

# BOARD OF MANAGEMENT

## Audit & Risk Committee

Tuesday 22 September 2020 at 5.00pm  
In Microsoft Teams

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### AGENDA

1. **WELCOME**
2. **APOLOGIES**
3. **DECLARATIONS OF INTEREST**
4. **MINUTE OF THE PREVIOUS MEETING – 12 May 2020** Paper A for approval
5. **MATTERS ARISING** Paper B for noting
6. **STRATEGIC & COVID RISK REGISTERS**
  - 6.1 **Strategic & COVID Risk Register** Paper C for approval ST
  - 6.2 **Feedback on the Impact of Allocating Risks to Individual Committees.** Paper D for noting GR
7. **COVID 19 UPDATE** Verbal update JC/ST
8. **FRAUD, BRIBERY AND CORRUPTION POLICY** Paper E for approval JC
9. **INTERNAL AUDIT**
  - 9.1 **Health, Safety & Wellbeing Audit** Paper F for approval HL
  - 9.2 **2019/20 Progress Report** Paper G for noting HL
  - 9.3 **Follow Up Review** Paper H for approval HL
  - 9.4 **Follow Up Summary** Paper I for noting JC
  - 9.5 **2020/21 Audit Plan** Paper J for approval HL
10. **EXTERNAL AUDIT** Verbal Update AS
11. **DATE OF NEXT MEETING – Tuesday 24 November 2020.** Joint Meeting with Finance & Property Committee.

**BOARD OF MANAGEMENT**

**Audit & Risk Committee**

**Tuesday 22 September 2020**

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**Minute of Previous Meeting - 12 May 2020**

**PAPER A**

# BOARD OF MANAGEMENT

## Audit and Risk Committee Meeting

### Tuesday 12 May 2020



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*Draft confirmed by Chair*

**Minute of the Audit and Risk Committee meeting held on Tuesday 12 May 2020 at 5.00pm via Microsoft Teams.**

**PRESENT:**

G Robertson (Chair)	H Honeyman
M Williamson	M Thomson
K Keay	T Pirie

**IN ATTENDANCE:**

J Carnegie (Vice Principal)	
S Taylor (Vice Principal and Secretary to the Board)	
D Archibald (Henderson Loggie)	R Smith (Audit Scotland)
T D'All (Principal's/Board Chair PA)	A Ross (Head of ICT)

#### 1. WELCOME

G Robertson welcomed members of the Audit and Risk Committee.

#### 2. APOLOGIES

Apologies were received from P Milne

#### 3. DECLARATIONS OF INTEREST

G Robertson noted he is Chair of Gardyne Theatre Limited. D Archibald noted an interest in respect of the award of the Internal Audit Contract.

#### 4. MINUTE OF AUDIT AND RISK COMMITTEE – 26 November 2019

The Minute of the Audit & Risk Committee meeting held on 26 November 2019 was approved as accurate.

#### 5. MATTERS ARISING

**Duty of Care (Safeguarding)** – This had not yet been progressed, but would be picked up at the Human Resource and Development Committee meeting in September 2020.

**Encryption of BOM Paper** – discussion with BOM Chair concluded that this is minimal risk as papers are required to be published as public documents and are covered under freedom of information requests. H Honeyman intimated that she still had reservations and asked that her concerns be noted. This was discussed and M Williamson and D Archibald noted that they felt that the risk and need to encrypt was minimal.

A range of approaches were discussed and it was agreed that establishing a Board Teams site for the sharing of papers would be investigated. **S Taylor to progress.**

**Evaluation of Risk Allocated to Each Committee** – evaluation to be undertaken and reported at the September 2020 Audit & Risk Committee. **G Robertson to progress.**

## **6. STRATEGIC RISK REGISTER & COVID-19 RISK REGISTER**

S Taylor noted the Risk Register documents, highlighting the range of Risk around COVID-19 discussed with the Chairs Committee and considered so far by the Learning, Teaching & Quality and the Human Resource & Development Committees. The paper will also be presented to the Finance & Property Committee at their next meeting.

S Taylor confirmed that the Cyber Security element of the Risk Register had been taken forward with workstreams completing their work including confirmation that all business critical documentation had been recovered or recreated where necessary.

Discussion took place around future and scenario planning and recovery after COVID-19 lockdown. S Taylor confirmed an initial draft a paper had been discussed with the Chairs Committee and would be further updated and brought to the full Board in June 2020.

On the question around staff currently on the College's premises during this period. S Taylor confirmed that there was a number of staff involved on site undertaking works job e.g. animal feeding, legionella control; general maintenance. The Committee asked for the Risk Register Item 3.4 be updated to explicitly include the need for social distancing in respect of this activity. **S Taylor to progress.**

The Strategic Risk Register and COVID 19 Specific Risk Register were approved (as amended).

## **7. INTERNAL AUDIT**

### **7.1 Staff Recruitment and Retention**

D Archibald summarised the report Staff Recruitment and Retention and the range of strengths noted within the report.

G Robertson asked if the recommendation around training for staff was as a result of the range of training being too onerous – too much to do. S Taylor stated that there was an element of this and it was a matter of getting the balance right. S Taylor stated that with the tightening of finances, remission from teaching etc to support mandatory training was an increasing challenge.

T Pirie asked about documenting arrangements for succession planning for Key Roles. S Taylor noted that arrangements and support/development for staff keen to progress was available, but that documenting a process for this was not a high priority. This would be passed on to the Human Resource & Development Committee to consider further.

The committee approved the report.



## **7.2 Payroll and HR**

D Archibald summarised the report Payroll and HR noting that it covered both payments made and the interface between both of the teams involved. D Archibald stated that the teams were working well together, with a good and accurate flow of information and progress being made towards the updated and integrated system. The overall assurance level was noted is “Good”. D Archibald noted the grade 3 action in respect of the need to complete the already started Procedural Notes.

G Robertson asked that the Audit & Risk Committee’s thanks are passed to the HR & Payroll Team for a good Audit. **S Taylor to progress.**

The report was approved.

## **7.3 Procurement and Creditors / Purchasing**

D Archibald noted that the Audit was looking at Procurement and Creditors / Purchasing together, and that the overall Assurance Level was “Good”. D Archibald highlighted that this Audit had taken place during the cyber-attack and that, with the P2P system not being retrievable, it was not possible to fully test items of expenditure from the financial ledger and ensure compliance with the College’s Financial Procedures. D Archibald stated that from the overall work undertaken for the audit there were no significant concerns around this.

Discussion took place around Objectives 4 and 5 of the overall audit findings and it was agreed that J Carnegie would discuss with Henderson Loggie the opportunity to build in this element of procurement testing. **J Carnegie to progress.**

The report was approved.

## **7.4 ICT Network Arrangements / IT Strategy**

D Archibald noted that the Satisfactory ICT Network Arrangements / IT Strategy Audit had been carried out by S McNaught who was SACA trained. D Archibald noted there were no significant gaps identified in the run up to the cyber-attack and noted that the Incident Response Plan had been tested and found to work well during this time.

The report was approved.

## **7.5 Audit Progress Report**

D Archibald noted that the routine body of work had been delivered. Discussion around the National Fraud Initiative would take place over the summer along with the Follow-up Reviews.

D Archibald also noted his expectation at starting the conversation earlier around the work for the mandatory Student Activity and Student Funding audits and that discussions would look at what work for these could be undertaken remotely.

J Carnegie took the opportunity to advise the Audit & Risk Committee that Henderson Loggie have been successful in tendering for the audit work on behalf

of the College and would expect to progress the 2020/21 Audit Plan for the September meeting. **J Carnegie to progress**

## **7.6 Follow-up Summary**

J Carnegie summarised the paper produced and outlined the approach adopted in respect of the 'traffic light' RAG rating.

J Carnegie confirmed that the recommendations arising from the Cyber Incident Report from JISC report were incorporated into the follow up summary to allow the Committee to track progress and completion of these.

J Carnegie gave a short update on the Catering Business Process Review noting that a series of workstream were in place from this.

J Carnegie acknowledged that the current COVID-19 epidemic would impact on how catering at the College would look highlighting that by the close of college buildings things had already changed with the covering of food, packaging food and other measures, and noting that these were likely to continue after campuses reopened.

## **Cyber Incident Summary of Recommendations and Progress – Appendix 2**

J Carnegie noted to the Committee the confidential nature of the document.

A Ross noted the positive progress that had been made since the cyber-attack to strengthen and update cyber controls and cyber resilience.

G Robertson welcomed this update and noted that the situation must have been very challenging but that the feedback received was quite exceptional and asked that A Ross feedback the thanks of the Committee for this.

A Ross went over the paper for the Committee highlighting the completed actions and progress made to date. It was noted that a significant number of the recommendations had been achieved, with almost all on track for completion.

A Ross highlighted that a number of additional recommendations had been received from JISC after production of the initial report and confirmed that these were also included in the follow up summary.

Discussion took place around the cost implications of the recommendations and revised ways of working and A Ross stated that the estimated total costs for these would be c£100k. A Ross noted that he was liaising with the Finance Team in terms of the impact of this on the planned budget for 2020/2021.

H Honeyman noted the great job undertaken by the ICT Team and noted her opinion that a lot of organisations would not have recovered from such a cyber-attack so quickly.

## **8. EXTERNAL AUDIT PLAN**

R Smith summarised the External Audit Plan noting the scope and timing of audits in accordance with ISAs, the Code of Audit Practice and guidance on planning audits. It was noted that the plan set out the work necessary to provide the independent auditor's report on the annual report and financial statements.

Explaining the layout of the report R Smith highlighted that Risks 5 – 7 were work that had been done before with the addition of Risk 8 – in respect of the impact of COVID-19. It was noted that discussions were continuing with J Carnegie and B Ferguson in terms of how the practicalities of the audit would be completed whilst meeting current lockdown and social distancing guidance.

R Smith stated that Exhibit 2 – 2019/20 Audit output timescale could be subject to change at a national level, depending upon further COVID 19 developments.

Discussion took place around G Robertson's question on how Audit Scotland would carry out the audit (possibly remotely) with R Smith confirming that while they would expect to see a 'paper trail' they would plan around appropriate arrangements for this.

R Smith confirmed that the timing for the Audit work was similar to that of last year, with sign off at the Board in December and that any proposed changes to this would be discussed with the College.

## **9. POLICY UPDATES**

### **9.1 Business Continuity**

J Carnegie summarised the updates to the policy and noted that the cyber-attack had informed these developments.

G Robertson note that the policy had operated very well. H Honeyman agreed highlighting that it was a good high level policy and 'road map' that did a really good job.

The Committee approved the Business Continuity Policy.

### **9.2 Gift & Hospitality**

J Carnegie noted that staff members did not often receive gifts or hospitality and so had not had to record any gifts of hospitality for some time. It was noted that the policy and approach had been streamlined and the recording limit increased to £50.

The Committee approved the Gift & Hospitality Policy.

### **9.3 Fraud, Bribery & Corruption**

J Carnegie noted that this was in progress and will be brought to the next Audit & Risk Committee for approval. **J Carnegie to progress.**

## **10. DATA BREACH REPORTING**

J Carnegie noted there had been no Data Breaches.

## **11. INTERNAL AUDIT CONTRACT AWARD**

J Carnegie confirmed that Henderson Loggie had been successful in securing the Internal Audit Contract.

## 12. DATE OF NEXT MEETING

The next Audit Committee meeting was confirmed as: **Tuesday 22 September 2020 at 5.00pm, Kingsway Campus (tbc).**

<b><u>Action Point Summary</u></b>		
<b>Action</b>	<b>Responsibility</b>	<b>Date</b>
Use of Microsoft teams for sharing of Board papers to be investigated	<b>S Taylor</b>	<b>22 September 2020</b>
Impact/benefit of allocation of risks to individual committees to be evaluated	<b>G Robertson</b>	<b>22 September 2020</b>
COVID 19 Specific Risk Register to be updated to note social distancing for staff on site during lockdown	<b>S Taylor</b>	<b>15 May 2020</b>
Audit & Risk Committee's thanks are passed to the HR & Payroll Team for positive audit outcome.	<b>S Taylor</b>	<b>15 May 2020</b>
Internal Audit Plan for 2020/2021 to be developed (including testing of purchasing practice)	<b>J Carnegie</b>	<b>22 September 2020</b>
Fraud, Bribery and Corruption Policy to be updated	<b>J Carnegie</b>	<b>22 September 2020</b>

**BOARD OF MANAGEMENT**

**Audit & Risk Committee**

**Tuesday 22 September 2020**

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**Matters Arising**

**PAPER B**

# BOARD OF MANAGEMENT

## Audit & Risk Committee 22 September 2020



### Matters Arising

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#### *Paper for information*

The following actions were noted from the Tuesday 12 May 2020 Audit & Risk Committee meeting.

Agenda Item No	Action	Current status	Open / Closed
6.0	COVID 19 Specific Risk Register to be updated to note social distancing for staff on site during lockdown <b>S Taylor, 15 May 20</b>	College COVID-19 Risk Assessment includes physical distancing	Closed
7.2	Audit & Risk Committee's thanks are passed to the HR & Payroll Team for positive audit outcome <b>S Taylor, 15 May 2020</b>	Completed May 2020.	Closed
7.3 / 7.5	Internal Audit Plan for 2020/2021 to be developed (including testing of purchasing practice) <b>J Carnegie, 22 Sept 20</b>	Plan on the agenda for Committee approval	Closed
9.3	Fraud, Bribery and Corruption Policy to be updated <b>J Carnegie, 22 Sept 20</b>	Policy on the agenda for Committee approval	Closed

The following actions were noted from the Tuesday 26 November 2019 Audit & Risk Committee meeting.

Agenda Item No	Action	Current status	Open / closed
8.3	Duty of Care (Safeguarding) action to be discussed at HR Committee <b>S Taylor</b>	HRD meeting cancelled. Carried forward to next meeting. On agenda for 17 September 2020 meeting	Open
5.0	Use of Microsoft teams for sharing of Board papers to be investigated <b>S Taylor, 22 Sept 20</b>	MS Teams site established for board members and will be trialed for Autumn 2020 set of meetings.	Closed

The following actions were transferred to the Audit & Risk Committee from the Board meeting of Tuesday 24 September 2019.

<b>Agenda Item No</b>	<b>Action</b>	<b>Current status</b>	<b>Open / closed</b>
11.1	Evaluation of revised arrangements for allocation of Risks – <b>G Robertson</b> (March 2020)	G Robertson to present a paper to the ARC on 22 September 2020	Closed

**Author & Executive Sponsor:** Jaki Carnegie, Vice Principal – Corporate Services

**BOARD OF MANAGEMENT**

**Audit & Risk Committee**

**Tuesday 22 September 2020**

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**Strategic & COVID Risk Registers**

**6.1 Strategic & COVID Risk Register**

**PAPER C**



# BOARD OF MANAGEMENT

## Audit and Risk Committee

Tuesday 22 September 2020



### Strategic Risk Register Update

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#### *Paper for approval*

#### 1. Strategic Risk Register

A copy of the September 2020 draft Strategic Risk Register is enclosed. No changes have been made to the substantive Strategic Risk Register since this was last approved.

Given the current COVID 19 pandemic, an additional temporary COVID 19 Strategic Risk Register was developed to record the additional risks, mitigating actions and monitoring associated with identified areas of College operation at the current time.

The COVID 19 Risk Register was approved at the May 2020 meeting and has been included within the risk reporting to individual Board Committees. From review of this supplementary Risk Register, the following changes have been made.

2.2 Financial sustainability - This has reduced from Red to Amber as a result of our improved cash position in 2019/20 and more positive budget forecast for 2020/21.

2.4 Financial Fraud - Reduced from Amber to Green as revised cash handling and working from home arrangements bed in.

3.7 Industrial Relations - Reduced from Amber to Green as a result of positive local working relationships developed in respect of COVID 19 planning and mitigation arrangements

Amendments have also been made to the wording in respect of risks 3.4 and 3.5 to make reference to the work undertaken through Project 2020 (our reopening workstreams) and our Outbreak Management Plan.

#### 2. Audit Scotland COVID 19 Risk Guidance

Audit Scotland has produced guidance for Audit Committees to support their awareness and challenge in relation to the issues that the current COVID 19 pandemic raises for public sector organisations. A copy of this guidance is enclosed as appendix 1, and the following comment is made in respect of the key elements for consideration.

#### Exhibit 1

##### **Internal controls and assurance – questions to consider**

##### **What changes to internal controls have been required due to Covid-19?**

- Has internal audit assessed the design, implementation and operational effectiveness of revised internal controls?  
Financial internal controls have been modified to accept emailed approval and there have been developments to install Cloud based services to allow remote authorisation of payments and facilitate more card payments as a substitute for cash and a mechanism to track

<p>expenditure. Software and devices to enable both secure and flexible payment options for students has also been installed.</p> <p>Internal Audit will assess the changes to the ICT environment as part of their follow-up on the cyber-attack audit and report.</p>
<p><b>What new controls have been established to account for the distribution of any additional funds received?</b></p> <ul style="list-style-type: none"> <li>Have officers identified any weaknesses in new controls and if so, how are these being addressed?</li> </ul> <p>All funds are managed through standing arrangements and processes</p>
<p><b>To what extent has your organisation assessed the impact of working remotely on the control environment and working practices?</b></p> <p>Work undertaken across all teams and revised ways of working introduced – extensive use of service design to review ways of working in key student facing activities.</p>
<p><b>Has internal audit reviewed their audit plan and assessed which projects might need to be cancelled, postponed or accelerated as your organisation navigates its way through the pandemic?</b></p> <p>The 2020/21 draft internal audit plan takes account of this.</p>
<p><b>How is management supporting internal audit to balance its 'routine' programme of work and that required to respond to Covid-19-related audit work?</b></p> <p>As above</p>
<p><b>What impact has Covid-19 had on the annual reporting and accounting process?</b></p> <ul style="list-style-type: none"> <li>Has your organisation's timetable for the annual reporting process been considered for 2019/20 and 2020/21? If so, have the timetables been revised and updated accordingly?</li> </ul> <p>Audit Scotland delayed the start of the audit by one week to enable them to fulfil other commitments.</p> <ul style="list-style-type: none"> <li>Has the external auditor's annual audit plan been updated to assess and address new risks?</li> </ul> <p>Yes, minor change of date.</p>
<p><b>To what extent has your organisation considered work undertaken by other organisations (via professional networks and bodies), or where appropriate, engaged with external experts to inform decision-making around significant areas of change in response to the pandemic?</b></p> <p>There has been extensive sharing of good practice with other colleges, universities and sharing generally with SFC and Scottish Government.</p>
<p><b>How have IT services performed during the pandemic?</b></p> <ul style="list-style-type: none"> <li>To what extent have cyber security controls been considered?</li> </ul> <p>This has been a key consideration and supported by 'cloud hosted' strategy and move to Office 365. Additional guidance and information on data security and safeguarding has been issued to staff.</p>

<p><b>To what extent has management assessed the impact of Covid-19 on overall staff capacity?</b></p> <ul style="list-style-type: none"> <li>What areas have been identified as being under resourced and how is this being addressed?</li> </ul> <p>Work on this is on-going through team meetings and one-to-one catch ups. A pulse survey has been used to identify and address key issues/concerns.</p>
<p><b>What is your organisation doing to support its staff during the pandemic?</b></p> <ul style="list-style-type: none"> <li>To what extent have workload and working practices been adjusted to allow for the challenges that people may face when working remotely?</li> </ul> <p>Work on this is on-going through team meetings and one-to-one catch ups. Pulse survey used to identify and address key issues/concerns.</p> <ul style="list-style-type: none"> <li>What guidance, advice or signposting has your organisation put in place to support staff wellbeing?</li> </ul> <p>Staff wellbeing hub developed and rolled out. Support provided through the People Team.</p>
<p><b>What opportunities and risks have arisen as staff are deployed across departments?</b></p> <p>Using the workstream model of working; Learning &amp; Teaching, Finance &amp; Governance, Estates &amp; Infrastructure, Student Engagement &amp; Service Development and Leadership, Communications &amp; Ways of working each workstream has been able to identify risks to be mitigated and opportunities to be exploited.</p> <p>There has been minimal requirement to deploy staff to different teams.</p>
<p><b>How is your organisation capturing the learning and opportunities that arise from new ways of working?</b></p> <p>Extensive sharing of practice and work through Learning &amp; Teaching Mentor group. Extensive use of Service Design approaches to inform new ways of working.</p>

## Exhibit 2

<p><b>Financial management and reporting – questions to consider Is financial (and performance) information received in a timely manner, with sufficient detail, to inform the fast-paced changes that are required due to Covid-19?</b></p>
<p><b>How is management assessing the financial impact of Covid-19 on income and expenditure?</b></p> <ul style="list-style-type: none"> <li>What processes or procedures have been put in place to assess, for example, new demands, new expenditure streams, savings from activity foregone and lost income?</li> </ul> <p>This has been undertaken through normal arrangements and processes with reporting to Executive and senior Leadership Teams. Enhanced (monthly) meetings with Chair of Board and Chair of Finance &amp; Property Committee.</p>
<p><b>What information has been used in determining the value of assets and liabilities?</b></p> <ul style="list-style-type: none"> <li>To what extent have estimated valuations been impacted by Covid-19, for example, disruption to the revaluation of properties or market volatility impacting on investments?</li> </ul> <p>Land and buildings have been revalued as at 31 July 2020.</p>

<ul style="list-style-type: none"> <li>What is the likely impact of Covid-19 on pension deficits and what does this mean for your organisation?</li> </ul> <p>Actuarial pension valuations have substantially increased net liabilities, and this will have a detrimental impact upon net asset values. Impact on future cash flows are uncertain.</p>
<p><b>What commitments and guarantees have been made to third parties, and how are these being monitored?</b></p> <ul style="list-style-type: none"> <li>Where relevant, how is your organisation ensuring that the impacts of the pandemic on its arm's-length external organisations (ALEOs) are being appropriately monitored?</li> </ul> <p>Not applicable.</p>

### Exhibit 3

<p><b>Governance – questions to consider What impact has Covid-19 had on governance arrangements?</b></p> <ul style="list-style-type: none"> <li>How is your organisation ensuring that effective oversight and scrutiny of key decisions is maintained as it responds rapidly to the challenges it faces during the pandemic?</li> </ul> <p>All governance arrangements operating as usual (with transfer to remote Teams meetings). Three additional meetings of the Chairs Committee have been held plus additional discussion in respect of finances with Board Chair and Chair of Finance &amp; Property Committee.</p> <li>Have any significant changes been made to governance arrangements due to the pandemic, for example, suspension of committees or increased use of delegated decision-making powers?</li> <p>No, move to on-line meetings only.</p> <li>Where decisions are being made using delegated or emergency powers, how are these being recorded, made public and subjected to scrutiny by the relevant committee(s)?</li> <p>Delegated or emergency powers are not being used.</p> <li>Have changes to processes and procedures made in response to Covid-19 been reviewed and documented appropriately to comply with overall governance arrangements?</li> <p>Minimal changes. These are not fully detailed within financial procedures, and this is not a work priority at this time given other pressures/commitments.</p>
<p><b>Are governance arrangements being reviewed regularly to ensure they remain fit for purpose?</b></p> <p>These will be reviewed as required.</p>
<p><b>Are non-executive directors providing appropriate levels of support, scrutiny and challenge to your organisation as it responds to the current environment and new risks?</b></p> <p>Yes</p>
<p><b>What barriers, if any, have affected your organisation's ability to continue to provide services for individuals and communities during the pandemic?</b></p> <ul style="list-style-type: none"> <li>How have these barriers been overcome?</li> </ul>

On-going discussion with Scottish Government and others (such as SQA) to identify issues and concerns and work in partnership to create solutions (e.g. Holistic Assessment arrangements)

- What was the impact on service users?

