4 The Chair commented on the positive work done by the Education Scotland Transformation Team and highlighted the amount of risk ES is carrying with the launch of the CRM, especially in light of reform.
- 4.5 Gayle Gorman thanked NEBMs for their support and challenge around the programme. It was agreed that there were lessons to be learned around the procurement of digital tools, both for ES and the wider SG.

### **5. Internal Audit**

- 5.1 Julie Taylor gave an overview of the Internal Audit papers and invited comments.
- 5.2 The Committee considered the Internal Audit Report on Internal Communications and thanked both Internal Audit and the ES Communications team for their work on a very comprehensive report.
- 5.3 An overview was also given on the draft internal Audit plan for 2022-23.
- 5.4 The Committee were content with the themes in the plan and in particular, were pleased to see the inclusion of hybrid working. There was a request for Internal Audit to bring expertise and learning from other hybrid working arrangements across the SG family.

- 5.5 Sharon Fairweather agreed that IA could look at hybrid working arrangements across all organisations that they audit to draw lessons together and feedback to ES.

**ACTION – 23 21/22 IA to feedback on hybrid arrangements across other organisations to support ES**

**6. External Audit**

- 6.1 Andrew Kerr presented the Annual Audit Plan for review and comment.
- 6.2 It was noted that a new Auditor would be appointed to ES in spring 2022.

**7. Finance Update**

- 7.1 Gillian Howells gave an overview of the finance report as of 31 January 2022.
- 7.2 The current underspend due to understaffing was highlighted as unsustainable and a discussion was had around the resourcing issues currently facing ES, partially due to delays by SG HR.
- 7.3 Members also raised a query around the safeguarding spend and it was confirmed that this work had been suspended in light of new Glow safe guarding capabilities.

**8. Risk Update**

- 8.1 Roz McCracken gave an overview of the ES Risk Register and flagged the key changes.
- 8.2 It was noted that a new financial risk ES-16 had been added to the ES risk register plus updated controls added to ES-02, ES-03, ES-10, ES-11 and ES-14.
- 8.3 The Chair queried why national risks 04 &05 had increased in scoring. Roz McCracken agreed to take this question back to Allan Panton and feedback to members.

**ACTION – 24 21/22 – RM to take queries on Risk update to AP and feed back to board.**

**9. Scrutiny Annual Report**

Denise Brock and Janie McManus joined the meeting.

- 9.1 Denise Brock gave an overview of the key highlights from the report. It was noted that the report took account of the burden on the system over last year, the pause on inspection and confirmed that most of the work over the last year had been around providing support and helping establishments to recover from the pandemic.
- 9.2 A risk was raised around the age profile of HMI staff and the likelihood of resourcing issues in the near future as well as loss of expertise.

**10. Education Reform**

Maureen Hamilton joined the meeting

- 10.1 Maureen Hamilton gave an overview of the change team paper and the wider work of the change team in preparation for the reform announcement planned for 10 March.
- 10.2 There was a discussion around 'hitting the ground running' after the announcement. It was noted that as significant scenario planning had already taken place, we were ahead in preparation for this.
- 10.3 The Board thanked the change team for this paper.

#### **For awareness and AOB**

#### **11. Health & Safety and wellbeing Quarterly Update**

- 11.1 No comments noted

#### **12. Cyber Security Update**

- 12.1 No comments noted

#### **13. Information Asset Register & briefings process update**

Lesley Byle Joined the meeting

- 13.1 It was noted that as of 8 Feb the Information Asset Register was up to date and all assets had identified IA owners with clear review dates. Comments were invited on paper 12.3
- 13.2 Gillian Hamilton confirmed that a paper would come to the next meeting on data governance.

**ACTION – 24 21/22 IAR update to come back to ARC Q2 meeting.**

#### **14. Corporate Communications**

- 14.1 ARC impressed by the amount of work ES are undertaking in the face of many challenges.

#### **Date of next meeting**

The next meeting would take place on 29 June 2022.

**Erin Middlemass**

Secretary

08 March 2022