

BOARD OF MANAGEMENT

Joint Audit & Risk, and Finance & Property Committee



Tuesday 6 December 2022 in Microsoft Teams

4.00pm (please note early start time)

AGENDA

- 4:00 Audit & Risk Committee Members Independent Meeting with Auditors**
- 4:30 Audit & Risk Committee Meeting**
- 1. WELCOME**
 - 2. APOLOGIES**
 - 3. DECLARATIONS OF INTEREST & CONNECTION**
 - 4. MINUTE OF AUDIT & RISK COMMITTEE – 20 September 2022** Paper A for approval
 - 5. MATTERS ARISING** Paper B for information JC
 - 6. AUDIT & RISK COMMITTEE ANNUAL REPORT TO THE BOARD** Paper C for approval MW
 - 7. INTERNAL AUDIT**
 - 7.1. Student Activity Paper D for approval HL
 - 7.2. Student Support Funds Paper E for approval HL
 - 7.3. Catering Outlets Cash & Bank Paper F for approval HL
 - 7.4. 2022/23 Progress Report Paper G for information HL
 - 7.5. Follow-up Summary Paper H for information JC
 - 8. DATA BREACH REPORTING** Verbal update JC
 - 9. HEFESTIS – Annual Information & Cyber Security Risk & Maturity Report 2022**
Paper I for information AR
 - 10. STRATEGIC RISK REGISTER** Paper J for approval ST
 - 10.1. Cover Paper
 - 10.2. Strategic Risk Register
 - 11. DATE OF NEXT MEETING**
Tuesday 7 March 2023 via Teams

Close of Audit & Risk Committee Business

5:15 Joint Audit & Risk / Finance & Property Committee Meeting

12. ANNUAL ACCOUNTS

12.1.	Internal Audit Annual Report	Paper K for approval	HL
12.2.	Audit Scotland Covering Letter	Paper L for approval	AS
12.3.	Audit Scotland Annual Report	Paper M for approval	AS
12.4.	Financial Statements for the Year ended 31 July 2022	Paper N for approval	BF

Close of Joint Audit & Risk/Finance & Property Committee Business

FINANCE & PROPERTY COMMITTEE MEETING

13. WELCOME

14. APOLOGIES

15. DECLARATIONS OF INTEREST & CONNECTION

16. MINUTES OF PREVIOUS MEETING – 26 September 2022 Paper O for approval

17. MATTERS ARISING Paper P for noting

18. FINANCE BF/JC

18.1.	2022/23 Management Accounts & Forecast Outturn	Paper Q for information
18.2.	Draft Tuition Fees 2023/24	Paper R for approval

19. INFRASTRUCTURE BG/JC

19.1.	Estates Update	Paper S for information
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20. PROCUREMENT BF/JC

20.1.	Annual Procurement Report	Paper T for approval
20.2.	Procurement Update	Paper U for information
20.3.	Procurement Strategy	Paper V for approval

21. STRATEGIC RISK REGISTER (F&PC EXTRACT ONLY) JC/ST

21.1.	Strategic Risk Register – Cover	Paper W for discussion
21.2.	Strategic Risk Register	Paper X for discussion

22. MICHELIN SCOTLAND INNOVATION PARC Paper Y for approval JG

23. VP CORPORATE SERVICES REPORT Paper Z for information JC

24. DATE OF NEXT MEETING - Tuesday 28 February 2023 via Teams



**JOINT AUDIT & RISK,
FINANCE & PROPERTY COMMITTEE**

Tuesday 6 December 2022

Minutes of Previous

**Audit & Risk Committee Meeting
20 September 2022**

PAPER A

BOARD OF MANAGEMENT



Audit & Risk Committee

Tuesday 20 September 2022 at 5.00pm

Minute of the Audit & Risk Committee meeting held on Tuesday 20 September 2022 at 5.00pm, room Y150 Gardyne Campus

PRESENT: H Honeyman (Chair Audit)
M Williamson
K Ditcham

S Middleton
R McLellan

IN ATTENDANCE: J Carnegie (Vice Principal)
S Taylor (Vice Principal)
A Kerr (Audit Scotland)

M Sanderson (Executive Secretary)
D Archibald (Henderson Loggie)
L O'Donnell (Regional Chair)

1. WELCOME

H Honeyman welcomed members of the Audit Committee. H Honeyman also welcomed L O'Donnell to the meeting as the new Regional Chair.

2. APOLOGIES

Apologies were noted from K Keay.

3. DECLARATIONS OF INTEREST OR CONNECTION

None.

4. MINUTE OF THE PREVIOUS MEETING – 7 June 2022

The minutes of the Audit and Risk Committee meeting held on 7 June 2022 was approved as an accurate record.

5. MATTERS ARISING

Matters arising from previous meeting were closed.

6. INTERNAL AUDIT

6.1 2021/22 Progress Report

D Archibald summarised the report noting that all audit work was complete or on schedule but highlighted the potential impact on the student activity audit timeline due to a national issue with the SFC FES system. M Williamson asked if this could impact on the final report for all colleges, not just Dundee and Angus. D Archibald confirmed this could arise, but it was hoped that this would not be the case.

S Taylor noted there were no major concerns for L Crichton and her team or the auditors, in terms of the audit timescale.

K Ditcham asked what FES stands for. S Taylor confirmed this was the FE Statistics returned to the Scottish Funding Council and was the data set that confirmed overall student activity in terms of funded credits.

The progress report was noted.

6.2 Follow up Review

D Archibald highlighted the follow up review, noting that good progress had been made in closing out of audit recommendations. The Committee welcomed the excellent progress made.

The follow up review was noted.

6.3 Follow up Summary

J Carnegie summarised her paper, noting, highlighting that the College would be involved in work around the National fraud incentive again this year (this happens around every two years).

J Carnegie noted a delay in progressing the debt management procedure, noting this hasn't been published due to staff changes in the Finance team.

The paper was noted.

6.4 2022/23 Annual Audit Plan

It was highlighted the Audit plan was a draft for consideration and approval. The only change to the plan was to incorporate an additional review of cash handling for catering outlets due to a recent theft issue.

