**Item 4. 1 Matters Arising Report**

**Lanarkshire Board ARC**

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|  | **Matter Arising** |
| **Meeting Date: 4th December 2023** |  |
|  | **5.2** Yvonne Finlayson said that she would like to have follow up actions listed from each meeting and a paper which would come to the next meeting under Matters Arising. BS to liaise with YF. |
|  | **10.3 *Decision: The ARC agreed to recommend the Annual Audit Report for 22-23 to the Board for approval. The ARC noted the Financial Statements which will be considered for recommendation to the Board by the Finance Committee.*** |
|  | ***16.2 Decision: The ARC agreed to make this explicit and to confirm the appointment of Wyllie Bisset for the last year of the current 3 pus one plus one contract.*** |
| **Meeting Date: 19th February 2024** | **10.2** Yvonne Finlayson raised the issue of how the risks of the financial position were being reflected in the risk register. The external financial environment was driving the financial problems being experienced by NCL and the college sector as a whole and a major part of this is staff costs which due to national bargaining are out with the colleges’ control.  ***Action: Matthew Smith and Iain Clark will look at this and update the narrative in the risks to enhance the impact of external factors. This will be shared with Yvonne Finlayson.***  **14. AOB:** Iain Clark asked if a Board Member would like to sit on upcoming Internal Audit tender selection meetings.  ***Action: Catherine Pollock agreed to join in this process.*** |
| **Meeting Date 13th May 2024** | **9.3.3 *Action: Louisa Yuill undertook to check with Audit Scotland if there had been a sector wide national discussion on this subject given the current position in relation to college sector finances.***  **Action: Louisa Yuill sent a response on the AS understanding of the issue and IC has produced papers for the meeting on the 2nd September 2024.** |

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| **Meeting Date 2nd September 2024** | 8.3.3 The ARC noted the views from Audit Scotland, OSCR and the SFC in the papers submitted to the Committee. In essence, as per Audit Scotland the College as a public body can continue to use the Going Concern concept unless there is any doubt around the **continuation of service, irrespective of who delivers that service.**  ***Action 1: Iain Clark will write back to OSCR for further clarification re Financial Sustainability and any liability of charity trustees in the case of a public body.***  ***Action 2: The Board will also receive the report on Going Concern at its meeting on the 7th October 2024***  **Iain Clark will update the ARC on the 2nd December 2024. The Going Concern Paper went to the Board on the 7th October 2024.** |
|  | **10.2** There was discussion about the updating of policies and the keeping of a central register of policies and update times. Iain Clark said that most of the College-wide policies were on the CLAN. Ann Baxter advised that there are departmental lists which are collated centrally by the Quality Team.  ***Action: The BS will follow up with the Registrar on the provision of a central list.***  **10.2 Annual Plan:** Stephen Pringle presented the Internal Audit Plan for the next three years following on from their appointment as the Internal Auditors. They also offered Board and Committee training as part of the contracted services.  ***Action: The BS to follow up with the Committee and Board Chairs.***  **Update requested from Registrar and follow up on training carried out with Chairs.** |

**Meeting 2nd December 2024**

**7.** Jack Kerr said that some of the points in the Auditor General’s report referencing NCL came from the Audit Scotland Annual Audit report in 22/23. The Auditor General’s report draws on the Annual Audits of the previous year so there is a direct link between them. Iain Clark recognised this, however, there is context and opinion in the Annual Audit Reports that helps understanding. Louisa Yule thanked the ARC for their feedback.

***Action: Ronnie Smith would write to the Auditor General about the point raised about the lack of context and the impact of negative statements without context.***

**10.8**

***Action: There will be discussion with the College Registrar and the Board Secretary on bringing the policy register and dates for policy review to the ARC on an annual basis.***

**Meeting 17th February 2025**

**10.1** Louisa Yuillinformed the Committee that the scheduled meeting on reflection and audit planning with the NCL Finance Department had been postponed to the 13th March 2025. However, she did say that there had been nine versions of the accounts with multiple changes and that there were ninety three matters arising at the clearance meeting. She noted that this was the second year of audit and that, looking at better quality control in the flows of information requests and clarifications between the auditors and the Finance Team and others contributing to the narrative in the accounts, could be beneficial.

**10.2** Elaine McKechnie responded, as there was no one from the NCL Team at the meeting, asking if the process of preparing consolidated accounts made the process slower and more complicated. Louisa Yuill responded to say that this did not help. She said that both NCL and SLC had changed the template for the accounts to the format requested by Audit Scotland. Ann Baxter said that there had been delays to the performance figures because of industrial action which could not be helped.

**10.3** The Committee was informed that that the accounts direction from the SFC had been late and that there were complex accounting issues which were sector wide that Audit Scotland had to form a view on. It was noted that there may be a value in finding a mechanism to form a sector wide approach to some of these sector wide technical issues that are specific to the college sector.

***Action: Ronnie Smith expressed some concern about the level of matters at the clearance meeting and this will be followed up and the reasons for this clarified.***