As above. Work is progressing to minimise impact where possible.

**What impact has Covid-19 had on your organisation achieving its stated objectives?**

- Does performance reporting highlight any changes on your organisation's ability to meet its objectives as a consequence of Covid-19?

Extensive work is progressing to ensure that key outcomes continue to be achieved, This is monitored and reported at individual committees through standard Board Metrics.

**Exhibit 4**

**Risk management – questions to consider Are there new expenditure or procurement streams, or delivery methods arising from Covid-19 that introduce new risk?**

- What indicators does management have to support informed decisions on risk and is this data available in real time?

All normal indicators/metrics are in place. Additional reporting has been created to reflect student engagement in learning (live dashboard). Additional systems developments have supported monitoring and tracking in areas such as Holistic Assessment.

- Is your organisation's risk management strategy up-to-date to include risks associated with Covid-19?

Yes, a Covid-19 Specific Risk Register is in place.

- What risks have emerged that need to be addressed and what protocols are in place to report and analyse emerging risks as the situation evolves?

As above.

- Are risks being reported to the relevant committee?

Yes

**Has your organisation's risk register been updated to reflect new risks arising from Covid-19?**

Yes, a Covid-19 specific Risk Register is in place

**Is there a need for management's risk appetite framework to be reviewed to ensure it is appropriate in this rapidly evolving environment?**

- If so, when will the committee be informed of the outcome and any next steps?

No plans for this currently

**How does Covid-19 impact on any financial risks already facing your organisation and how does this affect short, medium and long-term financial plans?**

Details outlined through FFR commentary.

**What impact does Covid-19 have on any scenario planning that your organisation has in place for events such as EU withdrawal and increasing budget uncertainty?**

As above. Brexit impacts/issue remain uncertain.

### **3. Approvals**

In respect of the above information approval for the following actions is sought.

- Approval of the Strategic and additional Risk Registers

**Appendix:** Covid-19 Guide for Audit and Risk committees

**Author and Executive Sponsor:** Steve Taylor, Vice Principal People and Performance



# STRATEGIC RISK REGISTER

**2020 - 2021**

As at September 2020



<b>Post Holders</b>	ELT	Executive Leadership Team	Prin	Principal	<b>Score</b>	<b>Impact</b>	<b>Likelihood</b>
	SLT	Senior Leadership Team	DirC&A	Directors of Curriculum & Attainment	1	Routine	Remote
	Board	Board of Management	HoICT	Head of ICT	2	Minor	Unlikely
	VPP&P	Vice Principal People & Performance	HoE	Head of Estates	3	Significant	Possible
	VPCS	Vice Principal Corporate Services	Chair	Chair of the Board of Management	4	Major	Probable
	VPCA	Vice Principal Curriculum & Attainment			5	Critical	Very L kely

Risk Number & Committee	POTENTIAL CONTRIBUTING FACTORS				TREATMENT	POST MITIGATION EVALUATION				
	Risks	Impact	Likelihood	Score	Mitigation Actions	Impact	Likelihood	Score	Monitoring	Lead Responsibility
1	Strategic and Structural									
1.1 LT&Q	Failure of College strategy to meet the needs of the D&A Region and/or national priorities (eg Employability, DYW, attainment, articulation)	4	4	16	<ul style="list-style-type: none"><li>Robust strategic planning</li><li>Effective environmental scanning</li><li>Strong partnerships</li><li>Clear links between strategy and practice</li><li>Concerted demands for increased activity levels</li></ul>	4	1	4	<ul style="list-style-type: none"><li>Robust monitoring via ROA</li><li>Clear performance metrics</li><li>Amendment of strategic direction/ plans</li><li>Rolling curriculum review</li></ul>	Prin & Chair
1.2 Board	College may be disadvantaged by changes to either UK or Scottish Government policies	4	3	12	<ul style="list-style-type: none"><li>Effective environmental scanning</li><li>Negotiation/influence at national level</li></ul>	4	2	8	<ul style="list-style-type: none"><li>Review of changes and amendment of strategic direction/plans</li><li>Financial strategy sensitivities</li></ul>	Prin & Chair
1.3 Board	College disadvantaged by changes arising from UK leaving European Union	5	4	20	<ul style="list-style-type: none"><li>Negotiation/influence at national level</li><li>Review of activities/ projects</li><li>Responsiveness to new opportunities</li></ul>	5	3	15	<ul style="list-style-type: none"><li>Review of changes and amendment of strategic direction/plans/ curriculum</li><li>Financial strategy ESF sensitivity</li><li>Workforce planning</li><li>International strategy &amp; planning</li></ul>	Prin

Key to Risk Estimation/Score based on scale of 1 – 5 for impact/likelihood: Green (1-8) = Minor Risk; Amber (9-15) = Significant Risk; Red (16-20) = Major Risk; Purple, (>21 - 25) = Fundamental Risk



<b>Post Holders</b>	ELT	Executive Leadership Team	Prin	Principal	<b>Score</b>	<b>Impact</b>	<b>Likelihood</b>
	SLT	Senior Leadership Team	DirC&A	Directors of Curriculum & Attainment	1	Routine	Remote
	Board	Board of Management	HoICT	Head of ICT	2	Minor	Unlikely
	VPP&P	Vice Principal People & Performance	HoE	Head of Estates	3	Significant	Possible
	VPCS	Vice Principal Corporate Services	Chair	Chair of the Board of Management	4	Major	Probable
	VPCA	Vice Principal Curriculum & Attainment			5	Critical	Very L kely

Risk Number & Committee	POTENTIAL CONTRIBUTING FACTORS				TREATMENT	POST MITIGATION EVALUATION				
	Risks	Impact	Likelihood	Score	Mitigation Actions	Impact	Likelihood	Score	Monitoring	Lead Responsibility
1	Strategic and Structural									
1.4 Board	Difficulties or over commitment arising within large scale/national College led initiatives or projects impact negatively on: <ul style="list-style-type: none"><li>Ability of the College to meet key regional strategies/objectives</li><li>Financial loss or unmanageable financial risk</li><li>Reputational loss</li></ul>	4	3	12	<ul style="list-style-type: none"><li>Effective project/activity management in place</li><li>Clear governance structures</li><li>Project/initiative finances clearly incorporated within College financial strategy and plans</li><li>End of project and exit/contingency planning</li></ul>	3	2	6	<ul style="list-style-type: none"><li>Regular project updates at Executive/Board level</li><li>Monitoring of project activities, plans and outcomes</li><li>Budget reporting and management</li></ul>	Principal, VPC&A

Key to Risk Estimation/Score based on scale of 1 – 5 for impact/likelihood: Green (1-8) = Minor Risk; Amber (9-15) = Significant Risk; Red (16-20) = Major Risk; Purple, (>21 - 25) = Fundamental Risk

<b>Post Holders</b>	ELT	Executive Leadership Team	Prin	Principal	<b>Score</b>	<b>Impact</b>	<b>Likelihood</b>
	SLT	Senior Leadership Team	DirC&A	Directors of Curriculum & Attainment	1	Routine	Remote
	Board	Board of Management	HoICT	Head of ICT	2	Minor	Unlikely
	VPP&P	Vice Principal People & Performance	HoE	Head of Estates	3	Significant	Possible
	VPCS	Vice Principal Corporate Services	Chair	Chair of the Board of Management	4	Major	Probable
	VPCA	Vice Principal Curriculum & Attainment			5	Critical	Very L kely

Risk Number & Committee	POTENTIAL CONTRIBUTING FACTORS			TREATMENT		POST MITIGATION EVALUATION				
	Risks	Impact	Likelihood	Score	Mitigation Actions	Impact	Likelihood	Score	Monitoring	Responsibility
<b>2</b>	<b>Financial</b>									
<b>2.1</b> <b>F&amp;P</b>	Change in SFC Funding Methodology and Allocation – Reduction in Funding	3	3	9	<ul style="list-style-type: none"> <li>Negotiation/influence at national level</li> <li>Contingency plans for reduced funding</li> </ul>	2	3	6	<ul style="list-style-type: none"> <li>Advance modelling of new funding methodologies and allocations</li> <li>Monitoring impact of changes</li> <li>Amendment of strategic or operational direction/plans</li> <li>Financial strategy sensitivities</li> </ul>	VPCS
<b>2.2</b> <b>F&amp;P</b>	Failure to achieve institutional sustainability	5	4	20	<ul style="list-style-type: none"> <li>Protection of funding through dialogue with SFC</li> <li>Robust annual budget-setting and multi-year financial strategic planning</li> <li>Effective budgetary control</li> <li>Where required, swift action to implement savings</li> </ul>	4	3	12	<ul style="list-style-type: none"> <li>Monthly monitoring of budgets</li> <li>Regular review of financial strategy and non-core income sensitivity</li> <li>Detailed monitoring of savings programmes</li> </ul>	VPCS
<b>2.3</b> <b>F&amp;P</b>	National outcomes on salaries and conditions of service outstrip ability to pay	4	4	16	<ul style="list-style-type: none"> <li>Influence within Employers Association</li> <li>Management of staffing expenditures</li> </ul>	4	3	12	<ul style="list-style-type: none"> <li>Expenditure modelling</li> <li>On-going discussions with staff</li> <li>Financial strategy sensitivities</li> <li>Workforce planning</li> </ul>	VPP&P, VPCS

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Risk Number & Committee	POTENTIAL CONTRIBUTING FACTORS				TREATMENT	POST MITIGATION EVALUATION				
	Risks	Impact	Likelihood	Score	Mitigation Actions	Impact	Likelihood	Score	Monitoring	Lead Responsibility
2	Financial (cont)									
2.4 A&R	Financial Fraud	4	3	12	<ul style="list-style-type: none"> <li>Strong financial controls: segregation of duties and review of transactions.</li> <li>Review of impact of any changes in structure or duties</li> <li>Whistleblowing arrangements</li> </ul>	3	2	6	<ul style="list-style-type: none"> <li>Continuous review of financial controls</li> <li>Internal Audit programme</li> </ul>	VPCS
2.5 F&P	D&A Foundation refuses/withholds funding for key College priorities	5	3	15	<ul style="list-style-type: none"> <li>On-going dialogue with Foundation Trustees</li> <li>Appropriate bid arrangements in place</li> </ul>	3	2	6	<ul style="list-style-type: none"> <li>Monitor and advise Board of Management</li> </ul>	Prin & VPCS

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Risk Number & Committee	POTENTIAL CONTRIBUTING FACTORS			TREATMENT		POST MITIGATION EVALUATION				
	Risks	Impact	Likelihood	Score	Mitigation Actions	Impact	Likelihood	Score	Monitoring	Lead Responsibility
<b>3</b>	<b>People and Performance</b>									
<b>3.1</b> <b>LT&amp;Q</b>	Failure to reach aspirational standards in learning, teaching and service delivery	4	3	12	<ul style="list-style-type: none"> <li>Clear quality arrangements and priority actions</li> <li>Continuous self-evaluation and action planning</li> <li>Rigorous CPD arrangements in place</li> <li>Regular classroom observation and learner feedback arrangements</li> </ul>	3	2	6	<ul style="list-style-type: none"> <li>Comprehensive monitoring of key PIs and student/staff feedback</li> <li>Regular Stop and Review events</li> <li>External review and validation findings</li> </ul>	VPC&A, VPP&P, DirC&A
<b>3.2</b> <b>LT&amp;Q</b>	Failure to achieve/maintain compliance arrangements, e.g. contracts; awarding bodies; audit.	4	3	12	<ul style="list-style-type: none"> <li>Robust strategic planning and monitoring</li> <li>Effective environmental scanning</li> <li>Strong partnerships</li> <li>Clear links between strategy and practice</li> <li>Concerted demands for increased activity levels</li> </ul>	2	2	4	<ul style="list-style-type: none"> <li>Effective internal monitoring/review/verification arrangements</li> <li>External review findings</li> </ul>	VPP&P, VPC&A
<b>3.3</b> <b>A&amp;R</b>	Legal actions; serious accident; incident or civil/criminal breach	4	5	20	<ul style="list-style-type: none"> <li>Adherence to legislative and good practice requirements</li> <li>Positive Union relations and staff communication</li> <li>Effective management development programmes</li> </ul>	3	2	6	<ul style="list-style-type: none"> <li>Monitoring and reporting in key areas – eg H&amp;S, equalities, employee engagement</li> <li>Continuous professional development</li> <li>Internal audit programme</li> <li>Staff surveys</li> </ul>	Prin, VPP&P, VPCS, HoE

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	Risks	Impact	Likelihood	Score	Mitigation Actions	Impact	Likelihood	Score	Monitoring	Lead Responsibility
<b>3</b>	<b>People and Performance (cont.)</b>									
<b>3.4</b> <b>HR&amp;D</b>	Failure to meet the aspirational standards in respect of the health, safety, wellbeing and development of staff and students	3	4	12	<ul style="list-style-type: none"> <li>Clear and proactive approaches to managing and promoting health, safety and wellbeing</li> <li>Continuous self-evaluation and action planning</li> <li>Rigorous CPD arrangements in place</li> <li>Regular staff and learner feedback arrangements</li> </ul>	3	2	6	<ul style="list-style-type: none"> <li>Regular employee engagement monitoring</li> <li>Open communication with staff</li> <li>Comprehensive monitoring of key PIs and student/staff feedback</li> <li>Regular union/management dialogue</li> </ul>	VPP&P, VPCS
<b>3.5</b> <b>Board</b>	Reputational Risk – Loss of reputation with key stakeholders	4	3	12	<ul style="list-style-type: none"> <li>Marketing strategy</li> <li>Reputation plan</li> <li>Positive marketing approaches</li> </ul>	4	2	8	<ul style="list-style-type: none"> <li>Stakeholder engagement</li> <li>Social media monitoring arrangements</li> </ul>	VPC&A, DirC&A
<b>3.6</b> <b>HRD</b>	National bargaining outcomes impact adversely on College operations, activity and flexibility	4	4	16	<ul style="list-style-type: none"> <li>Influence within Employers Association</li> <li>Management of bargaining outcomes and implementation</li> </ul>	4	3	12	<ul style="list-style-type: none"> <li>Positive union relations and staff communication</li> <li>On-going discussions with staff</li> <li>Innovation in approaches</li> </ul>	VPP&P, VPC&A

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Risk Number & Committee	POTENTIAL CONTRIBUTING FACTORS			TREATMENT		POST MITIGATION EVALUATION				
	Risks	Impact	Likelihood	Score	Mitigation Actions	Impact	Likelihood	Score	Monitoring	Lead Responsibility
<b>3</b>	<b>People and Performance (cont.)</b>									
<b>3.7</b> <b>HRD</b>	Industrial Relations Problems (including industrial action)	4	5	20	<ul style="list-style-type: none"> <li>Adherence to legislative and good practice requirements</li> <li>Positive Union relations and staff communication</li> <li>Effective management development programmes</li> <li>Industrial action continuity planning</li> </ul>	4	3	12	<ul style="list-style-type: none"> <li>Regular union/management dialogue</li> <li>Regular employee engagement monitoring</li> <li>Open communication with staff</li> <li>Industrial action continuity planning</li> </ul>	VPP&P
<b>3.8</b> <b>A&amp;R</b>	Breach of data security / data protection	5	4	20	<ul style="list-style-type: none"> <li>Effective management of GDPR compliance</li> <li>Mandatory staff CPD and awareness raising on data protection (relative to role)</li> </ul>	4	2	8	<ul style="list-style-type: none"> <li>Active data protection monitoring and auditing</li> <li>Effective information and data security policies in operation</li> <li>Regular data security monitoring/testing</li> <li>GDPR Action Plan</li> <li>Staff CPD</li> </ul>	VPC&A, HoICT
<b>3.9</b> <b>HRD</b>	Failure to meet Prevent and related obligations	5	3	15	<ul style="list-style-type: none"> <li>Prevent training</li> <li>Staff awareness and contingency planning</li> <li>Engagement/practice sharing with local agencies</li> </ul>	5	1	5	<ul style="list-style-type: none"> <li>Business Continuity Plan including scenario testing</li> <li>Information sharing with local agencies</li> </ul>	VPC&A, VPP&P

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Risk Number & Committee	POTENTIAL CONTRIBUTING FACTORS			TREATMENT		POST MITIGATION EVALUATION				
	Risks	Impact	Likelihood	Score	Mitigation Actions	Impact	Likelihood	Score	Monitoring	Lead Responsibility
<b>3</b>	<b>People and Performance (cont.)</b>									
<b>3.10</b> <b>HRD</b>	College arrangements do not minimise risk associated with Modern Slavery	4	3	12	<ul style="list-style-type: none"> <li>Clear and compliant procurement arrangements and procedures</li> <li>Staff identity checking arrangements and use of PVG.</li> </ul>	4	1	4	<ul style="list-style-type: none"> <li>Annual procurement monitoring/reporting</li> <li>Regular employee engagement monitoring</li> <li>Open communication with staff</li> </ul>	VPC&A, VPP&P
<b>3.11</b> <b>HRD</b>	Difficulties with implementation of structural change leading to: <ul style="list-style-type: none"> <li>Loss of good, flexible and committed staff</li> <li>Loss of critical staff during period of transition</li> <li>ineffective post-restructure arrangements</li> </ul>	4	3	15	<ul style="list-style-type: none"> <li>Effective planning and scheduling of change</li> <li>Managed transitions/handovers</li> <li>Implementation Plan</li> <li>Contingency Planning</li> <li>On-going focus on core business requirements</li> </ul>	3	2	6	<ul style="list-style-type: none"> <li>Regular union/management dialogue</li> <li>Monitoring of implementation plans</li> <li>Performance measures/ reporting</li> <li>Open communication with staff</li> </ul>	VPP&P VPC&A
<b>3.12</b> <b>Board</b>	Unsuccessful or inappropriate recruitment to Principal role impacts negatively on College activities and /or outcomes	3	3	9	<ul style="list-style-type: none"> <li>Clear role requirement, expectations and specification</li> <li>Effective recruitment and selection arrangements</li> <li>Engagement of Board, Students, Staff and Stakeholders within the process</li> </ul>	2	2	4	<ul style="list-style-type: none"> <li>Board and Board Chair reporting/oversight</li> <li>Appropriate induction and development</li> <li>Probationary arrangements</li> <li>Performance measures</li> </ul>	Board Chair

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Risk Number & Committee	POTENTIAL CONTRIBUTING FACTORS			TREATMENT	POST MITIGATION EVALUATION					
	Risks	Impact	Likelihood	Score	Mitigation Actions	Impact	Likelihood	Score	Monitoring	Responsibility
4	Infrastructure									