L O'Donnell asked if community partnership should be changed to a priority within the plan. D Archibald confirmed this was a low risk, because it was considered two years ago, as part of the three-year plan.

L O'Donnell asked if consideration could be given to the categorization of different partnerships to reflect the different level of input or activity of these. J Carnegie advised that this could be looked at in terms of the audit plan to focus on the most significant partnership areas.

H Honeyman asked if the audit scope needed to be more specific in terms of the wellbeing aspect of health, safety, and wellbeing, as this could be a standalone item. J Carnegie explained that the link within the audit scope between health, safety and wellbeing was quite well defined and that this would direct the fieldwork in a manageable way.

R McLellan noted he was surprised that Business Development scored low in the audit plan and asked if this should be higher given the need for the College to bring more money in. D Archibald noted this was low because it had been reviewed recently.

K Ditcham noted the reflection on student experience within the table, but not from staff or anything noting staff welfare. K Ditcham asked if this could be included. J Carnegie noted the Health, Safety and Wellbeing review would cover both Staff and Students. In response to a question from R McLellan S Taylor summarised the arrangements in place for staff satisfaction surveying.

D Archibald noted that he would remove the reference to 'issues' within the plan, as he confirmed this was not helpful language.

H Honeyman asked when Business Continuity activities had last been reviewed. J Carnegie confirmed this had been conducted after the cyber-attack (2020) and it was noted that a further desk top exercise had also been conducted since then.

Following consideration, the audit plan was approved.

7. STRATEGIC & COVID RISK REGISTERS

S Taylor summarised the Risk Register papers and asked the Committee for approval, in removing the stand alone COVID Risk Register.

M Williamson asked if heating and energy cost increases were included and accounted for within the financial security risk. J Carnegie confirmed they were, but that the Finance and Property Committee may propose an increase in the risk rating for this item at its next meeting. J Carnegie noted that it was unclear if the energy price cap arrangements would impact on the College sector.

L O'Donnell asked if some risks should be re-evaluated – 1.2, 3.5, 4.7, 4.1 and 4.3. H Honeyman confirmed they could be reviewed. S Taylor noted the Audit and Risk Committee had delegated authority to set the Risk Register and proposed that he pick up on the proposed changes with L O'Donnell and bring proposals back to the next meeting for discussion. This was approved, S Taylor to progress.

H Honeyman highlighted that the Committee had been asked to approve the removal of the separate, COVID risk register and implement a pandemic risk within the main Strategic Risk Register. The Committee approved these changes.

8. EXTERNAL AUDIT

A Kerr noted there has been no substantial audit activity since the June meeting but that the end of year audit work was scheduled to commence in three weeks' time. A Kerr noted the final annual audit report, will be produced for consideration at the Joint Audit and Risk and Finance and Property Committee in early December.

A Kerr highlighted the recent Audit Scotland publication on the College Sector, J Carnegie noted that this had been shared with all Board members before the summer.

9. ANNUAL DATA PROTECTION COMPLIANCE REPORT

S Taylor highlighted the annual compliance report for noting, highlighting that this report had arisen as a recommendation from the recent audit. S Taylor noted that there had been no reportable data breaches in the past year.

H Honeyman asked if the College tested for data breaches through 'mystery shopping.' J Carnegie confirmed A Ross and the ICT team send out test phishing messages to staff, anyone who clicks the link in these was contacted and required to go through cyber security training.

The report and 'nil return' were welcomed.

10. COVID-19 UPDATE

S Taylor noted COVID rates were declining, and that staff and students were still submitting absences, due to COVID but as a College we were learning to live with this. COVID absence were not currently being counted in terms of absence triggers, but this was being discussed at a national level.

The update was welcomed.

11. DATE OF NEXT MEETING – Tuesday 6 December 2022, (Joint meeting with the Finance & Property Committee) on MS Teams.

H Honeyman advised that she was not available on this date and the meeting would be chaired by M Williamson in her place.

Action Point Summary

Action	Responsibility	Date
S Taylor to meet L O'Donnell to discuss proposed changes to Risk Register items	S Taylor	6 December 2022

**JOINT AUDIT & RISK,
FINANCE & PROPERTY COMMITTEE**



Tuesday 6 December 2022

Matters Arising

PAPER B

BOARD OF MANAGEMENT
Audit & Risk Committee
Tuesday 6 December 2022



Matters Arising

Paper for information

The following actions were noted from the Tuesday 20 September 2022 Audit & Risk Committee meeting.

Agenda Item No	Action	Current status	Open / Closed
7.0	S Taylor to meet L O'Donnell to discuss proposed changes to Risk Register items	Points discussed and information shared to inform review for March 2023 meeting	Open

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



**JOINT AUDIT & RISK,
FINANCE & PROPERTY COMMITTEE**

Tuesday 6 December 2022

**Audit & Risk Committee Annual Report
to the Board**

PAPER C

BOARD OF MANAGEMENT

Audit & Risk Committee Tuesday 6 December 2022



DRAFT Annual Report from the Audit & Risk Committee

Paper for discussion/approval

1. Introduction

The Audit & Risk Committee is required to report annually to the full Board on its activities, and on the reports presented to the Committee by the College's internal and external auditors.

2. Recommendation

Members are asked to discuss and agree the contents of this report for submission to the Board of Management in December 2022.

3. Background

In accordance with the Scottish Government [Audit and Assurance Committee Handbook](#) ("the Handbook") the Audit & Risk Committee is required to provide the Board with a written annual report, timed to support the finalisation of the accounts and the governance statement, summarising its conclusions from the work it has done during the year.

This report is intended to be presented to the Board by the Chair, on behalf of the Audit & Risk Committee to cover the period of its operations in relation to the financial year 2021/22, including the Audit & Risk Committee meeting held on 20 September 2022.

This is the draft report, which following discussion and agreement on its content by this Audit & Risk Committee will be submitted to the full Board at its meeting of 13 December 2022.

