

**Minute of the Audit and Risk Committee
Held by Hybrid Attendance at Kilmarnock Campus
Thursday 18 March 2025**

Present:

Sharon Morrow	Chair
Jane Grant	Vice – Chair
Jason Currie	Non-Executive Board Member
Gillian Longmuir	Non-Executive Board Member
Chris Boyce	Elected EIS-FELA Staff Member

In attendance:

Anne Campbell	Vice Principal, Skills and Enterprise
David Davidson	Vice Principal, People, Performance and Transformation
Hilary Denholm	Board Governance Advisor & Minutes
Alan Ritchie	Vice Principal, Finance & Infrastructure
Liz Walker	Chief Financial Controller
Colin McNeill	Wbg – Internal Auditors * <i>from Item 8 onwards</i>

1. Welcome and Declarations of Interest

The Chair, Sharon Morrow, welcomed all present to the meeting.

There were no Declarations of Interest presented.

The meeting was confirmed as quorate.

2. Apologies

Apologies were received from Stephen Pringle, Wbg Internal auditors, and members were updated that Colin McNeill, Internal Auditor Senior from Wbg, who completed the two internal audits being reported on, would be in attendance in place of Stephen Pringle from Item 8 onwards.

Andy Reid from Azets External Auditors was not required to attend this meeting due to the agenda item content.

3. Minutes of the Previous Meeting held on 10 December 2024 (Paper 1) C/P

The minutes were approved as a correct record.

Proposed: Gillian Longmuir **Seconded:** Jane Grant

ARC Action & Decision Tracker (Paper 1A) (P)

The Committee noted all previous decisions and the actions completed.

4. Matters Arising

There were no other outstanding matters arising from the minutes.

5. Annual Review of the Effectiveness of External Auditor (*Paper 2*) (*P*)

A Ritchie introduced this report which presented the findings of the 2023-24 evaluation of the external auditors, Azets Audit Services.

The Committee were requested to confirm it was content with the outcome of the College 2023-24 effectiveness review.

The Committee noted:

- The College was content with the second year of the audit process and the approach and effectiveness of Azets Audit Services.
- There were several lessons to be learned and taken forward to 2023-24 which both the College and Azets recognise.
- The evaluation of Ayrshire College's external auditors, Azets, using KPIs and other benchmarks indicates a high level of performance and effectiveness.
- The auditors have consistently demonstrated audit quality, timeliness, compliance, cost efficiency, and positive stakeholder feedback. Their contributions have been instrumental in maintaining the financial integrity and compliance of the College.
- The auditors should continue to seek opportunities for improvement in their audit processes and methodologies to enhance the quality and efficiency of their services.
- Regular engagement with key stakeholders should be maintained to ensure that their feedback is continuously incorporated into the audit process.
- Periodic benchmarking against similar institutions should be conducted to ensure that the audit services remain competitive and aligned with industry standards.

The Committee confirmed it was content with the outcome of the College 2023-24 effectiveness review.

6. Annual Review of the Effectiveness of Internal Auditor (*Paper 3*) (*P*)

A Ritchie introduced this report which presented the results of the annual effectiveness review of the internal audit function at the College, based on the feedback collected from key stakeholders. The review aimed to assess the performance of the internal audit function in terms of its ability to provide independent assurance on the effectiveness of risk management, control, and governance processes.

The Committee were requested to note the findings of this review and consider any recommendations for further enhancing the effectiveness of the internal audit function.

The Committee noted:

- The annual effectiveness review demonstrated that the internal audit function at the College is performing effectively and adding value to the organisation.
- The feedback from stakeholders highlights the quality of audit reports, effective communication and escalation mechanisms, and the positive impact on the College's governance framework.
- The internal audit function is well-resourced and recognized for its contributions to continuous improvement.

The Audit and Risk Committee noted the findings of this review and discussed recommendations for further enhancing the effectiveness of the internal audit function.

8 Internal Audit Reports Paper 5 (P)

**Colin McNeill, Senior Internal Auditor, Wbg joined the meeting at this point.*

a. Staff Recruitment

C McNeill presented the results of the review on the College's recruitment arrangements to ensure that recruitment needs for staff were fully assessed and fulfilled.

The Committee noted:

- The objectives for this review were to assess whether:
 - The arrangements in place within the College for the recruitment of new staff are robust, fit for purpose and in line with current legislation.
 - Recruitment procedures are robust and as well as ensuring that the most suitable candidate is employed, ensure that a fair and transparent recruitment process is undertaken.
 - The relevant pre-employment checks (right to work, DBS, references etc.) have been undertaken prior to any new employee commencing their employment at the College.
- The overall conclusion was Strong, with several good practice points raised and one low grade recommendation for improvement around the implementation of the Recruitment & Selection Policy currently in development and due to be implemented by 31 May 2025.

b. Student Recruitment

C McNeill presented the results of the review on the College's arrangements in place surrounding student recruitment.

The review considered the suitability of the arrangements for gaining information in relation to courses, access to support, and course enrolment to ensure that the student experience is as positive as it can be, plus the suitability of the policies and procedures in place surrounding student recruitment.

The Committee noted:

- The objectives for this review were to assess whether:
 - The College has robust policies and procedures in place surrounding student recruitment.
 - The College has robust mechanisms in place with clear links between application, interview, acceptance and enrolment to ensure it manages student recruitment and enrolment in an efficient and effective manner.
 - The responsibility for student recruitment is clearly defined throughout the College.
 - The arrangements in place for gaining information in relation to courses, and access to support is well communicated and easily accessible by potential students.
 - The College has sufficient, generic as well as targeted campaigns to raise awareness of its courses, support, and facilities to potential students.

The overall conclusion was Strong, and there were no recommendations for improvement.

10. Assurance Mapping

A Ritchie presented on the plans for Assurance Mapping, a visual systematic approach to streamline reports and provide assurance on management reporting using critical data focused on larger strategic risks and goals.

The Committee noted:

- The purpose of ensuring assurance activities are aligned with the College's strategic goals.
- The benefits of improved transparency; reduction of duplication; addressing critical risks and a fostering of a culture of accountability.
- The steps involved in creating an Assurance Map.
- The three lines of defence: College management and risk ownership; risk management and compliance functions, internal and external audit processes.
- What an Assurance Map might look like.

There were discussions and questions from the Committee, with the main concern being the potential for audit risk being hidden due to the summary nature of the mapping process. The Committee agreed for further work to progress on this, and were supportive to receive further information and training as this mapping approach develops. **The Committee were content to consider progressing the development of a College Assurance Map. A draft Assurance Map will be brought back to the next Committee meeting.**

13.AOB

There was no other business.

Date of Next Meeting – Tuesday 10 June 2025 4pm @ Kilmarnock Campus

P - Papers will be published on the College Website; R - Papers will not be published for reasons of commercial confidentiality or for reasons associated with data protection legislation; C/P - Confirmed minutes will be published on the College Website

RESERVED ITEMS ON THE NEXT PAGE