4.1 A&R	Disasters – eg Fire, MIS Failure, Failure of Emergency Procedures	5	4	20	<ul style="list-style-type: none"> <li>Sound systems of administration</li> <li>Clear fire and disaster recovery arrangements</li> <li>Staff CPD</li> </ul>	5	1	5	<ul style="list-style-type: none"> <li>Business Continuity Plan including scenario testing</li> </ul>	Prin & VPCS
4.2 F&P	Failure to achieve ambitions of ICT strategy; strategy and development is ineffective	4	3	12	<ul style="list-style-type: none"> <li>Planning, careful phasing of changes to processes and systems</li> <li>Effective management of ICT arrangements</li> <li>Clear investment plan</li> </ul>	4	2	8	<ul style="list-style-type: none"> <li>Regular review/reporting on milestones, systems effectiveness etc</li> <li>Regular CPD</li> </ul>	VPC&A, HoICT
4.3 A&R	Breach of ICT/Cyber security	4	3	12	<ul style="list-style-type: none"> <li>Effective management of ICT arrangements</li> <li>Active ICT/data security monitoring and cyber security policy</li> </ul>	4	2	8	<ul style="list-style-type: none"> <li>Staff CPD on cyber security issues</li> <li>Regular security monitoring/testing</li> <li>Cyber resilience plan</li> </ul>	VPC&A, HoICT
4.4 A&R	ICT infrastructure fails to support effective data security / data protection	5	3	15	<ul style="list-style-type: none"> <li>Effective infrastructure and systems design and implementation</li> <li>Effective management of ICT arrangements and GDPR compliance</li> </ul>	4	2	8	<ul style="list-style-type: none"> <li>Active data protection monitoring and auditing</li> <li>Effective information and data security policies in operation</li> <li>Regular data security monitoring/testing</li> </ul>	VPC&A, HoICT

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# STRATEGIC RISK REGISTER COVID 19 SPECIFIC MITIGATIONS

**2020 - 2021**

As at September 2020

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Risk Number & Committee	POTENTIAL CONTRIBUTING FACTORS				TREATMENT	POST MITIGATION EVALUATION				
	Risks	Impact	Likelihood	Score	Additional COVID 19 Mitigation Actions	Impact	Likelihood	Score	Additional COVID 19 Monitoring	Lead Responsibility
1	Strategic and Structural									
1.1 LT&Q	Failure of College strategy to meet the needs of the D&A Region and/or national priorities (eg Employability, DYW, attainment, articulation)	4	4	16	<ul style="list-style-type: none"><li>Regular strategic analysis and assessment of need for change</li><li>Strong engagement with government and key partners – influencing national priorities</li><li>Clear prioritisation of activities</li><li>Focus on core business</li></ul>	4	3	12	<ul style="list-style-type: none"><li>Regular monitoring of recruitment, retention, ROA Outcomes and key strategic needs by SLT and reporting to Chairs</li><li>Amendment of strategic direction/ plans</li><li>Rolling curriculum, activity and priority review and implementation of new approaches/services where needed</li><li>Engagement with government and other partners</li></ul>	Prin & Chair
1.4 Board	Difficulties or over commitment arising within large scale/national College led initiatives or projects impact negatively on: <ul style="list-style-type: none"><li>Ability of the College to meet key regional strategies/objectives</li><li>Financial loss or unmanageable financial risk</li><li>Reputational loss</li></ul>	4	3	12	<ul style="list-style-type: none"><li>Clear prioritisation of activities</li><li>Effective project/activity management in place</li><li>Strong engagement with partners/funders</li><li>Clear governance structures</li><li>Project/initiative finances clearly understood and reviewed regularly</li><li>Project cessation, pausing or contingency planning in place</li></ul>	4	2	8	<ul style="list-style-type: none"><li>Regular project updates at Executive/Board level</li><li>Monitoring of project activities, plans and outcomes</li><li>Budget reporting and management</li></ul>	Principal, VPC&A

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	Risks	Impact	Likelihood	Score	Mitigation Actions	Impact	Likelihood	Score	Monitoring	Responsibility
<b>2</b>	<b>Financial</b>									
<b>2.2</b> <b>F&amp;P</b>	Failure to achieve institutional sustainability	5	4	20	<ul style="list-style-type: none"> <li>Protection of funding through dialogue with government, SFC and other funders</li> <li>Robust and effective budgetary control</li> <li>Where required, swift action to implement savings</li> <li>Increased focus on cash position</li> </ul>	4	3	12	<ul style="list-style-type: none"> <li>Monthly monitoring of budgets</li> <li>Engagement with government and other partners</li> <li>Detailed monitoring of income optimisation and savings programmes</li> </ul>	VPCS
<b>2.4</b> <b>A&amp;R</b>	Financial Fraud	4	3	12	<ul style="list-style-type: none"> <li>Revised financial controls: segregation of duties and review of transactions.</li> <li>Review of impact of changes in ways of working, authorisation arrangements</li> <li>Whistleblowing arrangements</li> </ul>	3	2	6	<ul style="list-style-type: none"> <li>Continuous review of financial controls and revised arrangements</li> </ul>	VPCS

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	Risks	Impact	Likelihood	Score	Mitigation Actions	Impact	Likelihood	Score	Monitoring	Lead Responsibility
<b>3</b>	<b>People and Performance</b>									
<b>3.1</b> <b>LT&amp;Q</b>	Failure to reach aspirational standards in learning, teaching and service delivery	4	3	12	<ul style="list-style-type: none"> <li>Clear input and engagement with revised quality arrangements and priority actions</li> <li>Rigorous CPD arrangements in place to support new ways of working</li> <li>Regular learner feedback and engagement arrangements</li> </ul>	3	3	9	<ul style="list-style-type: none"> <li>Comprehensive monitoring of engagement of learners in learning (where possible)</li> <li>Engagement with revised quality arrangements</li> <li>Outcome monitoring</li> </ul>	VPC&A, VPP&P, DirC&A
<b>3.2</b> <b>LT&amp;Q</b>	Failure to achieve/maintain compliance arrangements, e.g. contracts; awarding bodies; audit.	4	3	12	<ul style="list-style-type: none"> <li>Engagement and communication strategy with compliance bodies</li> <li>Clear input and engagement with revised quality arrangements and priority actions</li> <li>Prioritisation of activities/outcomes</li> </ul>	3	2	6	<ul style="list-style-type: none"> <li>Effective internal monitoring/review/verification arrangements</li> <li>Engagement with revised quality arrangements</li> <li>Outcome monitoring/recording</li> </ul>	VPP&P, VPC&A

Key to Risk Estimation/Score based on scale of 1 – 5 for impact/likelihood: Green (1-8) = Minor Risk; Amber (9-15) = Significant Risk; Red (16-20) = Major Risk; Purple, (>21 - 25) = Fundamental Risk

<b>Post Holders</b>	ELT	Executive Leadership Team	Prin	Principal	<b>Score</b>	<b>Impact</b>	<b>Likelihood</b>
	SLT	Senior Leadership Team	DirC&A	Directors of Curriculum & Attainment	1	Routine	Remote
	Board	Board of Management	HoICT	Head of ICT	2	Minor	Unlikely
	VPP&P	Vice Principal People & Performance	HoE	Head of Estates	3	Significant	Possible
	VPCS	Vice Principal Corporate Services	Chair	Chair of the Board of Management	4	Major	Probable
	VPCA	Vice Principal Curriculum & Attainment			5	Critical	Very L kely

Risk Number & Committee	POTENTIAL CONTRIBUTING FACTORS				TREATMENT	POST MITIGATION EVALUATION				
	Risks	Impact	Likelihood	Score	Mitigation Actions	Impact	Likelihood	Score	Monitoring	Lead Responsibility
3	People and Performance (cont.)									
3.4 HR&D	Failure to meet the aspirational standards in respect of the health, safety, wellbeing and development of staff and students	3	4	12	<ul style="list-style-type: none"><li>• Clear and proactive approaches to supporting and promoting health, safety and wellbeing when WFH and/or on-site</li><li>• Project 2020 developments and mitigations</li><li>• Outbreak management plan</li><li>• Enhanced awareness of challenges/support needs</li><li>• Extensive CPD arrangements in place – Home Working Hub</li><li>• Regular staff and learner feedback arrangements</li></ul>	3	3	9	<ul style="list-style-type: none"><li>• Regular employee engagement monitoring</li><li>• Maintaining and reporting on physical distancing measures</li><li>• Open communication with staff</li><li>• Monitoring of formal and informal feedback – student and staff feedback</li><li>• Regular union/management dialogue</li></ul>	VPP&P, VPCS
3.5 Board	Reputational Risk – Loss of reputation with key stakeholders	4	3	12	<ul style="list-style-type: none"><li>• Marketing strategy</li><li>• Reputation plan</li><li>• Positive marketing approaches</li><li>• Outbreak management communications plan</li></ul>	4	3	12	<ul style="list-style-type: none"><li>• Positive marketing plan</li><li>• Regular stakeholder engagement</li><li>• Social media engagement and monitoring arrangements</li></ul>	Prin DirC&A

Key to Risk Estimation/Score based on scale of 1 – 5 for impact/likelihood: Green (1-8) = Minor Risk; Amber (9-15) = Significant Risk; Red (16-20) = Major Risk; Purple, (>21 - 25) = Fundamental Risk



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	SLT	Senior Leadership Team	DirC&A	Directors of Curriculum & Attainment	1	Routine	Remote
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Risk Number & Committee	POTENTIAL CONTRIBUTING FACTORS			TREATMENT		POST MITIGATION EVALUATION				
	Risks	Impact	Likelihood	Score	Mitigation Actions	Impact	Likelihood	Score	Monitoring	Lead Responsibility
<b>3</b>	<b>People and Performance (cont.)</b>									
<b>3.7</b> <b>HRD</b>	Industrial Relations Problems (including industrial action)	4	5	20	<ul style="list-style-type: none"> <li>Adherence to legislative and good practice requirements</li> <li>Positive Union relations and staff communication</li> <li>Effective management engagement and support</li> </ul>	4	2	8	<ul style="list-style-type: none"> <li>Regular union/management dialogue</li> <li>Open communication with staff</li> <li>Effective management engagement and support</li> </ul>	VPP&P
<b>3.8</b> <b>A&amp;R</b>	Breach of data security / data protection	5	4	20	<ul style="list-style-type: none"> <li>Effective management of GDPR compliance</li> <li>Additional awareness raising of WFH risks</li> <li>Mandatory staff CPD and awareness raising on data protection (relative to role)</li> </ul>	4	2	8	<ul style="list-style-type: none"> <li>Active data protection awareness raising</li> <li>Effective information and data security policies in operation</li> <li>Regular data security monitoring/testing</li> <li>Staff CPD</li> </ul>	VPC&A, HoICT

Key to Risk Estimation/Score based on scale of 1 – 5 for impact/likelihood: Green (1-8) = Minor Risk; Amber (9-15) = Significant Risk; Red (16-20) = Major Risk; Purple, (>21 - 25) = Fundamental Risk

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	Board	Board of Management	HoICT	Head of ICT	2	Minor	Unlikely
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	VPCS	Vice Principal Corporate Services	Chair	Chair of the Board of Management	4	Major	Probable
	VPCA	Vice Principal Curriculum & Attainment			5	Critical	Very Likely

Risk Number & Committee	POTENTIAL CONTRIBUTING FACTORS				TREATMENT	POST MITIGATION EVALUATION				
	Risks	Impact	Likelihood	Score	Mitigation Actions	Impact	Likelihood	Score	Monitoring	Responsibility
4	Infrastructure									

4.3 A&R	Breach of ICT/Cyber security	4	3	12	<ul style="list-style-type: none"><li>Effective management of ICT arrangements</li><li>Active ICT/data security monitoring and cyber security policy</li><li>Additional awareness raising of WFH risks and COVID related 'scams'</li></ul>	4	2	8	<ul style="list-style-type: none"><li>Staff awareness raising/CPD on cyber security issues</li><li>Regular security monitoring/testing</li><li>Cyber resilience plan</li></ul>	VPC&A, HoICT
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Covid-19

# Guide for audit and risk committees



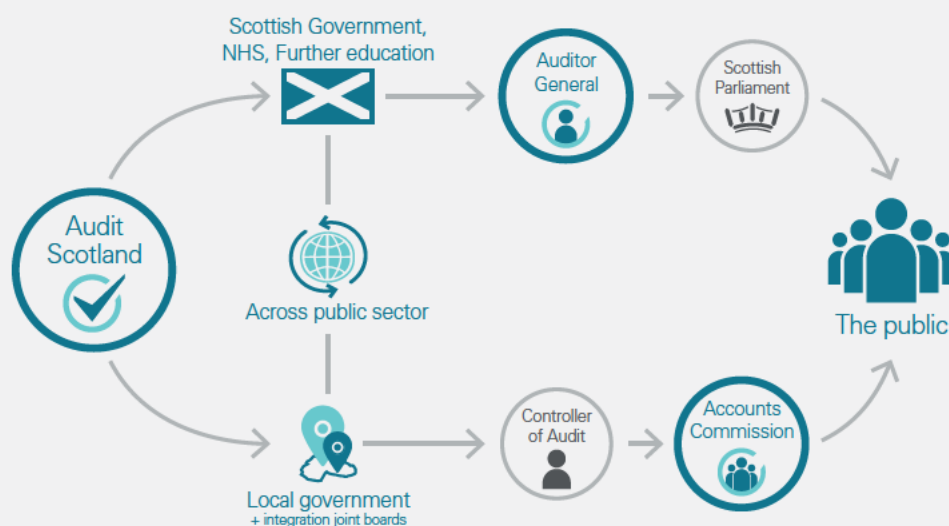
Prepared for public bodies and auditors  
August 2020



## Who we are

The Auditor General, the Accounts Commission and Audit Scotland work together to deliver public audit in Scotland:

- **Audit Scotland** is governed by a board, consisting of the Auditor General, the chair of the Accounts Commission, a non-executive board chair, and two non-executive members appointed by the Scottish Commission for Public Audit, a commission of the Scottish Parliament.
- The **Auditor General** is an independent crown appointment, made on the recommendation of the Scottish Parliament, to audit the Scottish Government, NHS and other bodies and report to Parliament on their financial health and performance.
- The **Accounts Commission** is an independent public body appointed by Scottish ministers to hold local government to account. The Controller of Audit is an independent post established by statute, with powers to report directly to the Commission on the audit of local government.



## About us

Our vision is to be a world-class audit organisation that improves the use of public money.

Through our work for the Auditor General and the Accounts Commission, we provide independent assurance to the people of Scotland that public money is spent properly and provides value. We aim to achieve this by:

- carrying out relevant and timely audits of the way the public sector manages and spends money
- reporting our findings and conclusions in public
- identifying risks, making clear and relevant recommendations.

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# Contents

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## Introduction

1. Covid-19 has already had a significant impact on every aspect of society in Scotland. It has affected individuals and communities, public services and the economy.
2. The response of public-sector bodies has been strong, and the pandemic has highlighted some of their key strengths, such as agility and partnership working. But Covid-19 has also exacerbated many pre-existing risks and challenges facing public bodies in areas such as financial sustainability and service demand pressures. A difficult road lies ahead as public bodies move from response to recovery and renewal.
3. Audit and risk committees have a crucial role to play in providing effective scrutiny and challenge. They help public bodies focus on important aspects of the business and maintain effective oversight of spending, performance and governance arrangements. As public bodies manage their business during this global pandemic, the role of audit and risk committees becomes even more important.
4. This guide for audit and risk committees draws on our recent experience of auditing public bodies during the pandemic. It also refers to key sources of guidance such as the Scottish Government's [Scottish Public Finance Manual](#) and [On Board: a guide for members of statutory boards](#) and the Chartered Institute of Public Finance and Accountancy's *Audit Committees: Practical Guidance for Local Authorities and Police*.

## Key issues for consideration by audit and risk committees during the Covid-19 pandemic

5. There are a wide range of short, medium and long-term risks and issues emerging from Covid-19 for public bodies to consider. This guide focuses on the short-term challenges facing public bodies in the response phase of the pandemic. During this phase, key areas that audit and risk committees will need to focus on include:
  - internal controls and assurance
  - financial management and reporting
  - governance
  - risk management.
6. This guide provides audit and risk committee members with suggested questions to help them effectively scrutinise and challenge in these key areas. Answering the questions in this guide will help audit and risk committees better understand how their organisation is responding to the pandemic and managing both the immediate and longer-term challenges that it creates.
7. Audit and risk committees must assure themselves that they are engaged and well-informed about the changes that are occurring and affecting their organisation due to Covid-19. For example, they should be informed of changes to internal reporting arrangements, and policy and legislative changes and the impact they are likely to have on the organisation. They should also be apprised of any fraud and error risks arising from the response to Covid-19.<sup>1</sup>

<sup>1</sup> [Covid-19: Emerging fraud risks](#), Audit Scotland, July 2020.

## Internal controls and assurance

**8.** Public-sector staff are working under extreme pressure as a consequence of the scale and pace of change created by the pandemic and the need to respond rapidly to unfolding events. This may mean that some internal controls are suspended or relaxed. For example, the segregation of duties between colleagues for completing tasks and subsequent checks may not be possible due to unforeseen capacity issues or the lack of availability of more senior or experienced staff. Staff transfer between departments, for example, to new areas such as those responsible for distributing funding to support people and businesses most affected by Covid-19, may also leave some areas under-staffed. Furthermore, inexperienced staff may be working remotely without a full understanding of the required procedures and controls.

**9.** Internal audit provides independent assurance on governance arrangements, risk management and internal control processes. As the landscape changes, internal audit will have to consider its approach to audit planning and how it continues to deliver its assurance activities while balancing the workload created by new risks emerging from Covid-19.

**10.** As staff work remotely, there may also be potential security risks such as an increase in cyber-crime. For example, fraudsters may try to access public-sector systems by claiming to be legitimate technical support services or through phishing emails and scams.

**11.** [Exhibit 1](#) proposes potential questions for audit and risk committee members to consider.

---

## Exhibit 1

### Internal controls and assurance – questions to consider

#### What changes to internal controls have been required due to Covid-19?

- Has internal audit assessed the design, implementation and operational effectiveness of revised internal controls?

---

#### What new controls have been established to account for the distribution of any additional funds received?

- Have officers identified any weaknesses in new controls and if so, how are these being addressed?

---

#### To what extent has your organisation assessed the impact of working remotely on the control environment and working practices?

---

#### Has internal audit reviewed their audit plan and assessed which projects might need to be cancelled, postponed or accelerated as your organisation navigates its way through the pandemic?

---

#### How is management supporting internal audit to balance its 'routine' programme of work and that required to respond to Covid-19-related audit work?

---

#### What impact has Covid-19 had on the annual reporting and accounting process?

- Has your organisation's timetable for the annual reporting process been considered for 2019/20 and 2020/21? If so, have the timetables been revised and updated accordingly?
- Has the external auditor's annual audit plan been updated to assess and address new risks?

---

#### To what extent has your organisation considered work undertaken by other organisations (via professional networks and bodies), or where appropriate, engaged with external experts to inform decision-making around significant areas of change in response to the pandemic?

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#### How have IT services performed during the pandemic?

- To what extent have cyber security controls been considered?
-

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**To what extent has management assessed the impact of Covid-19 on overall staff capacity?**

- What areas have been identified as being under resourced and how is this being addressed?

---

**What is your organisation doing to support its staff during the pandemic?**

- To what extent have workload and working practices been adjusted to allow for the challenges that people may face when working remotely?
- What guidance, advice or signposting has your organisation put in place to support staff wellbeing?

---

**What opportunities and risks have arisen as staff are deployed across departments?**

---

**How is your organisation capturing the learning and opportunities that arise from new ways of working?**

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## Financial management and reporting

**12.** Public bodies face considerable uncertainty during the pandemic and as they plan for the future. Having robust financial management and transparent reporting arrangements in place is critical to ensuring that an organisation can manage its finances and deliver services effectively, identify issues and challenges early and act on them promptly.

**13.** Financial impacts of the pandemic could include a reduction in income generated from business rates and council tax non-payments as well as a reduction in fees and charges from, for example, leisure, public transport and parking. Organisations may also face increased costs such as higher staff costs to cover the delivery of services. The economic uncertainty and market volatility caused by the pandemic also make it difficult for public bodies to value, for example, property portfolios, inventories and pension schemes.

**14.** A number of factors will affect how well an organisation can report on and manage its financial position at a time where it is facing significant pressure and challenge. For example, there is likely to be competing pressures on finance staff, significant changes in financial processes and procedures and the introduction of financial systems in new areas, such as those for Covid-19-related government relief, assistance and stimulus packages. [Exhibit 2](#) proposes potential questions for audit and risk committee members to consider.

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## Exhibit 2

### Financial management and reporting – questions to consider

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**Is financial (and performance) information received in a timely manner, with sufficient detail, to inform the fast-paced changes that are required due to Covid-19?**

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**How is management assessing the financial impact of Covid-19 on income and expenditure?**

- What processes or procedures have been put in place to assess, for example, new demands, new expenditure streams, savings from activity foregone and lost income?

---

**What information has been used in determining the value of assets and liabilities?**

- To what extent have estimated valuations been impacted by Covid-19, for example, disruption to the revaluation of properties or market volatility impacting on investments?
- What is the likely impact of Covid-19 on pension deficits and what does this mean for your organisation?

---

**What commitments and guarantees have been made to third parties, and how are these being monitored?**

- Where relevant, how is your organisation ensuring that the impacts of the pandemic on its arm's-length external organisations (ALEOs) are being appropriately monitored?
-

**What impact has Covid-19 had on savings plans?**

- Is your organisation on track to deliver these savings and if not, what plans are your organisation putting in place to help with this?

**What impact has Covid-19 had on transformational activity?**

- If there has been or will be significant delays to activity or a failure to meet savings targets, what are the financial implications and how is management preparing for this?