4. Overview

- 4.1. The period of this Annual Report includes the consideration of the statutory accounts for 2021/22, together with the associated 2021/22 Annual Audit Report from Audit Scotland, the College's External Auditors for the period.
- 4.2. The Committee continues to have an oversight of the work of the College's Internal Auditors, Henderson Loggie, and considers reports issued by them.
- 4.3. As with the last 2 years, 2021/22 continued to be a turbulent year, with the pandemic continuing to have a significant impact on how the College operated. Managing the impact continued to shape how the College operated in 2021/22 as well as engaged with audit, risk, processes, systems, management, leadership and governance.
- 4.4. 2021/22 was further impacted by the [SFC funding settlement](#) for 2022/23 which required the College to undergo a savings exercise which resulted in 40 FTE taking

voluntary severance, alongside other staffing savings, further efficiencies and securing other income.

4.5. The Committee met four times over the period covered by this report.

4.6. In addition to the reports provided by the College's Internal and External Auditors the Committee considered the following during the course of the year:

- College's Strategic and COVID-19 Risk Registers and the oversight and review of specific risks by committees
- Updates on progress towards implementing audit recommendations; including significantly, those recommended as a result of an independent Jisc report into the 2020 cyber-attack
- Information and Cyber Security (ICS) Risk and Maturity Report
- A report detailing a theft of monies from a till in the eat@Kingsway catering outlet
- Following the re-appointment of Henderson Loggie for a further 3 year term the Committee considered the Audit Needs Assessment and Strategic Plan
- The intimation of Mazars as our new External Auditors for the audits of the College's statutory accounts 2022/23 to 2026/27.

5. Committee Membership

The Audit & Risk Committee Membership in the 2021/22 year was as follows:

George Robertson (Member and Chair to March 2022), Helen Honeyman (Vice Chair to March 2022, thereafter Chair), Margo Williamson, Kirsty Keay, Trisha Pirie (to December 2021), Kevin Ditcham (from May 2022), Michael F Thomson (Co-Opted), Sally Middleton, Roy McLellan (from May 2022).

College staff members – Jaki Carnegie, Vice Principal Corporate Services, Steve Taylor, Vice Principal People & Performance/Secretary to the Board and Tracey D'All, Clerk to the Committee were also in regular attendance at meetings.

Representatives from Henderson Loggie (Internal Auditor) and Audit Scotland (External Auditor) attend all meetings of the Audit & Risk Committee.

6. Meetings and Discussions

The Audit & Risk Committee met during the year on the following dates:

- 7 December 2021
- 8 March 2022
- 7 June 2022
- 20 September 2022

7. Internal Audit

The Internal Auditor's Audit Needs Assessment/Strategic Plan and 2021/22 Annual Plan was presented and approved at the Audit & Risk Committee meeting in December 2021.

The reports considered by the Audit & Risk Committee under the plan for 2021/22 included:

Audit Area	Report Grades ²	Number of Recommendations (& Action Grades ¹)			Recommendations Outstanding
		1	2	3	
Cyber Security	Good	-	-	1	-
Student Invoicing & Debt Management	Satisfactory	-	-	3	3
Publicity & Communications	Good	-	-	2	2
Data Protection	Good	-	-	3	2
Student Activity Data	Audit opinion unqualified	-	-	2	-
Student Support Funds	Audit opinion unqualified	-	-	-	n/a
Total		-	-	11	7

There is one partially completed outstanding recommendation from a 2019/20 internal audit.

Audit Area	Report Grades *	Number of Actions Outstanding (& Action Grades**)		
		1	2	3
Network Arrangements / IT Strategy	Satisfactory	-	-	1 ³

The College's Internal Auditors reported that "the College has made good progress in implementing the recommendations followed-up".

In the Annual Report for 2021/22 the Internal Auditor concluded that "the College has adequate and effective arrangements for risk management, control and governance. Proper arrangements are in place to promote and secure Value for Money."

The work of Internal Audit is carried out primarily for the benefit of the Board/Executive of the College and is the single most significant resource used by the Committee in discharging its responsibilities to be assured of the overall adequacy and effectiveness of the organisation's governance, risk management and control processes. The relationship between Henderson Loggie and the Committee and College staff continues to be professional, proactive, positive and effective.

The Committee are pleased that all Internal Audits of systems are reported as being satisfactory or good and that there were no Priority 1 or Priority 2 issues identified.

The fee for internal audit activities in 2021/22 was £10K.

¹ Priority 1 = Issue subjecting the College to material risk and which requires to be brought to the attention of management and the Audit and Risk Committee.

Priority 2 = Issue subjecting the College to significant risk and which should be addressed management.

Priority 3 = Matters subjecting the College to minor risk or which, if addressed, will enhance efficiency and effectiveness.

² 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

³ Partially implemented

8. External Audit of Year End Financial Statements

The external audit of the Financial Statements to 31 July 2022 was undertaken by Audit Scotland, who were appointed by the Auditor General for a 5-year term from 2016/17 to 2020/21 inclusive. Due the pandemic Audit Scotland's term as our external auditor was extended for a further year to cover reporting of the financial year just ended; 2021/22.

The fee for the 2020/21 College Statutory Accounts was £28K.

The external auditor's Annual Audit Plan was considered by the Committee at its June 2022 meeting and was subsequently published on the Audit Scotland website.

At a joint meeting with the Finance & Property Committee on 6 December 2022, the Audit & Risk Committee received the Annual Accounts for 2021/22, together with the external auditor's Annual Audit Report and the internal auditor's Annual Report to the Board of Management.

The external auditor provided an unqualified report relating to the financial statements and reported that the financial statements of Dundee & Angus College:

- give a true and fair view in accordance with the Further and Higher Education (Scotland) Act 1992 and directions made thereunder by the Scottish Funding Council of the state of the affairs of the college and its group as at 31 July 2022 and of its deficit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Further and Higher Education (Scotland) Act 1992 and directions made thereunder by the Scottish Funding Council, the Charities and Trustee Investment (Scotland) Act 2005, and regulation 14 of The Charities Accounts (Scotland) Regulations 2006 (as amended).

