

Scottish Government's Audit and Assurance Committee Handbook

- This paper informs the Committee of updates to the Scottish Government's Audit and Assurance Committee Handbook.

Recommendations

- To note the updated Audit and Assurance Committee Handbook.
- That the Council executive plan to create an assurance framework which will be presented to the Committee for consideration at its September 2018 meeting.

Financial implications

- There are no financial costs arising from this paper.

Scottish Government's Audit and Assurance Committee Handbook

Purpose

1. This paper informs the Committee of updates to the Scottish Government's Audit and Assurance Committee Handbook.

Background

2. The Scottish Government has introduced a new (2018) version of its Audit and Assurance Committee Handbook (previously the 2008 Audit Committee Handbook). A copy of the updated Handbook can be found at Annex A.
3. The Handbook sets out the fundamental principles for Audit and Assurance Committees in those organisations to which the Scottish Public Finance Manual is directly applicable, of which the Scottish Funding Council is one.

Comparison between previous and current version

4. A comparison between the 2008 and 2018 versions of the Handbook is provided at Annex B.
5. While some of the changes relate to general updates of terminology, the following areas have been given an increased focus:
 - Ability to work collaboratively.
 - Training and development.
 - Risk management.
 - Assurance, including recommending creation of an assurance framework.

Training and Development

6. The Handbook states, in paragraph 3.6, that all committee members will have training and development needs, either to understand their role or to help them understand the organisation. In particular, committee members will need awareness of public sector standards, especially those relating to governance and accountability and internal audit (Public Sector Internal Audit Standards:
 7. https://assets.publishing.service.gov.uk/government/uploads/system/uploads/attachment_data/file/641252/PSAIS_1_April_2017.pdf).
 8. Committee members should advise the Chair if they have any training or development needs in relation to their role on the Audit and Compliance Committee.

Assurance Framework

9. The Handbook suggests, in paragraph 4.4, that *a well-designed assurance framework will help* to support the opinion, based on evidence, of the organisation's governance, risk management and internal control framework.
10. The Council executive agrees and wishes to advise the Committee that it will bring an Assurance Framework to the Committee's meeting in September 2018, for its consideration.
11. The Council executive is otherwise content that SFC's Audit and Compliance Committee conforms to the 2018 Audit and Assurance Committee Handbook requirements.

Risk assessment

12. Complying with the requirements of the updated Handbook minimises the risk that SFC is not demonstrating high standards of corporate governance, consistent with its Strategic plan commitments.

Equality and diversity assessment

13. There are no equality and diversity issues arising from this report.

Financial implications

14. There are no financial costs arising from this paper.

Recommendations

15. The Committee is asked to note:
 - The updated Audit and Assurance Committee Handbook.
 - That the Council executive plan to create an assurance framework which will be presented to the Committee for consideration at its September 2018 meeting.

Publication

16. This paper will be published on the Council website.

Further information

17. Contact: Richard Hancock, Assistant Director for Strategy (telephone: 0131 313 6645; email: rhancock@sfc.ac.uk) or Sheila Meehan, Clerk to the Committee (telephone: 0131 313 6619; email: smeehan@sfc.ac.uk).