**Is there sufficient capacity within the finance team to deal with competing pressures, such as preparing annual accounts, at a time when working practices are having to be adapted due to Covid-19?****Governance**

**15.** The pace and scale of change is unprecedented, and changes in governance arrangements are likely to have taken place. This may mean that there has been less opportunity for scrutiny and due diligence as public bodies respond rapidly to the challenges arising from Covid-19. For example, urgent procurement decisions and changes to delegated authority arrangements may have impacted on the level of scrutiny.

**16.** Governance and accountability arrangements around collaborative working may be increasingly complex but when done effectively, allows for better planning, design and coordination of services. Many aspects of public bodies' responses to the pandemic can only be done in partnership with others.

**17.** Recent changes to governance arrangements due to Covid-19 may include basic alterations such as documenting authorisation processes through to oversight of the overall running of the business. [Exhibit 3](#) proposes potential questions for audit and risk committee members to consider.

**Exhibit 3****Governance – questions to consider****What impact has Covid-19 had on governance arrangements?**

- How is your organisation ensuring that effective oversight and scrutiny of key decisions is maintained as it responds rapidly to the challenges it faces during the pandemic?
- Have any significant changes been made to governance arrangements due to the pandemic, for example, suspension of committees or increased use of delegated decision-making powers?
- Where decisions are being made using delegated or emergency powers, how are these being recorded, made public and subjected to scrutiny by the relevant committee(s)?
- Have changes to processes and procedures made in response to Covid-19 been reviewed and documented appropriately to comply with overall governance arrangements?

**Are governance arrangements being reviewed regularly to ensure they remain fit for purpose?****Are non-executive directors providing appropriate levels of support, scrutiny and challenge to your organisation as it responds to the current environment and new risks?****What barriers, if any, have affected your organisation's ability to continue to provide services for individuals and communities during the pandemic?**

- How have these barriers been overcome?
- What was the impact on service users?

**What impact has Covid-19 had on your organisation achieving its stated objectives?**

- Does performance reporting highlight any changes on your organisation's ability to meet its objectives as a consequence of Covid-19?

- Has the pandemic caused new risks to achieving your organisation's objectives? If so, how are these being addressed?

---

### What impact has Covid-19 had on collaborative working?

---

## Risk management

**18.** While public bodies will have risk management processes in place, the likelihood and impact of existing risks and the emergence of new risks will need to be monitored carefully. There may also be a change in the risk appetite during the pandemic to allow for services to operate effectively and respond to issues in a timely manner. Some changes may be significant therefore officers and audit and risk committee members need to consider how sustainable these changes will be in the longer term.

**19.** Public bodies were already facing risks and challenges around, for example, financial sustainability, outcomes and inequalities. These risks and challenges have become greater due to Covid-19. They are also heightened further because of the uncertainty around the UK's exit from the European Union and increasing budget pressures.

**20.** [Exhibit 4](#) proposes potential questions for audit and risk committee members to consider.

---

## Exhibit 4

### Risk management – questions to consider

#### Are there new expenditure or procurement streams, or delivery methods arising from Covid-19 that introduce new risk?

- What indicators does management have to support informed decisions on risk and is this data available in real time?
- Is your organisation's risk management strategy up-to-date to include risks associated with Covid-19?
- What risks have emerged that need to be addressed and what protocols are in place to report and analyse emerging risks as the situation evolves?
- Are risks being reported to the relevant committee?

---

#### Has your organisation's risk register been updated to reflect new risks arising from Covid-19?

---

#### Is there a need for management's risk appetite framework to be reviewed to ensure it is appropriate in this rapidly evolving environment?

- If so, when will the committee be informed of the outcome and any next steps?

---

#### How does Covid-19 impact on any financial risks already facing your organisation and how does this affect short, medium and long-term financial plans?

---

#### What impact does Covid-19 have on any scenario planning that your organisation has in place for events such as EU withdrawal and increasing budget uncertainty?

---

## Looking ahead

**21.** This is the second in a series of Covid-19 guides prepared for public bodies and auditors. Our first publication, [Covid-19 Emerging fraud risks](#), sets out a range of fraud risks that may arise due to the pandemic. By drawing on our position as external auditors across the public sector in Scotland, we have used our recent experience to develop these Covid-19 outputs. We will be issuing further guidance to public bodies to support them as they move beyond the response phase of the pandemic into recovery and renewal.

**22.** We invite feedback on how the role of external audit can further support public bodies as they respond to the challenges Covid-19 presents.

## Further reading


- [\*Guide for Audit and Risk Committees on Financial Reporting and Management during COVID-19\*](#), National Audit Office, June 2020.
- Financial scrutiny practice guide, The Chartered Institute of Public Finance and Accountancy, June 2020.
- <https://www.ifac.org/knowledge-gateway/contributing-global-economy/discussion/implications-audit-committees-arising-covid-19>
- <https://www.iaa.org.uk/covid-19-hub/covid-19-guidance/>



Covid-19

# Guide for audit and risk committees

This report is available in PDF and RTF formats,  
along with a podcast summary at:

[www.audit-scotland.gov.uk](http://www.audit-scotland.gov.uk) 

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discuss your needs: 0131 625 1500

or [info@audit-scotland.gov.uk](mailto:info@audit-scotland.gov.uk) 

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[www.audit-scotland.gov.uk](http://www.audit-scotland.gov.uk) 

**BOARD OF MANAGEMENT**

**Audit & Risk Committee**

**Tuesday 22 September 2020**

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**Strategic & COVID Risk Registers**

**6.2 Feedback on the Impact of Allocating Ricks  
to Individual Committees**

**PAPER C**

# BOARD OF MANAGEMENT

## Audit & Risk Committee Meeting

Tuesday 22 September 2020



## Feedback on The Impact of Allocating Risks to Individual Committees

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### *Paper for noting*

In May 2019 it was agreed we would allocate specific risks to each Policy committee to allow a more detailed oversight of each risk. The original allocation of risks has been maintained with some small amendments since inception.

Issues since that time including the Cyber-attack in January and Covid 19 from March have raised the profile of risk management significantly. Visibility of risks including the initiative to highlight on each committee paper the area of risk being addressed by the paper has been another progressive step.

Each committee has been asked for feedback on the effectiveness of allocating the risks and what could be improved going forward.

Summary of feedback is as follows

- general observation is it has been a worthwhile change and has been incorporated in the discussion taking place in committees without becoming too onerous.
- the overall size of the Risk Register and Covid 19 register has become somewhat cumbersome and one committee has taken to just reporting the subset that relates to that committee.
- we carried out training on Risk Appetite at the outset which was very useful and it had been intended to supplement this as we moved forward. I think we should consider what level of training is required to assist new and existing members address the challenges around risk assessment and what mitigations would be relevant and effective.

This paper is issued for noting feedback and discussion on the way forward.

**Author & Sponsor:** George Robertson, Vice Chair of BOM  
& Chair of Audit & Risk Committee – Corporate Services

**BOARD OF MANAGEMENT**

**Audit & Risk Committee**

**Tuesday 22 September 2020**

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**Fraud, Bribery & Corruption Policy**

**PAPER E**



# FRAUD, BRIBERY & CORRUPTION POLICY

**College Policy No** CS06

**Approved by** Vice Principal (Corporate Services)

**Signature**

**Original Issue Date** 01/08/2020

**Current Issue Date** 01/08/2020

**Review Date** 01/08/2023

# FRAUD, BRIBERY & CORRUPTION POLICY – CS06



Prepared by:	Executive Team	Approved By:	Vice Principal (Corporate Services)
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Prepared by:	Executive Team	Approved By:	Vice Principal (Corporate Services)
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## 1 PURPOSE

- 1.1. This document has been established to set out the College Policy to prevent fraud, bribery and corruption and establish procedures to respond if it occurs.
- 1.2. The College recognises its responsibility to prevent fraud, bribery and corruption and the documentation within this Policy provides information in respect of key roles and responsibilities relating to the prevention of fraud, bribery and corruption.
- 1.3. The Policy is designed to meet the following objectives:
  - minimise the risk and impact of fraud, bribery and corruption;
  - create a culture which deters fraudulent activity;
  - create an environment that encourages the prevention of fraud, bribery and corruption while promoting its detection and reporting.
- 1.4. The accompanying Response Plan (appendix 1) sets out a framework for investigating the circumstances surrounding fraudulent activity and dealing with the impact on the business of the College.

## 2 SCOPE

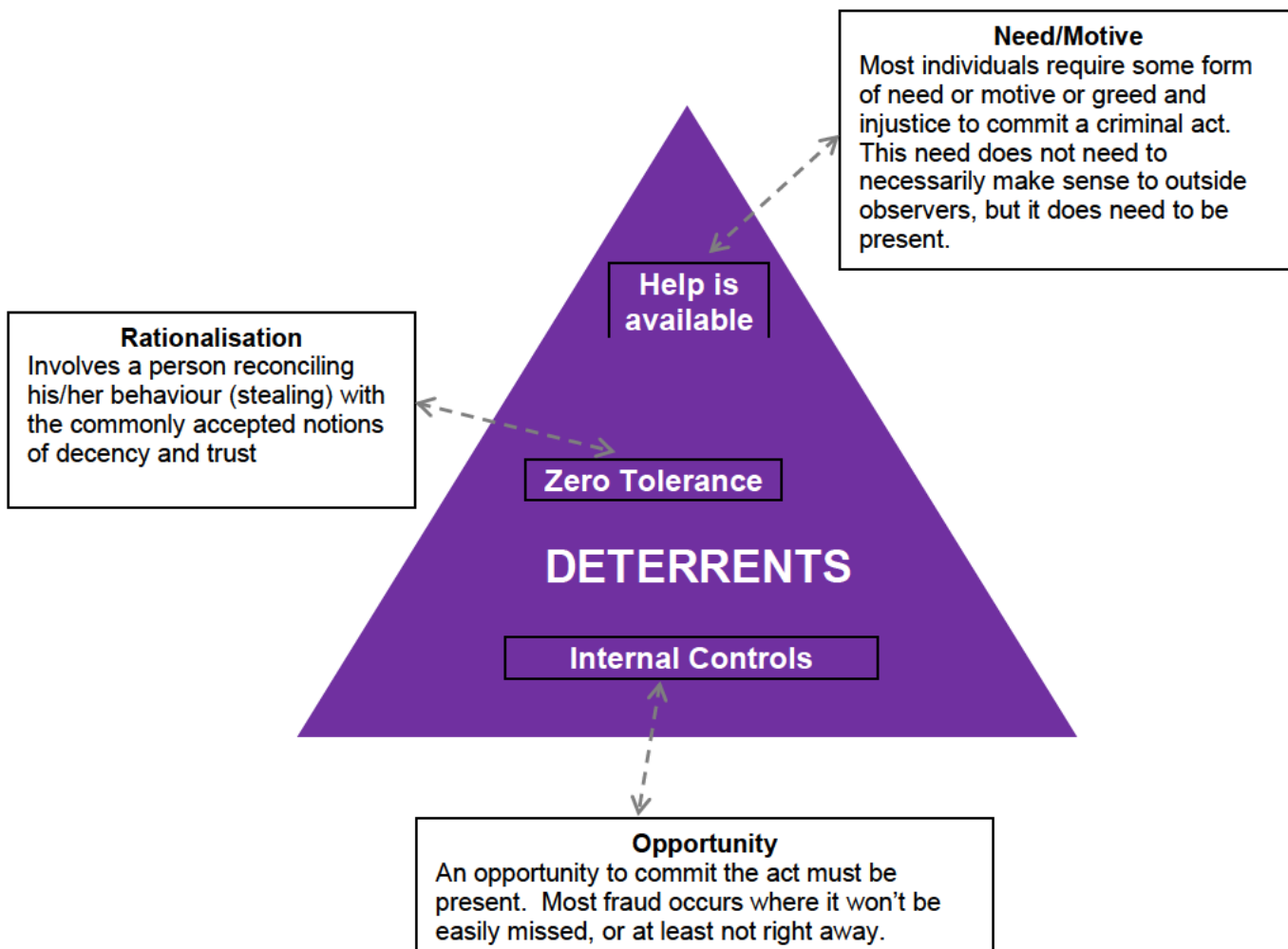
- 2.1. This Policy forms part of the College's internal controls and corporate governance arrangements.
- 2.2. The Policy applies to all of the College's activities, including those of subsidiary companies.
- 2.3. This policy covers all personnel at all levels and grades, including Board members, those on fixed or variable employment contracts, volunteers, agency staff, contractors, agents and consultants.

## 3 DEFINITIONS

- 3.1. Fraud is the act of depriving a person or organisation of something by deceit. The word is used to describe such acts as theft, deception, forgery, extortion, embezzlement, misappropriation and collusion.
- 3.2. Fraud is generally categorised as:
  - Asset misappropriation; theft of cash, goods, equipment, falsifying salary claims/overtime/expenses, stealing time
  - Fraudulent Statements; backdating agreements/contracts, falsifying assets, receipting materials that have not been received, overstating your qualifications
  - Corruption; kickbacks to staff by a supplier in return for favourable treatment, favouring a supplier in which a member of staff has an interest, bribery.
- 3.3. Attempted fraud is when completion of the act has been prevented. Both fraud and attempted fraud are equally serious.

## 4 FRAUD TRIANGLE FRAMEWORK

- 4.1 The framework referred to as the “fraud triangle” is a good way of understanding fraud and why it might happen. Generally, all three elements of the triangle must exist for an individual to act unethically;



Motive/Need: Most individuals require some form of need or motive to commit a criminal act. Motive can include money problems, gambling debts, alcohol or drug addiction. Greed can also become a motive, but it usually needs to be associated with injustice.

Opportunity: An opportunity to commit the act must be present. In the case of fraud, usually a temporary situation arises where there is a chance to commit the act without a high chance of being caught.

Rationalisation: Rationalisation involves a person reconciling his/her behaviour (stealing) with the commonly accepted notions of decency and trust. Sometimes the rationalisation is that revenge is appropriate, but most often it is a justification that the defrauded value was earned.



Prepared by:	Executive Team	Approved By:	Vice Principal (Corporate Services)
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Everyone does it, it's just a perk of the job, isn't it?

I work really hard and I don't get paid what I deserve

Money gets wasted on lots of other things

It's just a few supplies, it's not exactly serious is it!

- 4.2 We have a zero tolerance approach to fraud, bribery and corruption. Help is available if any member of staff thinks there is no alternative other than to defraud the College. You should speak to the People Team or your line manager or seek support from our confidential counselling service if you begin to feel overwhelmed by your situation.
- 4.3 We are committed to achieving the highest possible standards of integrity, openness, probity and accountability in public life. Reporting any concerns and working to prevent incidents helps us to maintain those standards, protect staff, protect jobs, and protect our reputation. We will not accept any level of fraud, bribery or corruption; any case will be investigated and dealt with appropriately in accordance with our Fraud Response Plan at Appendix A.
- 4.4 We are committed to ensuring that opportunities for fraud and corruption are reduced to the lowest manageable level of risk and we will attempt to stay ahead of new fraud threats. The Principal is responsible for maintaining a sound system of internal control that supports the achievement of our policies, aims and objectives, while safeguarding public funds and assets.

## 5 BRIBERY/CORRUPTION

- 5.1 Bribery is covered within this policy, but falls under separate legislation, under the Bribery Act 2010. Bribery can be defined as an inducement or reward offered, promised or provided in order to gain any commercial, contractual or personal advantage, financial or otherwise. This means that you are not allowed to offer, promise, give, solicit or accept any bribe; this could be cash, a gift or other inducement to, or from, any person or company. This also applies to indirect contributions, payments or gifts. This can also be known as corruption.
- 5.2 As part of our risk management processes the College assesses the risks of our key business activities on a regular basis and, where relevant, will identify activities and/or staff who are in positions where they may be exposed to bribery.

## 6 PREVENTION

- 6.1 The best way to combat fraud, bribery and corruption is to create an environment where it cannot happen in the first place. We must all always be alert to the risk of fraud, other forms of theft, bribery and corruption and remain vigilant in preventing and detecting them. Anything unusual could be an indication of fraudulent activity and you should trust your instinct if something doesn't feel right, particularly if it comes from an unknown source.

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- 6.2 External fraud could be an attack on our IT or on our Finance systems, for instance by a virus in an email or false invoicing, or someone passing themselves off as a supplier or representative of the College or partner organisation. Any suspicions about activity which you think could be wrong should be reported as soon as possible in order to minimise the risk of substantial damage.
- 6.3 Internal fraud can be stealing supplies/goods/tools/equipment/petty cash, falsifying records for personal benefit and/or receiving kick-backs. It will generally be something that deprives or steals from the College. Danger signs of internal fraud include evidence of excessive spending by staff engaged in cash/contract work, inappropriate relationships with suppliers, reluctance of staff to take leave, requests for unusual patterns of overtime and where there seems undue possessiveness of records. Our own internal control systems, including systems for spot-checking are our greatest weapons against fraud. You should resist any pressure from colleagues to circumvent internal controls or to over-ride control mechanisms.
- 6.4 You must ensure that all records in relation to any contracts or business activities, including financial invoices and all payment transactions with clients, suppliers and public officials are accurately maintained so that in the event of fraud being identified we can establish how the activity could have taken place.
- 6.5 If you are responsible for arranging contracts with suppliers you should undertake due diligence before entering into any contract, arrangement or relationship with a potential supplier of services, agent, consultant or representative.
- 6.6 The College is also an active partner in the National Fraud Initiative in Scotland. It is a counter-fraud exercise led by Audit Scotland and overseen by the Cabinet Office for the UK as a whole. It is part of a range of measures in place across the Scottish public sector which aim to prevent and detect fraud. The National Fraud Initiative uses data matching to compare information that different public bodies hold about individuals, and that might suggest the existence of fraud or error.
- 6.7 Internal Auditors will deliver their opinion on the adequacy of our arrangements for risk, control and governance (including those for managing the risk of fraud) to the Audit & Risk Committee and through their audit work help to promote fraud awareness and an anti-fraud culture. They can also assist us to deter and prevent fraud by examining and evaluating the effectiveness of control measures in view of the extent of the potential exposure/risk to the College.
- 6.8 Both Internal and External Auditors and the Audit & Risk Committee will ensure that the College has reviewed its risk exposure and identified the possibility of fraud as a business risk, and will assist us in conducting fraud investigations.

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## 7 REPORTING PROCEDURES

- 7.1 When you suspect that a fraudulent activity is taking or has taken place you must report it and this should be to your line manager in the first instance. If, for some reason, that is not practicable then you should report it to the People Team, to the Finance Team or to a member of the Executive Team. If the suspected fraud is in the form of an email you should alert the ICT Helpdesk as soon as possible and not open any attachments or links. You should not confront any individual suspected of wrongdoing nor attempt to investigate the matter yourself as this could negatively affect any follow up action; your responsibility at this stage is to report the activity. We recognise that it is rarely easy for anyone to report suspected fraud where a colleague may be involved, however in order to protect our College we must be given the opportunity to investigate and properly resolve any suspected instance of fraud. If you report genuine suspicions you will be supported by the People Team throughout the investigation.
- 7.2 Once suspected fraud has been reported we will take action to investigate the circumstances. You will be asked to provide as much detail as possible so that the matter can be thoroughly investigated. We will try to act as quickly as possible in order to minimise the risk of subsequent loss. We will ensure that appropriate recovery action is taken or, failing recovery, where there has been a financial impact, the Finance Team will initiate action to write off any losses. Where necessary, we will remedy any weaknesses in internal control and we will consider changing systems and procedures so that a similar instance cannot take place.
- 7.3 Information you provide will be treated confidentially and, where possible, only those involved in the investigation and resolution will be made aware of the circumstances. The Vice Principal Corporate Services, or another member of the Executive team if appropriate, will ensure that appropriate notification is given to Internal and External Audit, the Audit & Risk Committee and the Scottish Funding Council.
- 7.4 The Vice Principal Corporate Services, or another member of the Executive team if appropriate, is responsible for monitoring individual cases and making sure that any system changes are effective where there has been a breakdown or absence of control. Internal Audit can provide independent verification to the Accountable Officer that we have taken suitable action.

## 8 CONSEQUENCES

We will look into all cases of actual or suspected fraud robustly and promptly and we will take appropriate action in accordance with our Fraud Response Plan in Appendix A. It is possible that, if you are under investigation, depending on how serious the matter is, you could face suspension while a matter is investigated. You may face disciplinary action for potential gross misconduct if you have committed fraud or if you have allowed fraud to take place through being actively negligent. The penalty for this may include summary dismissal. Where appropriate we may decide to inform Police Scotland.

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## 9 STAFF TRAINING

- 9.1 The recruitment of suitable staff is the College's first defence in preventing fraud and the adoption of best practice processes must be strictly adhered to.
- 9.2 Staff provide the best protection against fraud and awareness of policy and procedures is fundamental to the effective operation of systems. This will be addressed as part of induction, formal staff training updates to financial procedures.

## 10 RESPONSIBILITIES

- 10.1 The Board of Management has overall responsibility for this Policy.
- 10.2 The Audit & Risk Committee is responsible for approving any changes to this Policy.
- 10.3 The Vice Principal Corporate Services is responsible for implementing and reviewing this Policy.
- 10.4 The Principal is responsible for informing the SFC about actual or suspected frauds. The Principal is also responsible for reporting any incident matching the criteria in the SFC's mandatory requirements to the Chairs of both the Board of Management and the Audit & Risk Committee.
- 10.5 The Vice Principal, People and Performance is responsible for answering requests for references for a member of staff who has been disciplined or prosecuted for fraud.
- 10.6 The prime responsibility for preventing fraud lies with management through the implementation and operation of internal controls and the fostering of an anti-fraud culture across the College. Managers are responsible for assessing and controlling the level of risk within their areas of authority.
- 10.7 It is the responsibility of all staff to:
- act with propriety in the use of College resources and in the handling and use of College funds;
  - be alert to the possibility that unusual events or transactions could be indicators of fraud;
  - take the necessary steps to minimise the risk to the College;
  - where appropriate, report immediately their suspicions;
  - co-operate fully with College employees or agents conducting internal reviews or fraud investigations.