The Committee reviewed the Annual Audit Report and related work and expressed satisfaction with the assessment provided. In terms of the contribution from the External Auditor, the Committee were pleased with the support provided by the external audit team, the process and the performance and effectiveness of the External Audit team throughout the financial year and the previous 5 years that Audit Scotland had acted as External Auditors.

A professional, positive and effective relationship between the external auditor and College staff was reported.

9. Cyber Security (ICS) Risk and Maturity Report

The annual Cyber Security Risk and Maturity Report was considered by the Committee in December 2021.

The report highlighted "of exceptional note is the improvement and maturity recorded at strategic level in relation to business continuity planning, communication and management which currently scores at the highest possible level of advanced maturity with significant improvement over the reporting period."

The report went on to highlight that the College's Security Maturity Improvement is significant and that areas of:

- excellence were demonstrated at strategic, tactical and operational level in relation to business continuity arrangements and incident management event of a cyber-attack.
- strong to excellent improvement included the introduction and control of cryptography, improved control of back up procedures and introduction of cyber security risk management procedures.
- significant improvement included progress in governance, incident management and network security which contributed to reduced risk and a hardening of the security posture
- progress towards Minimum National Standards is in the advanced range

The report also confirmed that a Public Sector Action Plan Assessment using the current version of the Cyber Resilience Framework self-assessment tool had been completed. The assessment scoring indicated that information and cyber security levels are currently substantively within the "advanced" range which indicated activity towards the highest level of ICS security management as defined by the National Cyber Security Centre (NCSC).

10. Theft of Cash

In accordance with the Fraud, Bribery and Corruption policy and following an investigation, a member of staff was dismissed, a report produced for the Committee and a set of recommendations approved. The Committee are monitoring implementation of the recommendations in the same way that Internal Audit recommendations are monitored. All recommendations have either been completed or are on track to complete within the proposed timeline. An Internal Audit has been scheduled for the end of October 2022 to confirm progress, review compliance with revised procedures and review the suitability of the key internal controls.

11. Discussions Between the Audit & Risk Committee and the External and Internal Auditors

These discussions confirmed that:

- External and internal auditors have been provided with all necessary help and information.
- College staff and managers are operating effective systems of internal control and maintaining accurate and reliable financial records.
- College managers and staff have responded positively and timeously to implement suggested changes for improvement.

Commented [JC1]: To be updated after private meeting between auditors & A&R Committee members, scheduled for the same day as the Joint Committee

12. Risk Management

A Strategic Risk Register has been compiled and this is passed for discussion to the full Board of Management.

Risks are monitored and reported (including reporting to the Board of Management where necessary) at each meeting of the Audit & Risk Committee. Risks (including both pre- and post-mitigation risk ratings) are amended/added/deleted as appropriate through on-going analysis and approval at each Audit & Risk Committee meeting.

During 2018/19 the Board agreed that appropriate risks be allocated to each Committee for their regular review and consideration, with feedback on these discussions and considerations being fed back into the Audit & Risk Committee. This process continues to work well and has continued to be embraced.

As a response to the COVID-19 pandemic a specific risk register was created and monitored by the various Committees and Board using the same process as for the Strategic Risk Register. At the September 2022 meeting of the Audit & Risk Committee it was agreed the COVID-19 risk register was no longer required with a risk added in the College's Strategic Risk Register; 'Failure to plan or respond adequately to future pandemic illness'. The pre-mitigation risk was rated as "major" and post-mitigation as "minor"

During 2021/22 the following risk was added to the Strategic Risk Register: 'Failure of D&A plans and activities to deliver on required carbon reductions and sustainability actions necessary to meet national targets and achieve College climate emergency ambitions'. The pre-mitigation risk was rated as "significant" and post-mitigation as "minor"

13. National Fraud Initiative

2022 will again see the College participating in the National Fraud Initiative (NFI) which is a biennial data-matching exercise led by Audit Scotland to aid the detection of fraudulent payments. The exercise in 2020 identified one error, which was corrected, and no frauds.

As reported last year, the last 2020 NFI Audit report provided us with a "Good" level of assurance.

14. Opinion

In accordance with the Audit and Assurance Committee Handbook, this Annual Report should summarise the committee's work for the year past, and present its opinion about:

- the effectiveness of governance, risk management and control;
- the comprehensiveness of assurances in meeting the Accountable Officer and Board's needs;
- the reliability and integrity of these assurances;
- whether the assurance available is sufficient to support the Board in their decision taking and their obligations;
- the implications of these assurances for the overall management of risk;
- any issues the committee considers pertinent to the Governance Statement and any long term issues the committee thinks the Accounting Officer and/or Board should give attention to;
- financial reporting for the year;
- the quality of both Internal and External Audit and their approach to their responsibilities; and
- the committee's view of its own effectiveness, including advice on ways in which it considers it needs to be strengthened or developed.

The Audit & Risk Committee considers that it has been successful in progressing the Board's governance and internal control priorities during the period covered by this annual report.

The Committee welcomed the success in finalising the annual accounts. The Committee recognised the significant efforts of the College's Finance team, led by Brian Ferguson and Rhonda Bissett and the supportive, flexible and pragmatic way that the External Audit team led by Andrew Kerr and Euan Robertson managed the audit.

Based on the assessment and reports provided by External and Internal Auditors, the Audit & Risk Committee is satisfied as to the adequacy and soundness of the College's system of internal control and financial management, and the arrangements to deliver value for money from public funds, ensuring economy, efficiency and effectiveness in the use of resources.

The Audit & Risk Committee believes that the governance of the College is compliant with the principles of the:

- [Code of Good Governance for Scotland's Colleges](#), which was revised in September 2016, and
- Scottish Government [Audit and Assurance Committee Handbook](#), which was revised in April 2018, and

that the College has been compliant for the period from 1 August 2021 to 31 July 2022.

15. Link to Strategic Risk Register

The preparation and consideration of this Audit & Risk Committee Annual Report alongside the topics covered within the report, by its very nature, support the mitigation of all the risks included within the Strategic Risk Register.

Board Sponsor: Helen Honeyman, Chair Audit & Risk Committee

**JOINT AUDIT & RISK,
FINANCE & PROPERTY COMMITTEE**



Tuesday 6 December 2022

Internal Audit

Student Activity

PAPER D

Dundee and Angus College

2021/22 Student Activity Data

Internal Audit report No: 2022/08

Draft issued: 4 November 2022

2nd Draft issued: 14 November 2022

Final issued: 16 November 2022



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Management Summary

Introduction

The Guidance Notes issued by the Scottish Funding Council (SFC) on 16 August 2022, '*FES Return and Audit Guidance 2021-22*' requested submission by Dundee and Angus College ('the College') of the FES return for session 2021/22, which includes the Credits data relating to College activity for the academic year 2021/22.

Guidance on completion of the 2021/22 return was issued by the SFC on 2 August 2021.

The Credits Audit Guidance requests that colleges obtain from their auditors their independent opinion on the accuracy of the FES return.

Scope of the Audit

In accordance with the Credits Audit Guidance we reviewed and recorded the systems and procedures used by the College in compiling the returns and assessed and tested their adequacy. We carried out further detailed testing, as necessary, to enable us to conclude that the systems and procedures were working satisfactorily as described to us.

Detailed analytical review was carried out, including a comparison with last year's data, obtaining explanations for significant variations by Price Group.

Our testing was designed to cover the major requirements for recording and reporting fundable activity identified at Annex C to Credits Audit Guidance, COVID-19 related guidance at Annex D and the key areas of risk identified in Annex E.

Audit Staffing

An Audit Director with 29 years' experience in the further and higher education sectors had overall responsibility for the planning, control and conduct of the audit and supervised and reviewed work performed by a Senior Auditor and Auditor with four and two-years' experience in the sector respectively. A Manager with 17 years' experience in the sector was also involved at the planning, review and reporting stage.

The quality of audit work undertaken by the firm is enhanced through continuous review of procedures and the implementation of individual training programmes designed to address the needs of each team member.

The total number of audit days was 12, split ½ day for the Audit Director, ½ day for the Manager, 6 days for the Senior Auditor and 5 days for the Auditor.

Audit Findings

The points that we would like to bring to your attention have been grouped together under the following headings to aid your consideration of them:

- Introduction
- Systems and Procedures for Compilation of Returns
- Analytical Review

Audit Findings (continued)

The action that we consider necessary on each issue is highlighted in the text for clarity and an action plan for implementation of these recommendations can be found in section 2.

To aid the use of the action plan, our recommendations have been graded to denote the level of importance that should be given to each one. These gradings are as follows:

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

Conclusion

Our report was submitted to the SFC on 13 October 2022. We reported that, in our opinion:

- 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
- we can provide reasonable assurance that the FES return is free from material misstatements.

A copy of our Audit Certificate is included at Appendix I to this report.

Acknowledgments

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



Action Plan

Para Ref.	Recommendation	Grade	Comments	Agreed Y/N	Responsible Officer for Action	Agreed Completion Date
2.2.1	Systems and Procedures for Compilation of Returns Non-Fundable Students R1 Ensure that all ineligible associate students are identified and removed from the Credits claim.	3	Associate students are finalised by December each academic year therefore Data Mgt will introduce checks with APT after this deadline to ensure students are recorded accurately.	Y	Fiona Beattie Data Mgt Team Leader & Angela Vettraino	January 2023
2.3.1 – 2.3.2	Infill Courses R2 Ensure that Credits claimed for infill students are based upon the value of the units which have been completed during the year, and not based upon a default tariff of planned units.	3	Training has been completed with all admissions staff and formal procedures created. New process adopted that infill students are only booked on their activity per semester and these students are included in standard ongoing engagement and participation checks.	Y	Erin Ironside, CSS Team Leader / Chrissie Clinkscale Administration Manager	February 2023



2021/22 Student Activity Data

Para Ref.	Recommendation	Grade	Comments	Agreed Y/N	Responsible Officer for Action	Agreed Completion Date
2.4.1 – 2.4.6	Distance / Work Based Learning R3 The College should ensure evidence of progression and participation / engagement is retained to evidence eligibility of the Credits claimed for distance / work-based learning students. Where curriculum staff identify that no evidence is available, or that students are no longer engaging, this should be notified to the Student Records team to ensure that the Credits are removed from the Credits claim.	3	This was a particular issue with one academic team, work has progressed to ensure they are following the College standard monitoring and tracking procedures. We are also working with ICT for enhancements to the College's online engagement tracker and ensuring that this is used for these learners in all curriculum areas.	Y	Chrissie Clinkscale, Administration Manager & Jane Roscoe, Director of Curriculum & Attainment	February 2023



Main Report

1. Introduction

1.1 SFC Guidance

1.1.1 The Credits Audit Guidance issued by the Scottish Funding Council (SFC) on 16 August 2022 sets out, at Annex E, the key areas of risk in relation to the preparation of the FES return. These are:

- identification of non-fundable activity, both courses and students.
- classification as higher education or further education.
- classification as full-time or other than full-time.
- identification and counting of infill students.
- allocation of Price Group code.
- capturing of enrolments and identification and recording of student withdrawals.
- allocation of Credit values.
- claims for related study.
- recording of fee waivers.
- recording of progress for students on open / distance learning programmes.
- claims for non-accredited work experience / placement; and
- claims for collaborative provision.

1.1.2 For academic year 2021/22 we established that there had been no significant changes to the systems and procedures used in the compilation of the returns. We then carried out detailed testing, as necessary, to enable us to conclude that the systems and procedures were working satisfactorily. Detailed analytical review was carried out, including a comparison with last year's data, and obtaining explanations for significant variations by Price Group.

1.1.3 As requested by the Credits Audit Guidance this report indicates: the scope of the audit; the approach taken; an indication of analytical review work performed; the extent of checking undertaken; the external data examined; review of prior year recommendations; and the main findings from our audit work. As requested by the guidance, the report also includes a summary of adjusted and unadjusted errors found during the course of the audit.