## 11 REFERENCES

- 11.1 You should read this policy in conjunction with the Personal Relationships and the Gifts & Hospitality Policies.

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- 11.2 The Personal Relationships Policy covers the requirement for you to record all personal interests which could be considered, by someone outside the organisation, to have the potential to impact upon your decision-making. It is important that any such interests are recorded to ensure that our decision-making processes bear up to external scrutiny and you are protected from allegations of misconduct as a result of your personal interests.
- 11.3 The Gifts & Hospitality Policy provides you with advice on what to do if you, in the course of your day to day work or as a result of your work, receive offers of gifts and hospitality or provide gifts and hospitality to others on behalf of the College. You should be aware that failure to complete and submit this information may constitute evidence of a criminal offence in terms of the Bribery Act 2010.
- 11.4 The Public Interest Disclosure Policy, sets out an additional way for you to raise concerns about suspected unlawful conduct or financial malpractice.

Theft Act, 1968

Theft Act, 1978

Police and Criminal Evidence Act, 1984

Finance and Accountability (Scotland) Act, 2000

The Bribery Act, 2010

Action Fraud website <http://www.actionfraud.police.uk/>

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## APPENDIX 1 – FRAUD RESPONSE PLAN

### 1. PURPOSE

The purpose of this plan is to define authority levels, responsibilities for action, and reporting lines in the event of a suspected fraud or irregularity.

### 2. OVERVIEW OF FRAUD RESPONSE PLAN

When it is suspected that a fraud or attempted fraud, including bribery or corruption, is taking or has taken place a Fraud Response Coordinator will be appointed as soon as possible. This intention will be to limit the damage caused by the activity and put steps in place to recover any losses, or to change any procedures which enabled the fraud or attempted fraud. It is important that the response is coordinated so that all steps have been followed and that all relevant people have been involved in the resolution of the matter.

### 3. FRAUD RESPONSE COORDINATOR

The Fraud Response Coordinator (the “Coordinator”) will usually be the Vice Principal Corporate Services or, if more appropriate, another Manager as nominated by the Principal. The Coordinator will be responsible for:

- considering the circumstances and deciding the next steps;
- arranging for a formal investigation to be carried out into the alleged fraud, bribery or corruption;
- receiving and collating any evidence following an allegation of fraud;
- arranging for all necessary steps to be taken to secure the assets of the organisation;
- arranging for the suspension of any member of staff, if necessary, during the investigation;
- liaising with internal and external auditors, Audit & Risk Committee and Board members, including deciding whether to specifically inform parties outwith any normal reporting processes;
- informing outside agencies (for instance Police Scotland) as appropriate;
- notifying the Scottish Funding Council of any unusual or major incidents;
- preparing a report for the Audit & Risk Committee of all formal investigations into suspected or actual fraud;

### 4. IMMEDIATE ACTION BY THE FRAUD RESPONSE COORDINATOR

The Coordinator will, as a matter of urgency, consider the allegations and decide if further action or investigation is needed. If it is needed, the Coordinator will then:

- decide the scope and nature of any investigative work we need to carry out in order to establish the facts;
- decide who should be involved in the investigation, and confirm the investigative arrangements and reporting lines;
- secure our records and assets, including any restrictions on access to offices and computer system;
- decide whether we should inform the Police/Procurator Fiscal Service;
- consider the suspension of any member(s) of staff who are the subject of allegations;
- set a timetable for completion of each action.



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## 5. SELECTION OF INVESTIGATING OFFICER

Depending on the level of fraud suspected, the Coordinator may carry out the investigation or appoint an investigating officer (an “investigator”). If the matter being investigated is complex, consideration will be given to appointing an investigator from outside the organisation, such as from our Internal Auditors. The People Team will support any manager who is appointed as an investigator, in the same way as they support managers investigating grievances. This will ensure that the investigator is assisted in following processes and is not closely associated with any person suspected.

## 6. ACTIONS FOLLOWING INVESTIGATION

Once the investigator has finished their investigation the Coordinator will decide what further action we need to take, this may include:

- determining the financial effects of the fraud;
- pursuing recovery of funds/assets/losses;
- implementing disciplinary procedures;
- considering, in association with Internal Audit, the adequacy of internal control procedures;
- maintaining security of relevant records and assets;
- liaising with the Police/Procurator Fiscal as necessary;
- identifying any failings which allowed the fraud or attempted fraud to happen;
- making recommendations for improvement within the report to the Audit & Risk Committee for action by the organisation.

## 7. REPORT TO THE AUDIT & RISK COMMITTEE

Following the initiation of a formal investigation into an allegation of fraud the Coordinator will, at the earliest opportunity, prepare a report to the Audit & Risk Committee detailing:

- the nature of the alleged fraud;
- the nature of and results of the investigation undertaken;
- any financial loss incurred;
- any disciplinary action undertaken;
- any communication with outside agencies such as the Police;
- any recommendations for improvements in internal systems and controls;
- any other relevant details.

## 8. FOLLOW UP AND REVIEW OF CASES

- 8.1. Where there is evidence of fraud or serious misconduct, the Coordinator will consider what action to take to prevent it happening again. The final report to the Audit & Risk Committee will include recommendations. Where wider lessons can be learned by other public sector bodies we will inform the Scottish Funding Council and Audit Scotland. The Coordinator will be responsible for ensuring that the agreed recommendations are implemented.
- 8.2. The Audit & Risk Committee will consider whether we have any lessons to learn in terms of the handling of cases and whether the Fraud Response Plan and related guidance, for example on disciplinary procedures, is operating effectively. The Committee should make recommendations for any changes we need to make to our procedures in light of the outcome of individual cases and should consult on any recommended changes including with the Internal Auditors.

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## 9. CONFIDENTIALITY

Those investigating the allegations as well as members of the Executive and of the Audit & Risk Committee will receive information relating to individual cases. All information will be handled confidentially and only be passed to those with a need to know. Only if you are found to have acted improperly will a record be put on your People file. If you are involved with an investigation as an investigator, witness or suspect you will receive support from the People Team.



**BOARD OF MANAGEMENT**

**Audit & Risk Committee**

**Tuesday 22 September 2020**

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**Internal Audit**

**9.1 Health, Safety & Wellbeing Audit**

**PAPER F**



# **Dundee & Angus College**

## **Health, Safety and Wellbeing**

**Internal Audit Report No: 2021/02**

**Draft issued: 11 September 2020**

**Final issued: 14 September 2020**

**LEVEL OF ASSURANCE**

<b>Good</b>
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## Level of Assurance

In addition to the grading of individual recommendations in the action plan, audit findings are assessed and graded on an overall basis to denote the level of assurance that can be taken from the report. Risk and materiality levels are considered in the assessment and grading process as well as the general quality of the procedures in place.

Gradings are defined as follows:

Good	System meets control objectives.
Satisfactory	System meets control objectives with some weaknesses present.
Requires improvement	System has weaknesses that could prevent it achieving control objectives.
Unacceptable	System cannot meet control objectives.

## Action Grades

Priority 1	Issue subjecting the organisation to material risk and which requires to be brought to the attention of management and the Audit & Risk Committee.
Priority 2	Issue subjecting the organisation to significant risk and which should be addressed by management.
Priority 3	Matters subjecting the organisation to minor risk or which, if addressed, will enhance efficiency and effectiveness.

## Management Summary

### Overall Level of Assurance

Good	System meets control objectives.
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### Risk Assessment

This review focused on the controls in place to mitigate a number of risks included on Dundee & Angus College's ("the College") COVID-19 Strategic Risk Register.

### Background

As part of the Internal Audit programme at the College for 2020/21 we carried out a review of the College's health, safety and wellbeing arrangements, which were included in its response to COVID-19 restrictions. Our Audit Needs Assessment identified this as an area where risk can arise and where Internal Audit can assist in providing assurances to the Principal and the Audit & Risk Committee that the related control environment is operating effectively, ensuring risk is maintained at an acceptable level.

The scope of this audit was to undertake a review of the work that has been undertaken to allow College operations to continue during the COVID-19 pandemic and also the preparations made for the reopening of College campuses as lockdown restrictions are eased.

The College has made use of Microsoft Teams to record discussions and actions in relation to its response to the pandemic. 'Project – COVID-19' covered the initial response to the lockdown and has now been reconvened for the purposes of contingency planning in advance, and in the event of, a COVID-19 outbreak at the College.

'Project – 2020' was established as part of the longer-term preparations for the return to College campuses. Workstreams have been developed, which cover delivery of learning and teaching; estates and infrastructure; student engagement and services; leadership, communications, and ways of working; and finance. Members of the College Executive and Senior Leadership Teams have access to these workstreams, union representatives, student association, together with other relevant managers and staff throughout the College.

### Scope, Objectives and Overall Findings

The table below notes the objectives for this review and records the results:

Objective	Findings			
<b>The specific objectives of this audit were to obtain reasonable assurance that:</b>		<b>1</b>	<b>2</b>	<b>3</b>
1. Review the work that has been undertaken to allow College operations to continue during the COVID-19 pandemic has, as far as possible, minimised the impact on the student experience. This includes: <ul style="list-style-type: none"><li>♦ appropriate business continuity / contingency plans in place covering all of the College's activities and locations; and</li><li>♦ adequate communication and testing of the business continuity plans / contingency plans.</li></ul>	<b>Good</b>	0	0	0
2. Appropriate preparations are being made and robust plans developed to ensure that College campuses can safely reopen once the COVID-19 lockdown is eased, taking into account all Scottish Government and Health and Safety Executive Guidance relevant to education providers.	<b>Good</b>	0	0	0
<b>Overall Level of Assurance</b>	<b>Good</b>	0	0	0
		System meets control objectives		

### Audit Approach

We reviewed the specific business continuity / contingency plans put in place to continue College operations during the COVID-19 pandemic and considered whether they covered all of the College's activities and locations. We also reviewed the plans being developed for College campuses to reopen as lockdown restrictions are eased.

We discussed the College's approach with senior management, and other key staff, and reviewed evidence of how the plans have been communicated to staff and students and the extent to which plans have been tested. We discussed the impact of the lockdown on the student experience with student representatives to identify any potential lessons learned for the College.

An assessment of the key processes and internal controls was performed with reference to relevant good practice guidance.

# Summary of Main Findings

### Strengths

- In response to the emerging risk of COVID-19, the College developed a Business Continuity Plan in March 2020 specifically for pandemic illnesses. We noted that the content of the plan reflects best practice guidance produced by the World Health Organisation (WHO) and the UK Government.
- We reviewed evidence that the Project – COVID-19 Group referred to the latest Scottish Government and Health Protection Scotland guidance throughout the lockdown period. This guidance was used to inform the development of a range of communications and guidance for staff and students, including information on: remote working for staff; guidance on engaging with students in an online learning environment; advice for students on learning online; student funding and other financial support; mental health support resources for staff and students; and advice on student attainment and assessment.
- A whole of College approach was adopted by the College in maintaining engagement with students during lockdown to ensure that students remained informed and that students were able, as far as possible, to complete their studies.
- The College identified engagement plans to provide continued support to vulnerable students via phone, email, and Microsoft Teams. Mechanisms were established from an early stage during lockdown to ensure that vulnerable students were identified and were provided with access to support on a range of issues, including mental health; academic issues; financial support and guidance, and working with external support agencies to supplement support provided by College staff, where this was required.
- We noted that the College response to staff working remotely from home included identifying critical roles within the College and ensuring that these members of staff were provided with IT equipment to allow them to continue to operate remotely and securely in order to minimise disruption to key operations. Remote working facilities were available to staff prior to the COVID-19 pandemic, although the scale of this remote working capability was rapidly increased to ensure that there was sufficient capacity for all staff who needed to work from home to do so.
- Contingency planning was undertaken during the early phases of the COVID-19 lockdown, which allowed the College to consider a range of potential options and solutions for the start of the 2020/21 academic session. These options were based on the information and guidance made available from the Scottish Government and health protection agencies at that time.
- Our review of the College's arrangements for the safe reopening of its campuses confirmed that plans are aligned with the measures outlined in the College's business continuity plan for pandemics, which was produced in March 2020. We also confirmed that the plans put in place, and the preparations made for the safe reopening of campuses, also reflect the principles and requirements of the Scottish Government guidance for Colleges, and the more general Working Safely Guide published by the Health & Safety Executive (HSE).
- On 24 August 2020, the College responded to a request for information from the Scottish Government, by reporting a summary of COVID-19 related adaptations, mitigations, and information. We found that the measures outlined in report were in line with guidance issued by the Scottish Government and Health Protection Scotland, as well as reflecting the procedures outlined in the College's Outbreak Management Plan, which details the steps that should be taken in the event of a COVID-19 outbreak at the College.
- A desktop testing exercise of the Outbreak Management Plan was undertaken in late August 2020.

### Summary of Main Findings (continued)

#### Weaknesses

- We did not identify any significant weaknesses during our review. The COVID-19 situation is subject to rapid change with the guidance issued by the Scottish Government, health protection agencies and the HSE being updated regularly. National and local lockdown restrictions may also change at short notice and therefore the College will need to remain vigilant in order to ensure that a dynamic review of local and national circumstances is maintained to allow both its outbreak management and recovery plans to flex and adapt to any changes in COVID-19 risks.

#### Acknowledgements

We would like to take this opportunity to thank the staff at the College who helped us during our audit visit.



## Main Findings and Action Plan

**Objective 1: The work that has been undertaken to allow College operations to continue during the COVID-19 pandemic has, as far as possible, minimised the impact on the student experience. This includes:**

- appropriate business continuity / contingency plans in place covering all of the College's activities and locations; and
- adequate communication and testing of the business continuity plans / contingency plans.

Prior to the COVID-19 pandemic, the College had in place a Business Continuity Policy which set out the responsibilities, procedures, and responses to be deployed by the College in the event of a disaster or major incident. This was supported by a detailed Business Continuity Plan, last updated in March 2020, which sets out how the policy would be operationalised in the event of a major incident, and was designed to ensure the continuation of the vital services and functions that support the effective running of the College in the event of business interruption. The plan identified pandemic illness as an example of a critical incident.

Our review noted that, in accordance with the College's business continuity planning arrangements, the College maintained a log of key incidents which preceded the closure of the campuses, including:

- 29 January 2020: College posted advice regarding the newly identified coronavirus on the staff portal.
- 30 January 2020: WHO declared global health emergency.
- 7 February 2020: Scottish Funding Council (SFC) produces dedicated guidance via its website.
- 10 February 2020: College provides link to NHS communications on the coronavirus on staff portal.
- 11 February 2020: COVID-19 named.
- 28 February 2020: first case of community transmission reported in the UK.
- 3 March 2020: College forms a COVID-19 Project Team comprising members of the Executive and Senior Leadership Teams.
- 4 March 2020: College issued guidance to staff and students on risks and mitigations. A focussed cleaning regime was implemented across all campuses.
- 9 March 2020: ICT arrangements put in place to support home working and online learning and teaching delivery. Roll out of multi-factor authentication for remote working brought forward to maintain IT security levels. Issue of laptops prioritised for key staff to operate critical systems working from home.
- 13 March 2020: Sector engagement between College Principals and the SFC to determine sector response to COVID-19.



## Health, Safety and Wellbeing

**Objective 1: The work that has been undertaken to allow College operations to continue during the COVID-19 pandemic has, as far as possible, minimised the impact on the student experience. This includes:**

- **appropriate business continuity / contingency plans in place covering all of the College's activities and locations; and**
- **adequate communication and testing of the business continuity plans / contingency plans (continued)**
- 18 March 2020: Face to Face teaching suspended. College facilities closed with buildings only remaining open to staff.
- 21 March 2020: College buildings closed to staff.

In response to the emerging risk of COVID-19, the College developed a Business Continuity Plan in March 2020 specifically for pandemic illnesses. We noted that the content of the plan reflects best practice guidance produced by the WHO and the UK Government. Due to the timing of the development of the plan, relative to the COVID-19 timeline outlined above, we noted that there was no opportunity to undertake a desktop review of the plan to confirm its effectiveness. However, from a review of the Project – COVID-19 timelines, actions and documentation we noted that the College followed the business continuity plan as documented. It is our view that the experience gained from the cyber-attack on the College earlier in 2020 was key in the effective implementation of an effective response to COVID-19. Key points identified included:

- An assessment of critical functions and services at College and departmental level was undertaken to inform the prioritisation of resources to support staff and students.
- Deployment of a Business Continuity / Crisis Management Team which comprised of members of the ELT, SLT, the Health & Safety Officer, Marketing Team Leader and the HR Manager, .
- Plans were established to identify and support alternative ways of working and teaching to minimise the disruption on College functions and services.
- Ongoing communication with stakeholders, including staff, trade unions, local authorities, employers, and students to keep them informed of arrangements for working, delivery of learning and teaching, assessments and health and safety.
- Identification of vulnerable student groups, with College staff liaising with external agencies to ensure that adequate support was put in place for those students with greatest need.
- Development of virus transmission mitigation plans, in line with guidance produced by health protection agencies, including enhanced hygiene and sanitisation programmes, social distancing procedures and procurement and distribution of Personal Protective Equipment.

## Health, Safety and Wellbeing

**Objective 1:** The work that has been undertaken to allow College operations to continue during the COVID-19 pandemic has, as far as possible, minimised the impact on the student experience. This includes:

- appropriate business continuity / contingency plans in place covering all of the College's activities and locations; and
- adequate communication and testing of the business continuity plans / contingency plans (continued)

A number of workstreams were established as part of 'Project - COVID-19' with key tasks identified for each workstream. Areas covered included:

- Credits
- Staff/Student Mental Health
- Contacting students
- Contacting staff
- Contacting stakeholders
- Student recruitment
- Staff and training
- Student attainment
- Contacting the College
- Finances
- Student funding
- Campus operations
- Carpark, i.e. future actions

We confirmed that for each task a priority grading had been assigned, tasks were assigned to individuals, additional notes were recorded (often being the risks associated with the task) and the progress status was captured. A review of the Project – COVID-19 tasks found that of the 76 six tasks identified, only six were showing as not started or in progress. Our review noted that all tasks that could be completed had been, and of the outstanding actions we noted that these could not be marked as completed at the time of our audit fieldwork because tasks were ongoing and related to actions which would be addressed in the 2020/21 academic year.

We noted evidence that the Project – COVID-19 group referred to the latest Scottish Government and Health Protection Scotland guidance throughout the lockdown period, which was used to inform the development of a range of communications and guidance for staff and students, including information on: remote working for staff; guidance on engaging with students in an online learning environment; advice for students on learning online; student funding and other financial support; mental health support resources for staff and students; and advice on student attainment and assessment.

A whole of College approach was adopted by the College in maintaining engagement with students during lockdown to ensure students remained informed and that students were able, as far as possible, to complete their studies. This involved curriculum teams, Quality Team, Student Services Team, Student Services Support, Learner Engagement, Learning & Digital Resources, and the Student Association. Covid-19 FAQs were produced for staff and students and updated as new national guidance became available.

## Health, Safety and Wellbeing

**Objective 1: The work that has been undertaken to allow College operations to continue during the COVID-19 pandemic has, as far as possible, minimised the impact on the student experience. This includes:**

- **appropriate business continuity / contingency plans in place covering all of the College's activities and locations; and**
- **adequate communication and testing of the business continuity plans / contingency plans (continued)**

The College identified engagement plans to provide continued support to vulnerable students via phone, email, and Microsoft Teams. Mechanisms were established at an early stage of lockdown to ensure that vulnerable students were identified and were able to access support on a range of issues including mental health; academic issues; financial support and guidance; and external support agencies to supplement support provided by College staff, where required.

The College worked closely with the Student Association to ensure that students continued to be able to access support and guidance. The College has continued to work with the Student Association, and seek the views of students, in developing plans for the safe reopening of campuses and to inform how students can obtain access to information on academic and student support issues.

A staff survey was issued in May 2020 to gauge: the overall feeling of staff working from home; any challenges that they faced; how staff had found the level of communication and engagement from the College and line managers; and to identify further opportunities for supporting staff.

A review was conducted by the College in May 2020 to identify the potential risks and barriers to digital inclusion for staff and students resulting from the closure to College buildings and restrictions in access to services and resources. The results of this review have informed the planning for the 2020/21 academic year.

Good practice in implementing COVID-19 guidance, and responding to the associated challenges, was identified in other colleges, through sector groups and in other public sector organisations and was utilised to inform the College's approach to developing procedures and also the approach to engagement and communication with both staff and students.

We noted that the College response to staff working remotely from home included identifying critical roles within the College and ensuring that they were provided with IT equipment to continue to operate remotely and securely in order to minimise disruption to key operations. Remote working facilities were made available to staff prior to the COVID-19 pandemic, although the scale of this remote working capacity has been rapidly increased to ensure that all staff who needed to work from home could do so.

The College responded to calls for information from the SFC and Scottish Government on issues such as financial impact, continuing delivery of the curriculum, staffing, support provided for students, COVID-19 risk mitigations and planning for the reopening of buildings.