2. Systems and Procedures for Compilation of Returns

2.1 Introduction

- 2.1.1 Detailed testing at the year-end Credits audit included two main tests on courses and individual students.
- 2.1.2 The following tests were carried out for a sample of 15 courses selected from the UNIT-e system:
- a) Ensured that the course met the criteria for fundable activity set out in the Credits guidance.
 - b) Where applicable, ensured that the course met the definition of further or higher education set out in the Credits guidance.
 - c) Ensured that courses recorded as full-time met the definition for full-time as set out in the Credits guidance.
 - d) Checked the student total for a programme against course / class lists or course / class register. Checked calculation of the required date and ensured that students who had withdrawn prior to this date had been excluded from the Credits count; and
 - e) Checked allocation of Credits to courses is in accordance with the Credits guidance.
- 2.1.3 For a total of 52 students selected from the above courses the following tests were carried out, where applicable:
- a) Ensured that the student met the criteria for fundable activity set out in the Credits guidance.
 - b) Checked back to signed enrolment forms, or electronic equivalent, for the 2021/22 academic year.
 - c) For infill courses, ensured that Credits were allocated according to the modules attended by individual students rather than by the default value for the courses being infilled.
 - d) Checked to student attendance / engagement records and, for withdrawals (including a further sample of 15 full-time students who withdrew within two weeks after the Credits qualifying date), checked that the withdrawal date noted on the system was the last date of physical attendance; and
 - e) For students undertaking work experience ensured that the Credits value had been calculated in line with the Credits guidance.
- 2.1.4 The following tests were carried out by reviewing records for all College courses:
- a) Confirmed that there were no claims for more than one full-time enrolment per student for 2021/22 and ensured that Credits had not been claimed in respect of courses that were related in respect of subject area, unless progression could be clearly established;
 - b) Confirmed that there were no claims for overseas students, associate students and students enrolled on full cost recovery commercial courses; and
 - c) Confirmed that Credits had not been claimed for distance learning students resident outwith Scotland.
- 2.1.5 In relation to European Social Funds (ESF), for a sample of 10 students selected from the College's ESF funded programmes, testing was carried out on the College's systems for administering the additional funding, in line with conditions of grant. This included:
- a) reviewed the eligibility of students flagged for ESF Credits;
 - b) ensured that supporting documentation was held for ESF students, including: a completed participant form; proof of nationality and appropriate notification issued to the student; and
 - c) ensuring that Credits are only claimed for completed modules.

2. Systems and Procedures for Compilation of Returns (continued)

2.1 Introduction (continued)

- 2.1.6 We reviewed the systems for recording fee waiver entitlement and carried out an analytical review to ensure the accuracy of the fee waiver element of the FES return. For a random sample of 10 part-time students, we confirmed that College staff had verified the entitlement to benefit for nine of them. For one student there was no evidence of fee waiver status. Through discussion it was determined that there was zero course fee, and the student should have been marked as Source of Finance 26 – Cost Borne by College. It was confirmed that these errors are typically picked up during review of FES errors after submission and are cleared as part of general housekeeping points.
- 2.1.7 It was confirmed by the College that there has been no new collaborative activity during 2021/22. Collaboration agreements are in place in relation to programmes delivered in partnership with Dundee City Council and Dundee Repertory Theatre. These agreements have been reviewed by us in previous years and it was confirmed that the programmes meet the requirements for eligibility for funding set out in the Credits guidance. No other collaborative courses were identified during our audit testing.
- 2.1.8 Before signing our audit certificate, we reviewed the final FES online report and the explanations for remaining errors.
- 2.1.9 From our review and testing of the systems and procedures used in the compilation of the returns, we concluded that overall, they were adequate to minimise risk in the areas identified in Annex E of the Credits Audit Guidance and were working satisfactorily as described to us.
- 2.1.10 The remainder of this section discusses issues identified during our review of the 2021/22 student activity data.

2.2 Non-Fundable Students

- 2.2.1 During our review of FES data, we identified a total of 20 associate students for which a total of 320 Credits were being claimed. Through our discussions with the Data Management Team Leader it was noted that these associate students should have been marked as 'excluded' and Credits not claimed. All related to a contract with two universities where the contract differs from other associate students at the College. Management advised that this would have been picked up by the Academic Team during final checks prior to the FES being submitted. A total of 320 Credits were removed as a result of this.

Recommendation

R1 Ensure that all ineligible associate students are identified and removed from the Credits claim.

2.3 Infill Courses

- 2.3.1 Our initial sample of 15 courses included one infill course, Infill Sport - Advanced, with 6 Credits claimed for one student. As part of our testing we compared the units undertaken by the student and the associated Credit value of these to the Credits being claimed for the student per the FES. It was noted that although 6 Credits were being claimed for the student, only 1 unit valued at 1 Credit was actually undertaken. This was agreed as an error and 5 Credits relating to this student have been removed from the final claim.



2. Systems and Procedures for Compilation of Returns (continued)

2.3 Infill Courses (continued)

- 2.3.2 As a result of the issue identified at 2.3.1, our sample was extended to test a further two infill courses, Infill - BAH - Non Advanced with 7.5 Credits claimed for two students and Infill - Building Services - Advanced with 145 Credits claimed for 31 students. A total of 6.5 Credits were being claimed for the student sampled on Infill - BAH - Non Advanced and it was noted during testing that while the planned units totalled 6.5 Credits, the student withdrew during the year and only completed a total of 5.5 Credits. As such 1 Credit should have been removed from the claim although this was not adjusted. No issues were noted for the student sampled on Infill - Building Services – Advanced.

Recommendation

R2 Ensure that Credits claimed for infill students are based upon the value of the units which have been completed during the year, and not based upon a default tariff of planned units.