Contingency planning was undertaken during the early phases of the COVID-19 lockdown, during which the College considered a range of potential options and solutions for the start of the 2020/21 academic session, which were based on the information and guidance made available from the Scottish Government and health protection agencies at that time.

## Health, Safety and Wellbeing

**Objective 1:** The work that has been undertaken to allow College operations to continue during the COVID-19 pandemic has, as far as possible, minimised the impact on the student experience. This includes:

- appropriate business continuity / contingency plans in place covering all of the College's activities and locations; and
- adequate communication and testing of the business continuity plans / contingency plans (continued)

Assessment of student achievements and outcomes for 2019/20 continued in line with the relevant awarding body guidance. Contingency plans allowed for students who still had to complete practical courses in 2019/20 being deferred until the start of the 2020/21 academic session.

We noted that the College had engaged, and continues to do so, with local authorities and Universities on the potential impact that a delay to the start of the 2020/21 academic year could have on school pupils, school leavers and students seeking to progress to University.

The Project COVID-19 group was initially set up for the project team to coordinate its response to lockdown in March 2020. The group was later reconvened in mid-August 2020 for the purposes of contingency planning in advance, and in the event of a COVID-19 outbreak at the College.



## Health, Safety and Wellbeing

**Objective 2: Appropriate preparations are being made and robust plans developed to ensure that College campuses can safely reopen once the COVID-19 lockdown is eased, taking into account all Scottish Government and Health and Safety Executive Guidance relevant to education providers.**

'*Coronavirus (COVID-19): guidance for colleges*', was issued by the Scottish Government, initially in June 2020 but subsequently updated, with the latest revision published on 1 September 2020 to include updated guidance on face coverings in an education setting. Our review of the College's arrangements for the safe reopening of its campuses noted that plans are aligned with the measures outlined in its business continuity plan for pandemics, produced in March 2020. We also found that the plans put in place and preparations undertaken, for the safe reopening of campuses also reflect the principles and requirements of the Scottish Government guidance for Colleges, and the more general Working Safely Guide published by the Health & Safety Executive (HSE).

'*Coronavirus (COVID-19): guidance for colleges*', outlines a set of principles which Colleges should consider when implementing the guidance, including:

- the health, safety and wellbeing of students, staff, visitors, contractors, and the wider community will be the priority in decisions relating to the easing of COVID-19 restrictions in colleges
- colleges will review their teaching, learning and assessment to ensure that there is the required flexibility in place to deliver a high-quality experience which allows learning to take place safely
- colleges will regularly review the welfare and mental health needs of students and staff and take steps to ensure preventative measures and appropriate support is in place and are well communicated as restrictions are eased
- colleges will recognise that students and staff may have been affected by the pandemic in a number of ways (e.g. through bereavement or experiencing anxiety related to the pandemic)
- following appropriate risk assessments, colleges will introduce measures specifically designed to protect staff and students in specialised training facilities, such as practical workshops and hairdressing and beauty salons and other specialised vocational training facilities and spaces
- colleges will engage with staff and students, including trade unions and student associations to ensure a safe resumption of college activities
- colleges will regularly review their hygiene, waste disposal and cleaning protocols in all college spaces, and adapt these in response to changing public health advice and risk levels, to ensure that students, staff and visitors can have confidence in their safety □ colleges will take an equality, human rights and risk-based approach to protect health and safety of staff and students. Trade unions, student associations and staff will be fully engaged in this process

Colleges are expected to follow a risk-based approach to protect the health and safety of staff and students. Staff and students are to be fully engaged in that process, through trade union and student association representatives. Risk assessments will underpin general protocols describing how people can access and use a college building. These will address questions regarding safely entering the building, moving around within it, and using facilities such as offices, networked printers, can teens, toilets, etc. These will apply to everyone on the site and be drawn up by college management in consultation with relevant interested parties.

A High Level Principles and Guidance has been produced by the College which underlines the College's commitment to the principles and guidance outlined in the '*Coronavirus (COVID-19): guidance for colleges*', and details the measures adopted by the College in developing and enacting the detailed operational and delivery plans to support the reopening of College campuses, teaching and support services.

**Objective 2: Appropriate preparations are being made and robust plans developed to ensure that College campuses can safely reopen once the COVID-19 lockdown is eased, taking into account all Scottish Government and Health and Safety Executive Guidance relevant to education providers (continued).**

Our review identified a range of evidence which confirmed that the College's preparations are aligned with the principles outlined in the '*Coronavirus (COVID-19): guidance for colleges*', including:

- surveys have been issued to staff to inform development of communication plans, development of online and digital learning resources for staff and students and establishing safe working arrangements for staff working on campuses. The College has liaised with the Student Association to obtain views of student representatives. FAQs have been produced for both staff and students on the reopening of campuses.
- a Wellbeing hub has been set up to provide staff access to additional support resources.
- guidance on Learning, Teaching and Assessment Planning has been produced which sets out the considerations and approach required to plan the delivery of learning, teaching, and assessment for session 2020-21.
- during lockdown, the College worked to identify vulnerable students and continued to support them through various engagement strategies and making additional resources available. The College Student Services team has been working to review admissions to identify students that require additional welfare, financial and mental health support.
- academic teams have been provided with advice on how to engage with students remotely, to provide academic support and to identify students that may require additional mental health support and how the College can assist those students.
- a strategy is in place for issuing regular communications to staff and students on the online support that is available.
- College, departmental and individual risk assessments have been completed and adaptations and mitigations put in place. Mitigations and adaptations tailored to each teaching environment, working space and specific individual needs (e.g. if addressing any underlying health issues). Adaptations and mitigations include:
  - Social distancing – a physical distancing framework has been produced to communicate to staff and students how this will be achieved on campus
  - Face coverings
  - Enhanced hygiene and sanitisation
  - Limits on room capacities
  - One-way systems around campuses and physical barriers to limit crowd flows
  - Protective screens
  - Increased visual signage and messaging around campuses
  - Reduction of class sizes and staggered timetabling to reduce groups
  - Identification of PPE requirements for work and teaching locations, tasks, and individuals
- the capacity of spaces (and how many students and staff can be accommodated as safely as possible) has been considered, with amended room capacities identified. Each room will have a notice displaying the capacity level. Risk assessments consider the activities being undertaken in the space and plan numbers accordingly.
- the Student Association and a small group of students were invited to tour each of the campuses to view and discuss the COVID-19 health and safety measures put in place with the Head of Estates.



## Health, Safety and Wellbeing

**Objective 2: Appropriate preparations are being made and robust plans developed to ensure that College campuses can safely reopen once the COVID-19 lockdown is eased, taking into account all Scottish Government and Health and Safety Executive Guidance relevant to education providers (continued).**

- ways of working guidance has been developed, which identifies different work types and resource and support requirements for each, including work that is done entirely remotely, work which requires staff to be on campus sometimes and work that can never be done remotely. from home guidance produced. Physical distancing framework produced.
- staggered start times and breaks students, and other flexible working patterns for staff, to support physical distancing in accordance with government guidelines are to be implemented. Only essential staff will be on campus. Staff that do need to be on campus will work on a rotational basis with colleagues between remote and on campus working. The College has engaged with local transport providers to make them aware of the College's staggered start times and blended learning approach. Local transport demand and availability will be monitored once term starts.
- to minimise the use of shared equipment, hot desks, and other facilities to ensure safe usage relevant staff will be allocated dedicated workstations or those hot desking issued with laptops to avoid sharing of ICT equipment. An enhanced hygiene and sanitisation regime has been put in place.

On 24 August 2020, the College responded to the request for information from the Scottish Government by reporting a summary of COVID-19 related adaptations, mitigations, and information. The report outlined the Colleges approach in relation to:

- procedures for students from non-exempt countries to ensure respect of quarantine requirements
- procedures for students who need to self-isolate because they have the symptoms of COVID-19 or have been traced as a close contact
- plans and processes to support contact tracing of students and staff
- plans to minimise the number of people on campus at any one time for students and staff
- procedures to ensure maximum communication and understanding of COVID- 19 requirements among students and staff and any compliance mechanisms
- mitigation practices agreed with the local authorities to minimise risk of transmission through school pupils attending the College

We found that the measures outlined in the report produced by the College were in line with guidance issued by the Scottish Government and Health Protection Scotland, and also reflected the procedures outlined in the College's Outbreak Management Plan, which detail the steps that should be undertaken in the event of a COVID-19 outbreak at the College. The measures reported to the Scottish Government, and detailed above in this report, were confirmed by our review.

A desktop testing exercise of the Outbreak Management Plan was undertaken in late August 2020 to identify the key tasks which would require to be undertaken under the three separate headings of 1) Communications, 2) Health, Safety and Wellbeing, and 3) Staff Information. The exercise identified key tasks that would be undertaken during an outbreak under the three headings, which have been assigned to individuals or groups. These have been documented within the Microsoft Teams 'Project - 2020 group' to allow monitoring by the Business Continuity Team during an outbreak.

Overall, we have concluded that appropriate preparations are being made, and robust plans developed, to ensure that College campuses can safely reopen, considering the current Scottish Government and Health and Safety Executive guidance.

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**BOARD OF MANAGEMENT**

**Audit & Risk Committee**

**Tuesday 22 September 2020**

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**Internal Audit**

**9.2 2019/20 Progress Report**

**PAPER G**

# Dundee & Angus College

Internal Audit Program Report  
2019/20 Annual Plan

22 September 2020

Now, for tomorrow

# Internal Audit Progress Report

## September 2020

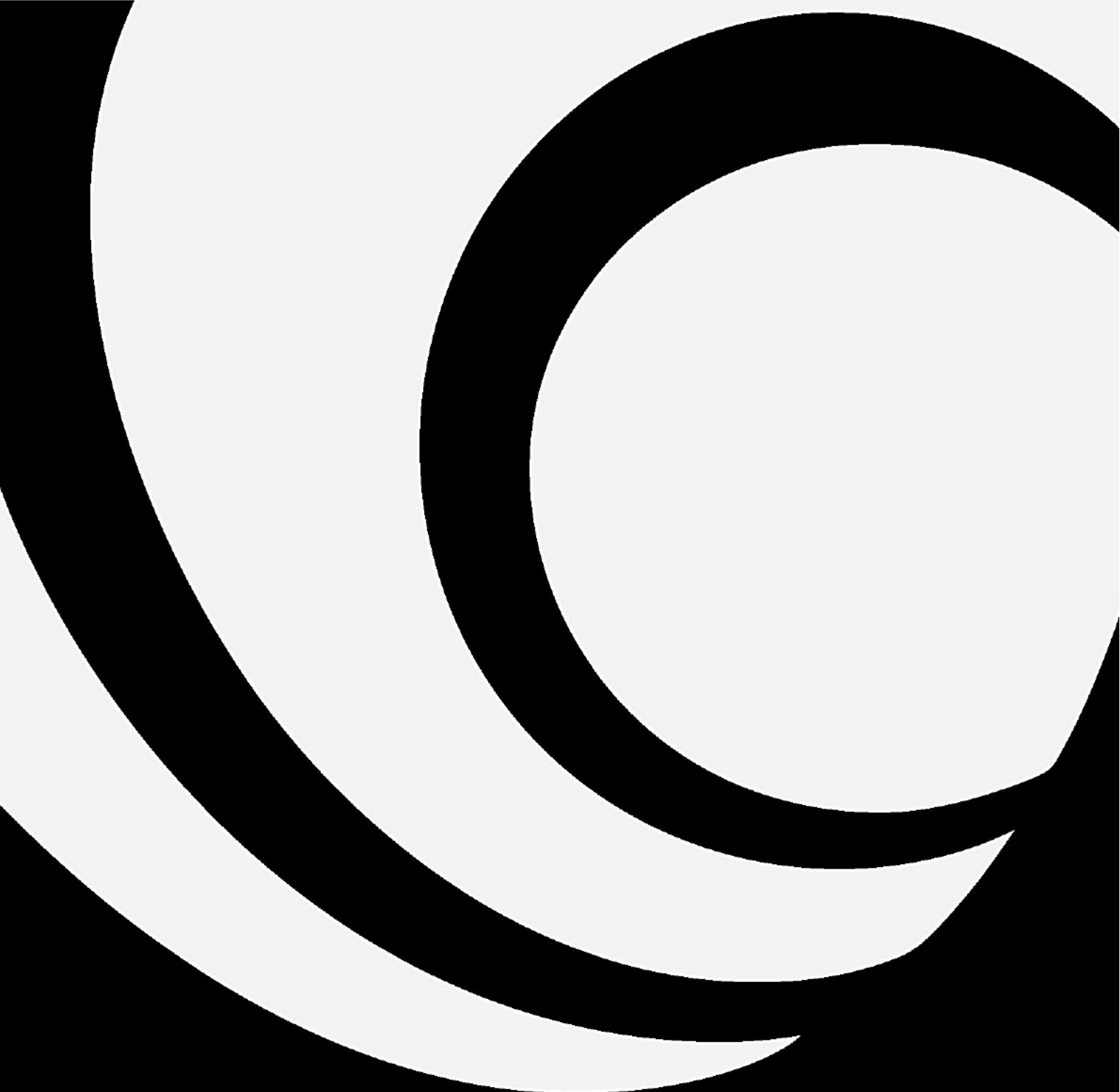
Progress made in delivering the annual plan for 2019/20, approved in September 2019, is shown below.

Audit Area	Planned reporting date	Report status	Report Number	Overall Conclusion	Audit and Risk Committee	Comments
Annual Plan 2019/20	September 2019	Draft 06/09/19 Final 10/09/19	2020/01	N/A	17/09/19	
Staff recruitment and retention	March 2020	Draft 23/12/19 Final 13/01/20	2020/02	Satisfactory	12/05/20	
IT Network Arrangements / IT Strategy	March 2020	Draft 07/04/20 Final 28/04/20	2020/03	Satisfactory	12/05/20	
Payroll and HR	March 2020	Draft 27/04/20 Final 29/04/20	2020/04	Good	12/05/20	
Procurement and Creditors / Purchasing	March 2020	Draft 05/05/20 Final 05/05/20	2020/05	Good	12/05/20	
National Fraud Initiative	September 2020					This has been deferred into the 2020/21 internal audit programme at the request of College management.
Follow Up Reviews	September 2020	Draft 15/09/20 Final 15/09/20	2020/06	6 of the 13 actions reviewed were classified as fully implemented	22/09/20	

Audit Area	Planned reporting date	Report status	Report Number	Overall Conclusion	Audit and Risk Committee	Comments
Credits audit	November 2020					Fieldwork commenced 31/08/20.
Bursary, childcare and hardship funds	November 2020					Fieldwork commenced 07/09/20.
EMA audit	November 2020					Fieldwork commenced 07/09/20.

Gradings are defined as follows:

<b>Good</b>	System meets control objectives.
<b>Satisfactory</b>	System meets control objectives with some weaknesses present.
<b>Requires improvement</b>	System has weaknesses that could prevent it achieving control objectives.
<b>Unacceptable</b>	System cannot meet control objectives.

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**BOARD OF MANAGEMENT**

**Audit & Risk Committee**

**Tuesday 22 September 2020**

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**Internal Audit**

**9.3 Follow Up Review**

**PAPER H**

# Dundee and Angus College

## Follow-Up Reviews

2019/20

ed: 15 September 2020

nal issued: 15 September 2020

Now, for tomorrow

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# 1. Management Summary

## Introduction and Background

As part of the Internal Audit programme at Dundee and Angus College ('the College') for 2019/20 we carried out a follow-up review of the recommendations made in Internal Audit reports issued during 2018/19 and reports from earlier years where previous follow-up identified recommendations outstanding. These were:

2019/05 – Duty of Care;  
2019/06 – Risk Management and Business Continuity Planning;  
2019/07 – Student Engagement / Students' Association; and  
2019/09 – Follow-Up Reviews 2018/19

Reports 2019/01 – Audit Needs Assessment and Strategic Plan 2018 to 2021, 2019/02 – Annual Plan, 2019/03 – Cyber Security, 2019/04 – Equality & Diversity, 2019/11 – Student Support Funds and 2019/12 – Annual Report did not contain an action plan and therefore no follow-up activity was required on these specific reports as part of this review. Report 2019/08 – Catering Business Process Review identified a number of areas for investigation or improvement through facilitated focus group sessions and interviews with staff, and actions were prioritised for the College to take forward. Management are providing the Audit & Risk Committee with an update on progress with these actions at each meeting. Report 2019/10 – 2018/19 Student Activity Data will be followed up separately as part of the equivalent 2019/20 Student Activity Data report which will be considered by the November 2020 meeting of the Audit & Risk Committee.

Report 2019/09 included one outstanding action from 2016/17 and four outstanding actions from 2017/18, which required to be followed up again this year.

## Audit Scope and Objectives

The objective of our follow-up review was to assess whether recommendations made in internal audit reports from 2018/19, and previous years, had been appropriately implemented and to ensure that, where little or no progress had been made towards implementation, that plans were in place to progress them.

## Audit Approach

For the recommendations made in the reports referred to above we ascertained by enquiry and review of supporting documentation, as appropriate, whether they had been completed or what stage they had reached in terms of completion and whether the due date required to be revised.

Action plans from the original reports, updated to include a column for progress made to date, are appended to this report.

### Overall Conclusion

The College has made some progress in implementing the recommendations followed-up as part of this review with six of the 13 recommendations followed up being classified as 'fully implemented'. Three recommendations were assessed as 'partially implemented' and these will be subject to formal follow-up as part of the equivalent review in 2020/21.

Four recommendations were assessed as 'considered but not implemented'. Three related to report 2019/06 – Risk Management and Business Continuity Planning. For R2 and R3 management have updated the risk owner on the Strategic Risk Register to identify risk owners but have not implemented the recommended linkages to the ROA/Corporate Plan or developed the recommended supporting documentation which aligns responsibility for the mitigating actions and controls for each strategic risk to specific individuals. For R4 we have been advised by management that the lack of reference to ISO 22301 has not impacted on the effectiveness of the Business Continuity Plan so this element of the recommendation was not accepted. The other recommendation considered but not implemented related to report 2017/07 – Business Development (included in previous year's Follow-Up Reviews) where a new CRM system to meet the College's needs has not been identified, and the College will continue to use the current version of Sales Force as a CRM system and review in 12 months' time..

Area	From Original Reports		From Follow-Up Work Performed			
	Rec'n Grades	Number Agreed	Fully Implemented	Partially Implemented	Little or No Progress Made	Considered But Not Implemented
Duty of Care	1	-	-	-	-	-
	2	1	1	-	-	-
	3	2	1	1	-	-
<b>Total</b>		3	2	1	-	-
Risk Management and Business Continuity Planning	1	-	-	-	-	-
	2	-	-	-	-	-
	3	4	1	-	-	3
<b>Total</b>		4	1	-	-	3
Student Engagement / Students' Association	1	-	-	-	-	-
	2	-	-	-	-	-
	3	1	1	-	-	-
<b>Total</b>		1	1	-	-	-
Follow-Up Reviews	1	-	-	-	-	-
	2	-	-	-	-	-
	3	5	2	2	-	1
<b>Total</b>		5	2	2	-	1
<b>Overall Total</b>		13	6	3	-	4

### Overall Conclusion (Continued)

The grades, as detailed below, denote the level of importance that should have been given to each recommendation within the internal audit reports:

<b>Priority 1</b>	Issue subjecting the College to material risk and which requires to be brought to the attention of management and the Audit & Risk Committee.
<b>Priority 2</b>	Issue subjecting the College to significant risk and which should be addressed by management.
<b>Priority 3</b>	Matters subjecting the College to minor risk or which, if addressed, will enhance efficiency and effectiveness.

### Acknowledgments

We would like to thank all staff for the co-operation and assistance we received during the course of our reviews.

## Appendix I - Updated Action Plan: Internal Audit Report 2019/05 – Duty of Care

Recommendation	Grade	Original Management Comments	To Be Actioned By	No Later Than	Progress at August 2020
<b>R1</b> Compile and publish a policy / procedure and guidance to all staff involved in event planning on how to risk assess and manage any planned events, meetings and guest speakers to mitigate the risk of attempts to radicalise students or to draw them into terrorism.	3	Agreed	Vice Principal (People & Performance)	31 August 2019	Policy Guidance produced and shared.  <b>Fully Implemented</b>
<b>R2</b> Include mandatory training on Safeguarding, Corporate Parenting and Prevent for all new members of staff as part of their induction. In addition, steps should be taken to ensure that all members of staff receive refresher training in Safeguarding, Corporate Parenting and Prevent at least once every three years.	2	Agreed	Head of People & OD	31 December 2019	Training included in revised mandatory training schedule.  Safeguarding incorporated as mandatory element in staff induction.  <b>Fully Implemented</b>

## Follow-Up Reviews 2019/20

Recommendation	Grade	Original Management Comments	To Be Actioned By	No Later Than	Progress at August 2020
<p><b>R3</b> A report should be submitted to the Board of Management (via the Human Resource and Development Committee) on an annual basis which provides an update on any changes to Safeguarding, Corporate Parenting and Prevent legislation / guidance and the College's response(s) to these changes. The report should also provide updates on the staff training and ongoing initiatives in these areas together with the progress being made since the last Corporate Parenting Plan was published.</p>	3	Agreed	Vice Principal (People & Performance)	31 December 2019	<p>Recommendation considered at Audit and Risk Committee on 26 November 2019 and action revised as actions are incorporated into statutory updating of Corporate Parent plan.</p> <p>Discussion of need for specific reporting on uptake of mandatory training element to be held with HR&amp;D Committee September 2020 (timing impacted by Cyber-attack and COVID 19 issues).</p> <p><b>Revised completion date:</b> 30 September 2020</p> <p><i>Partially Implemented</i></p>

## Appendix II - Updated Action Plan: Internal Audit Report 2019/06 – Risk Management and Business Continuity Planning

Recommendation	Grade	Original Management Comments	To Be Actioned By	No Later Than	Progress at August 2020
<b>R1</b> The Strategic Risk Register should be accompanied by a standard supporting report which summarises for each of the relevant Committees a) any new or amended risks b) any changes required to the risk scores for existing risks c) any changes required to mitigating actions and d) any risks which are above the risk appetite level set and setting out the actions required to bring the risk within tolerable levels.	<b>3</b>	Agreed.	Vice Principal (People and Performance)	30 September 2019	Report introduced from September 2019.  <b>Fully Implemented</b>

## Follow-Up Reviews 2019/20

Recommendation	Grade	Original Management Comments	To Be Actioned By	No Later Than	Progress at August 2020
<b>R2</b> The Strategic Risk Register should be amended to make explicit reference to the relevant section of the ROA/Corporate Plan and to align responsibility of individual risks to one single risk owner who in turn is responsible for assigning each of the mitigating actions to a single owner and monitoring completion/maintenance.	<b>3</b>	Agreed.	Vice Principal (People and Performance)	30 September 2019	<p>The responsibility section of the Strategic Risk Register has been amended to highlight the College lead(s), who are responsible for ensuring that the required mitigation, monitoring, review and reporting is undertaken. For the vast majority of risks there is no single risk owner, most have two senior staff with lead responsibility, but none now refer to the ELT as a whole.</p> <p>Management advised that the link to the ROA has not been implemented due to changes in ROA format by SFC. Therefore we have categorised as Considered BUT Not Implemented on the basis that although part of the recommendation has been implemented we cannot say that the full recommendation has been fully implemented</p> <p><b><i>Considered But Not Implemented</i></b></p>

## Follow-Up Reviews 2019/20

Recommendation	Grade	Original Management Comments	To Be Actioned By	No Later Than	Progress at August 2020
<b>R3</b> Consideration should be given to the development of a more detailed working document which sits below the Strategic Risk Register and aligns mitigating actions and controls to individual members of staff who will report on the status of these mitigating actions and controls to the identified risk owner prior to presentation of the Strategic Risk Register to ELT in advance of the Audit & Risk Committee.	<b>3</b>	Agreed.	Vice Principal (People and Performance)	30 September 2019	As per R2.  <b><i>Considered But Not implemented</i></b>



## Follow-Up Reviews 2019/20

Recommendation	Grade	Original Management Comments	To Be Actioned By	No Later Than	Progress at August 2020
<b>R4</b> A review should be conducted to ensure that the new requirements contained within Clause 9 of ISO 22301 are reflected in the next iteration of the Business Continuity Plan.	<b>3</b>	Agreed.	Vice Principal (People and Performance)  <b>2020 update:</b> Action transferred to Vice Principal Corporate Services	31 March 2020	Following the scenario planning desktop exercise and the management of the Cyber-attack and COVID-19 the Business Continuity Plan and Policy have been updated and approved at the Audit & Risk Committee meeting in May 2020.  Following the Cyber-attack, the College undertook an analysis and evaluation of the performance and effectiveness of its business continuity management and advised us that it was not found to be deficient. Management do not believe that the lack of reference to ISO 22301, nor the individual and extensive elements required by the standard, has impacted on the effectiveness of the plan.  <b><i>Considered But Not Implemented</i></b>

## Appendix III - Internal Audit Report 2019/07 – Student Engagement / Students' Association

Recommendation	Grade	Original Management Comments	To Be Actioned By	No Later Than	Progress at August 2020
<b>R1</b> A formal Learner Engagement Strategy should be developed which contains aims and objectives which are clearly linked to the College's Regional Outcome Agreement and to the College's partnership agreement with the Students' Association; identifies and prioritises learner engagement activity; and identifies actions which focus specifically on how the Strategy will be implemented in practice.	<b>3</b>	Agreed.	Learner Engagement Manager	30 June 2020	Final draft strategy approved for implementation in August 2020.  <b><i>Fully Implemented</i></b>

## Appendix IV - Internal Audit Report 2019/09 – Follow-Up Reviews 2018/19

Recommendation	Priority	Original Management Comments	To Be Actioned By	No Later Than	Progress Previously Reported	Progress at August 2020
<b>2017/07 – Business Development</b>						
<b>R2</b> The College should ensure that a CRM system is implemented for use by staff across both support and academic areas as soon as practicable. Prior to implementing a new CRM system, the existing processes used within the Customer Engagement Team relating to contacting clients (and recording information about client contact) should be reviewed and revised, so that the new CRM system is customised to the College's needs based on what are considered effective and efficient processes.	<b>3</b>	A recommendation for this has already been included within the College's 'Good to Great Strategy'.	Director External Relations/ Head of ICT	31 May 2018	<p><b>At August 2018</b> The College CRM system continues to be a part of the College's 'Good to Great Strategy' and progress has been made in identifying / scoping relevant platforms. This work will continue through the 2018/19 academic year.</p> <p><b>Revised completion date:</b> 28 June 2019</p> <p><b>Partially Implemented</b></p>	<p>Three systems were reviewed and demonstrations provided by external parties to see if they would meet the College's requirements of a CRM system. Hanlon, Dynamics 365 and Capita (UnitE). The demonstrations did not provide management with confidence that they would meet the needs of the College.</p> <p>It was agreed that the College would continue to use the current version of Sales Force as a CRM system and review in 12 months' time.</p>

## Follow-Up Reviews 2019/20

Recommendation		Priority	Original Management Comments	To Be Actioned By	No Later Than	Progress Previously Reported	Progress at August 2020
R2	(continued)					<p><b>At September 2019</b> The CRM system is progressing via Good to Great. There was a revision from the project brief to include managing student work placements and there are currently 3 models being presented from outside companies. It is the College's intention that the system will combine CRM and managing student work placements, and this will be discussed with the external companies. First of the presentations are scheduled are to be held on 26 September 2019.</p> <p><b>Revised completion date:</b> 31 March 2020</p> <p><b><i>Partially Implemented</i></b></p>	<b><i>Considered But Not Implemented</i></b>

## Follow-Up Reviews 2019/20

Recommendation	Grade	Original Management Comments	To Be Actioned By	No Later Than	Progress at September 2019	Progress at August 2020
<b>2018/02 – Student Fees and Contracts / Registry</b>						
<b>R3</b> Amounts transferred between UnitE and SUN should be reconciled periodically and explanations for any variances documented and corrections made if necessary. Such reconciliations should be reviewed by a senior member of staff.	<b>3</b>	Data Management will work with Finance to develop further reports from UnitE capable of being reconciled with SUN.	Head of Administration Operations & Head of Finance	April 2018	<p>Work has continued between Data Management and Finance to enhance the reconciliation reports from student data and SUN, this will continue throughout session 2019/20.</p> <p><b>Revised completion date:</b> 31 July 2020</p> <p><b><i>Partially Implemented</i></b></p>	<p>Both the Cyber-attack and COVID temporarily halted the process, with the reconciliations not being as regular or as well presented as the College would have liked. Further refinement has also been restricted. Finance staff are however more familiar with UnitE data, utilising this alongside finance data for budget monitoring purposes, and full data reconciliations have recommenced in advance of the year-end.</p> <p><b><i>Fully Implemented</i></b></p>

## Follow-Up Reviews 2019/20

Recommendation	Grade	Original Management Comments	To Be Actioned By	No Later Than	Progress at September 2019	Progress at August 2020
<b>2018/04 – Data Protection</b>						
<b>R1</b> Consider discussing with key partners and stakeholders with whom the College shares personal and sensitive data via email, for example local authorities, and determine what safe systems they have adopted for secure document exchange and request sign up to those systems.	<b>3</b>	Encryption issues relating to online data transfer, emails and portable devices will be considered in the context of both GDPR and Cyber Security. As appropriate, discussions will be held with key partners, and in-house processes addressed through policy and training.	Head of ICT / Data Protection Officer	October 2018 (aligned with Cyber Essentials timeline)	<p>In progress. By policy and guidance, the College encourages use of secure transfer methods. Where a partner has deployed a secure file transfer system, this is used and, in the absence of this, transmission of password protected encrypted data is encouraged or use of a secure link to a OneDrive file. The Head of ICT and DPO are examining feasibility of potential secure transfer third party solutions and possibilities around monitoring the transfer of personal data.</p> <p><b>Revised completion date: 31 July 2020</b></p> <p><b><i>Partially Implemented</i></b></p>	<p>The College's hand was forced to an extent by the cyber incident suffered at the end of January 2020. The College's default file storage from that point is now Microsoft One Drive, so files can be securely shared without the need for them to be emailed. The default position for sharing data with third parties is to use the third party's secure file transfer system if there is one, and Microsoft office encryption if there is not. The College however has not implemented an encrypted or secure file transfer system to allow sharing by other parties.</p> <p><b><i>Fully Implemented</i></b></p>

## Follow-Up Reviews 2019/20

Recommendation	Grade	Original Management Comments	To Be Actioned By	No Later Than	Progress at September 2019	Progress at August 2020
<b>2018/05 – Cash and Bank</b>						
<b>R5</b> Ensure that the procedure referred to in R4 above incorporates a requirement to carry out a reconciliation between the Capita receipt sent back to the Sports Centre and the value of the cash collected and banked as recorded on the cash-up sheet, with any variances being appropriately investigated.	<b>3</b>	The new procedure will include reconciliation between the Capita receipt and the value of cash collected. Evidence of the reconciliation will be reviewed by the Head of Learning monthly. A further reconciliation with the financial system will be undertaken monthly in order to encapsulate all other forms of payment, such as Direct Debit.	Head of Learning, Sport & Fitness	30 June 2018	Cash up procedure was developed by the agreed deadline to incorporate transfer of money between Gym reception and admin/finance. The procedure includes that once money has been banked a receipt would be stored in the appropriate space in the cash up folder located in reception. Reconciliations were performed by the Head of Learning, but this ceased 12 months ago. Moving forward, the reconciliations will now be completed by the Head of Sector, Care, Social Science and Sport.  <i>Partially Implemented</i>	Copies of reconciliations were received from the Head of Sector, prepared up until 12 January 2020. No reconciliations have been prepared since that point due to the Cyber-attack and COVID-19. The gym has been closed since mid-March 2020. The College had a target to go cashless by June 2020, which has been impacted by the pandemic.  All but one of the 11 reconciliations (Daily Cash Up Sheets) provided showed evidence of checking by the Head of Sector of cash received to the Club Manager sales report, and investigation of variances, although the 'Banked' column of the Daily Cash Up Sheets was not completed after early October 2019 and the Capita receipt was not always attached.



## Follow-Up Reviews 2019/20

Recommendation	Grade	Original Management Comments	To Be Actioned By	No Later Than	Progress at September 2019	Progress at August 2020
R5 (Continued)						<p>For 12 individual days selected from the Daily Cash Up Sheets, Capita receipts were not attached in four instances. For four out of the 12 days selected the amount banked was higher than the Club Manager report although an explanation was only provided in one instance.</p> <p><b>Revised completion date:</b> TBC</p> <p><b><i>Partially Implemented</i></b></p>
R6 Ensure that all cash received at the Sports Centre for the previous 7 days (Monday to Sunday) is recorded on the new cash sheet in the "Banked" column and taken to the Gardyne Courier Collection point for banking on the next available working day.	3	The supervisor will ensure that cash is banked every 7 days. Evidence of this will be reviewed by the Head of Learning monthly.	Head of Learning, Sport & Fitness	30 June 2018	<p>Procedure includes banking to be carried out weekly. On a daily basis the cash is handed to administrative staff who bank this weekly as per the recommendation. Evidence this procedure was being followed was reviewed monthly by the Head of Learning, but this ceased around 12 months ago. Moving forward, this monthly review will now be completed by the Head of Sector, Care, Social Science and Sport.</p> <p><b><i>Partially Implemented</i></b></p>	<p>As noted above, the 'Banked' column of the Daily Cash Up Sheets was not completed after early October 2019 and the Capita receipt was not always attached.</p> <p>There was however evidence of cash being passed regularly (usually daily) to administrative staff at the Gardyne Campus for banking.</p> <p><b>Revised completion date:</b> TBC</p> <p><b><i>Partially Implemented</i></b></p>



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**BOARD OF MANAGEMENT**

**Audit & Risk Committee**

**Tuesday 22 September 2020**

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**Internal Audit**

**9.4 Follow Up Summary**

**PAPER I**

# BOARD OF MANAGEMENT

## Audit & Risk Committee

Tuesday 22 September 2020

### Internal Audit Outstanding Actions Follow-up Summary



#### *Paper for information*

#### 1. Introduction

This report provides an update on the Internal Audit actions that are not yet closed off. These are a combination of actions:

- that are not yet due to be completed or;
- where the originally anticipated deadline has passed or;
- that are partially completed.

#### 2. Recommendations

Members are asked to note the progress highlighted in Appendix 1 and 2.

#### 3. Background

The following provides a summary of the progress of actions since the May 2020 meeting.

		Number of Actions Outstanding (& Priority Grades)		
Audit Area	Report Grades	1	2	3
Duty of Care	Satisfactory	-	-	1
Student Engagement/Students' Association	Good	-	-	1
Staff Recruitment and Retention	Satisfactory		1	4
HR / Payroll	Good			1
Procurement and Creditors/ Purchasing	Good			2
IT Network Arrangement / IT Strategy	Satisfactory			3
	<b>Total</b>		1	15



Complete or on target to complete within original deadline

Behind schedule by < 3 months from original deadline

Behind schedule by > 3 months, or in danger of not being delivered

Of the 16 outstanding actions, since the last Audit & Risk Committee, good progress has been made:

- 10 are "Complete"
- 1 is "On Track", in line with the deadline

- 3 are “In Progress” by < 3 months from the deadline
- 2 are “Behind Schedule” by > 3 months from the deadline

The outstanding actions with the respective progress updates are detailed in the appendix below.

#### **4. Cyber Incident**


The following provides a summary of the progress on the recommendations from the Cyber Incident that affected the college in January 2020.

Due to the sensitivity of the report the progress will be reported as a separate Appendix.

The report should continue to be treated as sensitive and confidential and not be shared wider.

Of the remaining 9 (of 12) outstanding recommendations since the report in May 2020:

- a further 5 have been completed
- 1 is paused due to other related work that will enable progress
- an alternative is being progressed to 1 previously advised as being on hold for further consideration
- 1 is on track
- 1 will not be implemented due to other detrimental impacts

 Complete or on target to complete within original deadline

#### **5. Catering Business Process Review Update**

At the November 2019 Audit & Risk Committee it was agreed that a regular update on progress of the Catering Business Process Review would be welcomed. A series of workstreams are now in place, however as reported to the May meeting there is an ongoing requirement for physical distancing. The catering function will not be reopened until 21<sup>st</sup> September when the new 2020/21 intake of students start, however the service will be significantly limited.

#### **6. Fraud Initiative Update**

The 2020/21 NFI is due to start in late summer 2020, following a review of the datasets.

The Fraud, Bribery and Corruption policy is included on the agenda for approval.

It is the intention that online workshops will be arranged with teams over the next year, although the ongoing management and prioritising the impact of the pandemic will influence this.

#### **7. Link to Strategic Risk Register**

Consideration of the outstanding actions is intended to provide Members with

reassurance that actions for improvement are being progressed and addressed.

Progressing these Internal Audit outstanding actions will support the mitigation of a range of risks identified within the Strategic Risk Register namely;

2.2 – failure to achieve institutional sustainability

2.4 – financial fraud

3.1 – failure to reach aspirational standards in learning, teaching and service delivery

3.2 – failure to achieve/maintain compliance arrangements

3.3 – serious accident, incident or civil/criminal breach, legal action

3.4 – loss of reputation with key stakeholders

3.7 – breach of data security/data protection

3.8 – failure to meet Prevent and related obligations

3.8 – arrangements do not minimise risk associated with Modern Slavery

4.4 – failure to support effective data security/data protection

**Author & Executive Sponsor:** Jaki Carnegie, Vice Principal – Corporate Services

## Outstanding Action Update

## Appendix 1

Year	Audit Area Report Title	Priority Action Grade	Report Grade	Action	Responsible Officer	Deadline	Progress (as at September 2020)
2019/05	R1 - Duty of Care	3	Satisfactory	Compile and publish a policy / procedure and guidance to all staff involved in event planning on how to risk assess and manage any planned events, meetings and guest speakers to mitigate the risk of attempts to radicalise students or draw them into terrorism	VP People & Performance	Aug-19	<u>Complete</u> Guidance shared with relevant staff and published on staff portal.
2019/07	R1 - Student Engagement / Students' Association	3	Satisfactory	A formal Learner Engagement Strategy should be developed which contains aims and objectives which are clearly linked to the College's Regional Outcome Agreement and to the College's partnership agreement with the Students' Association; identifies and priorities learner engagement activity; and identifies actions which focus specifically on how the Strategy will be implemented in practice.	Learner Engagement Manager	<del>Jun-20</del> Dec-20	<u>Behind Schedule</u> Draft strategy document developed by LE Manager for final discussion/approval.  This has not progressed at current time due to Covid-19 adaption in working arrangements / approaches.
2020/02	R1 – Staff Recruitment & Retention	3	Satisfactory	Consideration should be given to the introduction of a protected day (preferably	Head of the People & OD Team	Sep-20	<u>Complete</u> Updates to the online environment have been

Year	Audit Area Report Title	Priority Action Grade	Report Grade	Action	Responsible Officer	Deadline	Progress (as at September 2020)
				during their first week for each new start) which is set aside for progressing induction training before commencing relevant duties. This day should be utilised to commence the mandatory induction modules / training required			made with a range of induction materials now available pre-teaching.
2020/02	R2 – Staff Recruitment & Retention	2	Satisfactory	All new academic staff, who have no previous teaching experience, should complete the New Lecturer Induction Training Package before they commence teaching and assessing students. Academic managers should check with HR/OD that this training package has been completed before they allow the new member of staff to commence teaching and assessing students.	Head of the People & OD Team	Sep-20	<u>Complete</u> This process is now in place, with the People Team highlighting outstanding training at all relevant stages within the first 6 months of employment. It is included as the first element of the academic staff checklist.
2020/02	R3 – Staff Recruitment & Retention	3	Satisfactory	When the HR/OD send the completion of probation papers to managers, they should include details of all mandatory induction training completed (and not completed) by the new member of staff.	Head of People & OD Team	Jan-20	<u>Complete</u> The process now includes an update on mandatory training completion and a reminder that probationary cannot be signed off without completion of



Year	Audit Area Report Title	Priority Action Grade	Report Grade	Action	Responsible Officer	Deadline	Progress (as at September 2020)
				Managers should not sign-off completion of probation period until they have received confirmation that the new member of staff has completed all the mandatory training for the relevant role.			relevant courses.
2020/02	R4 – Staff Recruitment & Retention	3	Satisfactory	Create and implement a programme of mandatory refresher training campaigns for all staff which is subject based (e.g. Health & Safety, Data Protection, Equality & Diversity) together with a process for monitoring and reporting completion rates for these campaigns	Head of People & OD Team	Aug-20	<u>Complete</u> New mandatory training supplier live and process began in early summer 2020. This year is the baseline and all staff will complete all modules with the new supplier, and each year from now on will be themed.
2020/02	R5 – Staff Recruitment & Retention	3	Satisfactory	The new Development Review process should be formally documented (using the College's current process for documenting and reviewing policies / procedures) and a copy of this procedural document should be made available to all staff via the College's Portal	Head of People & OD Team	Jan-20	<u>Complete</u> Process available <a href="#">here</a> .
2020/03	R1 – IT Network Arrangements	3	Satisfactory	An overarching corporate information risk policy should be created and owned by the	Head of ICT	May-20	<u>Complete</u> Specific Cyber Risk added to the College Strategic

Year	Audit Area Report Title	Priority Action Grade	Report Grade	Action	Responsible Officer	Deadline	Progress (as at September 2020)
	/ IT Strategy			Board to help communicate and support risk management objectives, setting out the information risk management strategy for the organization.			Risk Register.  Cyber Security Strategy complete
2020/03	R2 - Network Arrangements / IT Strategy	3	Satisfactory	Develop a programme of information and cyber security training for staff and students to mitigate information security risks, covering: <ul style="list-style-type: none"> <li>the College's Information Security Strategy and associated IT security policies;</li> <li>cyber security risks and strategies for defence, covering internet safety, mobile and home working, phishing, and prevention against malware.</li> <li>an induction process for new staff (and where applicable contractors and third-party users);</li> <li>regular refresher training on the security risks to the College;</li> <li>supporting staff in information security roles to enrol on a recognised</li> </ul>	Head of ICT	Sep-20	<u>In Progress</u> Cyber security training ready to be rolled out. Decision to hold off until after the start of session to push out to current staff. Induction materials are being updated.