2.4 Distance / Work Based Learning

- 2.4.1 The Credits guidance states that where a programme is delivered by open / distance (flexible) learning methods colleges should have procedures in place to: agree the likely duration of study; set time related milestones; and review progress.
- 2.4.2 For one distance learning course in our sample, HNC Administration and Information Technology, for which 84 Credits had originally been claimed for 14 students, we noted the following for an initial sample of four students:
- one student was marked as withdrawn on 20 April 2022 however there was no evidence of any engagement, and it was established that they had never actually started the course. The corresponding 6 Credits were removed from the final claim; and
 - one student was recorded as 'current' but there was no evidence of any engagement, and it was established that their start date had been deferred to 2022/23. As such, the student was withdrawn from 2021/22 and the corresponding 6 Credits removed from the final claim.
- 2.4.3 As a result of the issues identified above, we extended our sample by an additional three students and found that two had not engaged with the course and a further 12 Credits were removed from the final claim.
- 2.4.4 As a result of our findings, the College completed a full review of the course to ensure that Credits were only claimed for students who had engaged on the course. A further two students were identified who had not engaged and should have been withdrawn on 16 August 2021 and 12 Credits were removed from the final claim. Two students who had originally not been counted as they were shown as withdrawing on 22 October 2021 were found to have engaged throughout and 12 Credits were added to the final claim. The Head of Curriculum and Quality for the area noted that, since taking on responsibility at the start of session 2022/23, she had identified that a more robust process needed to be put in place to track student progress. Some of this had already been put in place such as reducing the intakes to twice a year instead of roll-on and roll-off as this was operationally challenging for the teaching team. Another step that had already been taken is that distance learning students will be streamlined with the main curriculum activities such as the creation of a spreadsheet with their units, and each month adding them to course team meetings so they can discuss engagement and progression following other College procedures and policies.

2. Systems and Procedures for Compilation of Returns (continued)

2.4 Distance / Work Based Learning (continued)

- 2.4.5 Our sampled courses included one further distance learning course, one flexible learning course and one work-based. Testing was satisfactory other than for one student on distance learning course, CIH Level 3 Certificate in Housing Practice, where we identified that the student was recorded as being 'current' however, upon review of engagement, it was noted that due to health issues the student had suspended their studies in March 2021 and was to resume them in July 2022. Credits had been claimed for this student on the same course in 2020/21 and as it was agreed that 11 Credits should be removed from the final claim for this student in session 2021/22. We extended our sample by an additional student and this testing proved satisfactory.
- 2.4.6 Similar issues were identified in previous years (see **R2** per Appendix V) and College management advised that monthly engagement / participation checks were being carried out for these modes of delivery and relevant action taken for non-engaged students. The findings from our testing and further review by the College has indicated that the issues appear to largely relate to the HNC Administration and Information Technology course, and it had already been identified that a more robust process needed to be implemented, with some action already taken for the 2022/23 academic year as noted above and further training for staff in the area on College processes planned. We have repeated our previous recommendation, and this will be followed up as part of the 2022/23 Credits audit to confirm that the updated College process is operating effectively.

Recommendation

R3 The College should ensure evidence of progression and participation / engagement is retained to evidence eligibility of the Credits claimed for distance / work-based learning students. Where curriculum staff identify that no evidence is available, or that students are no longer engaging, this should be notified to the Student Records team to ensure that the Credits are removed from the Credits claim.

2.5 Student Attendance and Withdrawal

- 2.5.1 For students selected for testing from non-distance learning / work-based courses in our sample we were able to confirm to attendance records that the students had participated after the required date. For a further sample of 15 full-time students included in the claim, whose withdrawal date was within two weeks after the Credits qualifying date, we checked for attendance evidence and accuracy of recorded withdrawal against the required date. This testing also proved satisfactory.
- 2.5.2 We did note however one student on a sampled course, SVQ Level 2 Amenity Horticulture, who was not selected for testing but where the student's withdrawal date was prior to the required date and 4 Credits had been claimed. This has been removed from the final claim.

2. Systems and Procedures for Compilation of Returns (continued)

2.6 Allocation of Credits to Courses

- 2.6.1 For each of the 15 courses tested as part of our sample, we agreed the number of Credits per the individual course frameworks to ensure these agreed with the Credits being claimed. It was noted that for one course, Gateway to Trade Skills (Construction) the attainment record showed the number of units undertaken by the students totalled 12.5 Credits however only 12 Credits were being claimed per student. It was confirmed that this was an error and a further 0.5 credits was added to the final claim for each of the 12 students enrolled on the course. Differences were also noted for some other courses, but these were all explained, and no adjustment was required.
- 2.6.2 Similar issues were identified in 2020/21 (see **R1** per Appendix V) and College management advised that Data Management have created ongoing monitoring / tracking reports to identify this type of anomaly and liaise with appropriate curriculum teams. Management also noted that this type of error would have been picked up during final FES checks and dealt with before submission as part of the College's standard practice.

3. Analytical Review

- 3.1 The analytical review by Price Group for the current year, included at Appendix III of this report, showed significant variances in two of the Price Groups. These were discussed with College management. The explanations we received provided us with additional assurance that the Credits claim does not contain material errors:
- Price Group 2: decrease of 1,457 Credits. There has been a continued decline in applications within the Computing, Digital and Business sectors. A strategic plan for redevelopment of the Computing offering has been put in place for academic year 2023/24; and
 - Price Group 5: increase of 1,208 Credits. The easing of lockdown rules mid-session allowed the College to re-offer the part-time programmes that could only be offered face to face and additional support that had to be offered for groups that had disrupted learning.



Appendix I – Copy of Audit Certificate

Dundee and Angus College
Old Glamis Road
Dundee
DD3 8LE

13 October 2022

Dear Sirs

Auditor's Report to the Members of the Board of Management of Dundee and Angus College

We have audited the FES return which has been prepared by Dundee and Angus College under SFC's Credit Guidance for colleges issued 2 August 2021 and which has been confirmed as being free from material misstatement by the College's Principal in his Certificate dated 10 October 2022. We conducted our audit in accordance with guidance contained in the 2021-22 audit guidance for colleges. The audit included an examination of the procedures and controls relevant to the collection and recording of student data. We evaluated the adequacy of these controls in ensuring the accuracy of the data. It also included examination of evidence relevant to the figures recorded in the student data returns. We obtained sufficient evidence to give us reasonable assurance that the returns are free from material misstatements.