Year	Audit Area Report Title	Priority Action Grade	Report Grade	Action	Responsible Officer	Deadline	Progress (as at September 2020)
				certification scheme; • monitoring the effectiveness of security training; and • promoting an incident reporting culture.			
2020/03	R3 - Network Arrangements / IT Strategy	3	Satisfactory	Once training has been delivered (see R2) mechanisms should be developed and implemented to test the effectiveness and value of the security training provided to staff and students. This should be delivered <u>through</u> formal analysis of the section on information security within the Digital Skills Capability Assessment. Those areas of the College which routinely feature in security reports (or achieve the lowest feedback from information security questionnaires) should be targeted and prioritised for further training.	Learning & Digital Resource Manager	Jun-20	<u>In Progress</u> An extensive remote and digital learning CPD programme has been implemented across the College post the Cyber Attack and during Covid-19. It is envisaged that there will be an increase in the College's overall Digital Capabilities score.  The Digital Skills Capability Assessment was originally scheduled to run in April/May, but has been delayed until October due to Covid-19 and the associated increase in workload
2020/03	R4 – Network Arrangements / IT Strategy	3	Satisfactory	Ensure that the Cyber Incident Management Plan is completed. Findings from the formal cyber-attack post-incident review should be	Head of ICT	May-20	<u>Complete</u> Cyber Incident Response Plan complete

Year	Audit Area Report Title	Priority Action Grade	Report Grade	Action	Responsible Officer	Deadline	Progress (as at September 2020)
				considered to inform the development of the plan. Ensure that the plan is tested before being implemented in order to provide assurance that the plan can operate as intended.			
2020/03	R5 – Network Arrangements / IT Strategy	3	Satisfactory	It is recommended that awareness of the risks arising from the use of removable media is re-enforced to staff and students through appropriate training material (see R2). This should then be followed up with the introduction of College wide requirement for all staff and students to use encrypted USBs only, leading to a restriction in the use of USBs enforced by policy (through whitelisting of devices and port restrictions) and to the ultimate full removal of the ability to use such devices.	Head of ICT	Aug-20	<u>In Progress</u> Technical changes made to devices to enable encryption of USB devices. Currently optional and will be enforced from the session 2021/22  Communications package created and awaiting issue to staff and students once initial start of session workload is complete
2020/03	R6 – Network Arrangements / IT Strategy	3	Satisfactory	It is recommended that an additional column is added to the Digital Strategy Action Plan to provide further details of progress to date against each action. The College should also consider a	Learner & Digital Resource Manager	Apr-20	<u>Complete</u> The Digital Strategy action plan incorporates this recommendation.

Year	Audit Area Report Title	Priority Action Grade	Report Grade	Action	Responsible Officer	Deadline	Progress (as at September 2020)
				RAG (Red, Amber, Green) system to show progress.			
2020/04	R1 – Payroll & HR	3	Good	The Payroll Procedural Notes should be updated to provide a comprehensive guide for any member of staff brought in to cover for the Payroll Officer or Payroll Assistant	Head of Finance	Aug-20 Dec-20	<u>Behind Schedule</u> Priority has been given to progressing the iTrent integration project, Cloud migration and taking advantage of the Coronavirus Job Retention Fund.
2020/05	R1 – Purchasing & Creditors / Purchasing	3	Good	The next iteration of the procurement strategy and the procurement policy should make specific reference to the ways in which risks around modern slavery will be dealt with through the procurement arrangements.	Head of Finance / Procurement Manager	Nov-20	<u>On Track</u> Procurement documentation currently being updated.
2020/05	R2 - Purchasing & Creditors / Purchasing	3	Good	In future the details of the supplier employee spoken to, and their job title, should be recorded to ensure that contact is made with the supplier and the bank account details corroborated before any standing payment details are entered or altered.	Head of Finance	Immediate	<u>Complete</u> Corroboration information stored electronically.

**SENSITIVE AND CONFIDENTIAL: NOT TO BE SHARED WIDER**

Recommendation	Technical Detail/Progress Update	Deadline	Progress (as at September 2020)
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED] [REDACTED]

Recommendation	Technical Detail/Progress Update	Deadline	Progress (as at September 2020)
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]



Recommendation	Technical Detail/Progress Update	Deadline	Progress (as at September 2020)

Subsequent to the report to the Board, additional recommendations were made by Jisc which are shown below and which will be progressed and reported upon in the same way.

Recommendation	Technical Detail/Progress Update	Deadline	Progress (as at April 2020)
9. [REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

Recommendation	Technical Detail/Progress Update	Deadline	Progress (as at April 2020)
	[REDACTED]		
[REDACTED]	[REDACTED]	[REDACTED]	[REDACTED]

**BOARD OF MANAGEMENT**

**Audit & Risk Committee**

**Tuesday 22 September 2020**

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**Internal Audit**

**9.5 2020-21 Audit Plan**

**PAPER J**

# Dundee and Angus College

Internal Audit Annual Plan 2020/21

Internal Audit Report

Draft issued  
2nd December

tomorrow

**a**  
HENDERSON LOGGIE



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# Introduction

- 1.1 The purpose of this document is to present for consideration by management and the Audit & Risk Committee the annual operating plan for the year ended 31 July 2021. The plan is based on the proposed allocation of audit days for 2020/21 set out in the Audit Needs Assessment and Strategic Plan 2018 to 2021 (Report 2019/01, prepared in May 2018). The preparation of the Strategic Plan involved dialogue with management, and the Audit & Risk Committee approved the plan at its meeting on 15 May 2018.
- 1.2 A copy of the updated Strategic Plan is included at Section 2 of this report and shows a number of changes from the original Strategic Plan prepared in 2018. The changes made are as follows:
- The inclusion of a three-day review of Budgetary Control deferred from 2019/20 into 2020/21, and which will focus on financial reporting;
  - The inclusion of a four-day review of Systems Development / Implementation deferred from 2019/20 into 2020/21, and which will focus on remote working and progress on the implementation of the recommendations from the cyber-attack;
  - The addition of a two-day review on the College's arrangements for dealing with the National Fraud Initiative, which was originally added into the 2019/20 plan but has subsequently been deferred into 2020/21;
  - The re-focus of five days originally planned in 2020/21 for a review of Building maintenance / Estates strategy / capital projects to a review of Health, Safety and Wellbeing, and which will look at the work that has been undertaken to allow College operations to continue during the COVID-19 pandemic and preparations for the reopening of College campuses once the lockdown is eased; and
  - The removal of a four-day review of Procurement and Creditors / Purchasing, four day review of IT Network Arrangements and one day review of IT Strategy which were all accelerated and carried out as part of the 2019/20 programme.
- 1.3 At Section 3 of this report we have set out the outline scope and objectives for each audit assignment to be undertaken during 2020/21, together with the audit approach. These have been arrived at following discussion with the Vice Principal – Corporate Services and consideration by other members of the Senior Leadership Team. The outline scopes will be refined and finalised after discussion with responsible managers in each audit area.
- 1.4 Separate reports will be issued for each assignment, with recommendations graded to reflect the significance of the issues raised. In addition, audit findings will be assessed and graded on an overall basis to denote the level of priority that should be given to each report.

# Updated Strategic Plan 2018 to 2021

## Proposed Allocation of Audit Days

	Category	Priority	Actual 18/19 Days	Actual 19/20 Days	Planned 20/21 Days
<b>Reputation</b>					
Publicity	Gov	M			
Health, Safety and Wellbeing	Gov	H			5
Equality and diversity	Gov	M	3		
<b>Student Experience</b>					
Curriculum	Perf	M			
Quality	Perf	M			
Student support	Perf	M			
Student recruitment	Fin/Perf	M			
Duty of Care	Gov	M	3		
Student engagement / Students' Association	Perf/Gov	M	3		
<b>Staffing Issues</b>					
Staff recruitment and retention	Perf	M		4	
Staff development	Perf	M			
Workforce planning	Perf	M			
HR/Payroll	Fin	M		5	
<b>Estates and Facilities</b>					
Building maintenance )	Fin/Perf	M			
Estates strategy / capital projects )	Fin/Perf	H/M			
Space management	Perf	H			
Asset / fleet management	Perf	H			
Catering (Business Process Review)	Fin/Perf	H	5		
<b>Financial Issues</b>					
Budgetary control	Fin	H			3
Student fees and contracts / registry	Fin	M			
General ledger	Fin	M			
Procurement and creditors / purchasing	Fin	M		4	
Debtors/ Income	Fin	M			
Cash & Bank	Fin	M			
Treasury management	Fin	H			
National Fraud Initiative (NFI)	Fin	M			2
<b>Commercial Issues</b>					
Economic Recovery	Fin/Perf	H/M			5



**Proposed Allocation of Audit Days (Continued)**

	Category	Priority	Actual 18/19 Days	Actual 19/20 Days	Planned 20/21 Days
<b>Organisational Issues</b>					
<i>Risk Management / Business Continuity</i>	Perf	H/M	3		
<i>Corporate Governance</i>	Gov	M			
<i>Corporate Planning</i>	Perf	M			
<i>Partnership Working</i>	Gov/Perf	M			
<i>Organisational Development</i>	Perf	M			
<b>Information and IT</b>					
<i>IT network arrangements*</i>	Perf	M		4	
<i>Data protection / FOI</i>	Gov	H/L			
<i>Systems development / implementation</i>	Perf	M			4
<i>IT strategy*</i>	Perf	M		1	
<i>Cyber Security</i>	Perf	M	2		
<b>Other Audit Activities</b>					
Credits Audit		Required	8	8	8
Bursary, Childcare and Hardship Funds Audit		Required	6	6	6
EMA Audit		Required	2	2	2
Management and Planning )			3	3	3
External audit / SFC )					
Attendance at Audit & Risk Committee )					
Follow-up reviews		Various	2	2	2
Audit Needs Assessment			2		
<b>Total</b>			<u>42</u> =====	<u>39</u> =====	<u>40</u> =====

**Key**

**Category:** Gov – Governance; Perf – Performance; Fin – Financial

**Priority:** H – High; M – Medium; L – Low

\* these projects will be linked.

## Outline Scope and Objectives

<b>Audit Assignment:</b>	Health, Safety and Wellbeing
<b>Priority:</b>	High
<b>Fieldwork Timing</b>	August 2020
<b>Audit &amp; Risk Committee Meeting:</b>	22 September 2020
<b>Days:</b>	5

### Scope

The scope of this audit will be to undertake a review of the work that has been undertaken to allow College operations to continue during the COVID-19 pandemic and preparations for the reopening of College campuses once the lockdown is eased.

The College has made use of Microsoft Teams to record discussions and actions in relation to its response to the pandemic. 'Project – COVID-19' covers the initial response to the lockdown and 'Project – 2020' longer term preparations for the return to College campuses. Workstreams include coverage of student engagement; delivery of learning; estates; finance and communications. Members of the College Senior Leadership Team have access to these workstreams together with other relevant managers and staff throughout the College.

### Objectives

To obtain reasonable assurance that:

- the work that has been undertaken to allow College operations to continue during the COVID-19 pandemic has, as far as possible, minimised the impact on the student experience. This includes:
  - appropriate business continuity / contingency plans in place covering all of the College's activities and locations; and
  - adequate communication and testing of the business continuity plans / contingency plans; and
- appropriate preparations are being made and robust plans developed to ensure that College campuses can safely reopen once the COVID-19 lockdown is eased, taking into account all Scottish Government and Health and Safety Executive Guidance relevant to education providers.

**Audit Assignment:**

Health, Safety and Wellbeing (continued)

***Our audit approach will be:***

Obtain and review specific business continuity / contingency plans in place to continue College operations during the COVID-19 pandemic and consider whether they cover all of the College's activities and locations. Also review plans being developed for College campuses to reopen when lockdown restrictions are eased.

Discuss the College's approach with senior management, and other key staff and review evidence of how plans have been communicated to staff and students and the extent to which plans have been tested. Discuss the impact of the lockdown on the student experience with student representatives and identify any lessons learned for the College.

An assessment of the key processes and internal controls will be performed with reference to relevant good practice guidance.

<b>Audit Assignment:</b>	Budgetary Control (financial reporting)
<b>Priority:</b>	High
<b>Fieldwork Timing</b>	March 2021
<b>Audit &amp; Risk Committee Meeting:</b>	May 2021
<b>Days:</b>	3

### **Scope**

This audit will look at the financial reporting in place centrally and within a sample of Academic Centres and Support Services.

### **Objectives**

The objectives of the audit will be to ensure that:

- budget monitoring information is available to management in Academic Centres and Support Services which is up-to-date and in a format that can be easily understood;
- budget holders have the necessary skills for managing budgets;
- budget variations are reported and acted upon; and
- senior management and the Board regularly review the College's overall financial position.

### **Our audit approach will be:**

The Vice Principal – Corporate Services, Head of Finance, Senior Management Accountant and a sample of budget holders in Academic Centres and Support Services will be interviewed, and reports reviewed, to determine current working practices in budget monitoring, and the information and training provided to budget holders.

We will also establish and review the budget monitoring information provided to the College Senior Leadership Team and the Board of Management.

<b>Audit Assignment:</b>	National Fraud Initiative
<b>Priority:</b>	Medium
<b>Fieldwork Timing</b>	January 2021
<b>Audit &amp; Risk Committee Meeting:</b>	March 2021
<b>Days:</b>	2

### Scope

The scope of this audit will be to consider the college's arrangements for delivering its duties in relation to the National Fraud Initiative. The Annual Audit Plan 2018/19, produced by the College's external auditors, Audit Scotland, in May 2019 explains that "the National Fraud Initiative (NFI) is a data-matching exercise led by Audit Scotland to aid the detection of fraudulent payments. NFI allows public bodies to investigate matches and, if fraud or error has taken place, to stop payments and attempt to recover the amounts involved. It also allows auditors to assess the arrangements that bodies have put in place to prevent and detect fraud, including how they approach the NFI exercise itself." Audit Scotland highlighted issues around the timing of submission of NFI payroll data and concluded that "There is a risk that fraud and error may not be detected timeously." Audit Scotland's Annual Audit Plan for 2019/20 will further consider the College's involvement in the National Fraud Initiative as one of several sources of management assurance when considering the risk of material misstatement caused by fraud in expenditure and will review the data matches.

Therefore, the scope of the review will not duplicate the work which Audit Scotland will conduct in order to report on the College's engagement in submitting the base data and investigating any matches identified. Instead our review will focus on the process followed for the 2020/21 NFI exercise in order to assess lessons learned and progress made since the 2018/19 exercise.

### Objectives

The overall objective of the audit will be to obtain reasonable assurance that the College can demonstrate that:

- there are effective arrangements in place to provide the required data, in the format requested, within the timescales set out by Audit Scotland;
- the Audit & Risk Committee is properly sighted on the work required to ensure compliance with the NFI guidance and is informed of the outcome of the data matching process in order to allow consideration of any associated risks around the prevention and detection of fraud; and
- the National Fraud Initiative Self-assessment Checklist has been completed and improvement actions identified.

### Our audit approach will be:

Through discussions with the Vice Principal – Corporate Services and the Head of Finance we will examine the College's approach to meet the requirements of the 2020/21 NFI exercise and the way in which any lessons learned are being identified and addressed in order to strengthen the College's arrangements for the next iteration of NFI.

<b>Audit Assignment:</b>	Economic Recovery
<b>Priority:</b>	High / Medium
<b>Fieldwork Timing</b>	March/April 2021
<b>Audit &amp; Risk Committee Meeting:</b>	May 2021
<b>Days:</b>	5

### **Scope**

This audit will consider the key risks in relation to the College's activities being developed to support the Tayside Region's economic recovery following the COVID-19 lockdown.

### **Objectives**

The primary objective of this audit will be to establish whether the curriculum portfolio plans and approaches in place within the College are sufficient to support economic recovery and maximise opportunities that may present themselves to support post-COVID-19 economic recovery.

Secondary objectives will be to ensure that:

- an effective strategic and operational process has been established, including identification of market intelligence to identify skills gaps and upskilling requirements to support key post-COVID-19 market opportunities , and particular areas where the College can help support economic recovery;
- an appropriate management and support structure has been put in place to identify, develop or revise and promote learning/skills programmes that map to economic recovery opportunities;
- the college seeks opportunities to work with key partners to encourage a cohesive economic recovery response for the Region;
- an effective process is in place to maximise the benefit of new initiatives and new or additional funding streams; and
- there is regular review of activities by the Board of Management and its committees.

### **Our audit approach will be:**

From discussion with the Senior Leadership Team and other relevant College managers and staff, and review of relevant plans and approaches, to understand the impact on economic recovery.



<b>Audit Assignment:</b>	Systems Development / Implementation
<b>Priority:</b>	Medium
<b>Fieldwork Timing</b>	December/January 2021
<b>Audit &amp; Risk Committee Meeting:</b>	March 2021
<b>Days:</b>	4

### Scope

Remote working due to the COVID-19 pandemic heightens existing cyber risks and introduces new ones to many organisations. This audit will consider whether the internal control environment is sufficiently robust to protect the College.

### Objectives

The objective of this audit will be to obtain reasonable assurance that:

- appropriate progress is being made to implement the recommendations from the cyber-attack;
- remote desktop and remote applications controls are in place; and
- controls have been implemented to ensure that electronic and digital communication tools, including email, Zoom and Microsoft Teams, are secure.

### Audit Approach

From discussion with the Head of ICT and other members of the ICT team, and review of relevant policies, procedures and guidance, we will identify the key internal controls in place and compare these with expected controls for cyber security published by the National Cyber Security Centre. We will report on any areas where expected controls are found to be absent or where controls could be further strengthened.

<b>Audit Assignment:</b>	Credits Audit
<b>Priority:</b>	Required audit
<b>Fieldwork Timing</b>	August / September 2021
<b>Audit &amp; Risk Committee Meeting:</b>	November 2021
<b>Days:</b>	8

### **Scope**

Credits Audit Guidance, issued by SFC, requests that colleges obtain from their auditors assurances as to the reasonableness of procedures used in the compilation of the Credits related element of the FES return.

### **Objectives**

To obtain reasonable assurance that:

- the student data returns have been compiled in accordance with all relevant guidance;
- adequate procedures are in place to ensure the accurate collection and recording of the data; and
- the FES return contains no material misstatements.

### **Our audit approach will be:**

Through discussion with College staff, and review of relevant documents, we will record the systems and procedures used by the College in compiling the returns and assess and test their adequacy. We will carry out further detailed testing, as necessary, to enable us to conclude that the systems and procedures are working satisfactorily as described to us.

Detailed analytical review will be carried out obtaining explanations for significant variations from previous year's activity.

Our testing will be designed to cover the major requirements for recording and reporting fundable activity identified at Annex C to the Credits Audit Guidance and the key areas of risk identified in Annex D.

We will also review the final error report from the FES on-line checks.



<b>Audit Assignment:</b>	Bursary, Childcare and Hardship Funds Audit
<b>Priority:</b>	Required audit
<b>Fieldwork Timing</b>	August / September 2021
<b>Audit &amp; Risk Committee Meeting:</b>	November 2021
<b>Days:</b>	6

### **Scope**

We will carry out an audit on the College's student support funds for the year ended 31 July 2021 and provide an audit certificate.

### **Objectives**

The audit objectives will be to obtain reasonable assurance that:

- the College complies with the terms, conditions and guidance notes issued by the SFC and SAAS;
- payments to students are genuine claims for hardship, childcare or bursary, and have been processed and awarded in accordance with College procedures; and
- the information disclosed in each of the returns for the year ended 31 July 2021 is in agreement with underlying records.

### **Our audit approach will be:**

- Reviewing new guidance from the SFC and SAAS and identifying internal procedures through discussion with College staff, and review of relevant documents;
- Agreeing income to letters of award;
- Reconciling expenditure through the financial ledger to returns, investigating reconciling items;
- Reviewing for large or unusual items, obtaining explanations where necessary; and
- Carrying out detailed audit testing, on a sample basis, on expenditure from the funds.

Audit guidance issued by SFC will be utilised. This includes 'Areas of risk and audit considerations' for bursaries and for the discretionary funds and childcare.

<b>Audit Assignment:</b>	EMA Audit
<b>Priority:</b>	Required audit
<b>Fieldwork Timing</b>	August / September 2021
<b>Audit &amp; Risk Committee Meeting:</b>	November 2021
<b>Days:</b>	2

### **Scope**

Guidance on the audit requirements for Education Maintenance Allowances (EMAs), issued by SFC, includes the requirement to have a separate audit of EMAs on an academic year (August to July) basis.

### **Objectives**

To obtain reasonable assurance that:

- the information set out in the EMA returns is in agreement with the underlying records;
- the College used the funds in accordance with SFC's conditions and the principles of the EMA programme; and
- the systems and controls for the administration and disbursement of the funds are adequate.

### **Our audit approach will be:**

Through discussion with Finance staff, and review of relevant documents, we will record the systems and procedures used by the College in compiling the EMA returns and assess and test their adequacy. We will carry out further detailed testing, as necessary, to enable us to conclude that the systems and procedures are working satisfactorily as described to us.

<b>Audit Assignment:</b>	Follow-Up Reviews
<b>Priority:</b>	Various
<b>Fieldwork Timing</b>	TBC
<b>Audit &amp; Risk Committee Meeting:</b>	TBC
<b>Days:</b>	2

### **Scope**

This review will cover reports from the 2019/20 internal audit programme and reports from earlier years where previous follow-up identified recommendations outstanding.

### **Objectives**

To verify the status of implementation of recommendations made in previous internal audit reports.

### **Our audit approach will be:**

- for the recommendations made in previous reports verify by enquiry, review of supporting documentation or sample testing, as appropriate, the status of the recommendations as reported by College management; and
- prepare a summary of the current status of the recommendations for the Audit & Risk Committee.

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