In our opinion:

- 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
- we can provide reasonable assurance that the FES return is free from material misstatements.

Stuart Inglis
Director
For and on behalf of Henderson Loggie LLP
Chartered Accountants
Dundee Office
stuart.inglis@hlca.co.uk

13 October 2022

Date FES returned: 10 October 2022

Appendix II – Summary of Adjusted and Unadjusted Errors

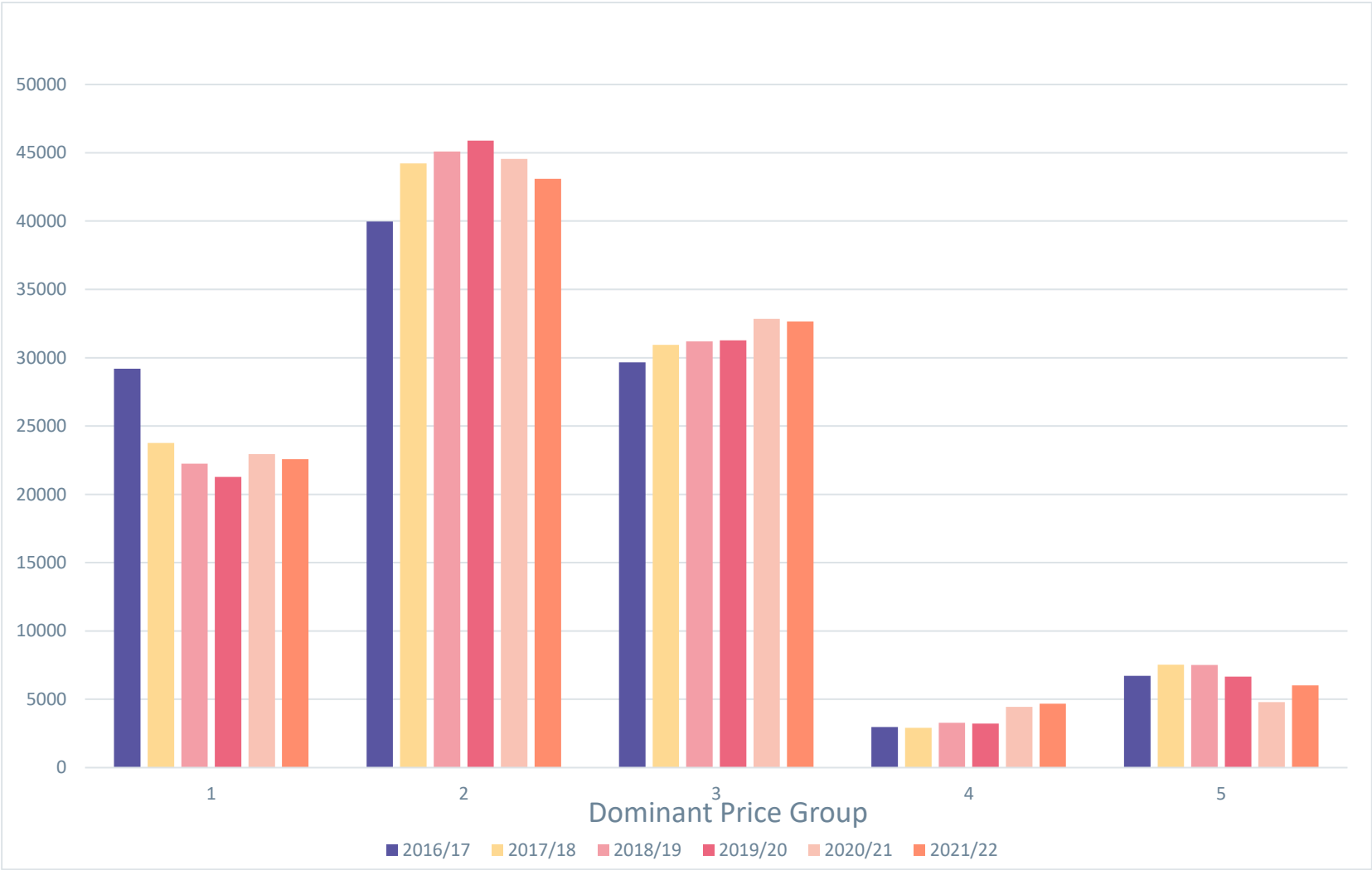
Report Para	Error identified	Adjusted/unadjusted	Approx. Value
2.2.1	Credits were incorrectly claimed for 20 associate students	Adjusted	-320 Credits
2.3.1 – 2.3.2	Infill students incorrectly recorded as having undertaken units which were not completed	Adjusted Unadjusted	-5 Credits -1 Credits
2.4.2 – 2.4.5	Credits claimed for students who did not show progression on their distance learning programmes	Adjusted	-35 Credits
2.5.2	Student withdrawal before the required date.	Adjusted	-4 Credits
2.6.1	Credits per course frameworks did not align to the number of credits being claimed per the students enrolled on these courses	Adjusted	+6 Credits

Appendix III – Price Group Analytical Review 2020/21 and 2021/22 – Figures

Price Group	2020/2021		2021/2022		Variance	Variance
	Credits		Credits		Credits	%
1	22,940		22,586		(354)	(1.5)
2	44,561		43,104		(1,457)	(3.3)
3	32,844		32,646		(198)	(0.6)
4	4,445		4,673		228	5.1
5	4,801		6,009		1,208	25.2
	109,591		109,018		(573)	(0.5)
Total Target Activity			113,962			
Including ESF Target Activity of:			3,591			
ESF Actual Activity			4,262			



Appendix IV – Price Group Analytical Review 2016/17 to 2021/22 – Graph



Appendix V – Updated Action Plan – Student Activity Data 2020/21

Recommendation	Grade	Comments	Agreed Y/N	Responsible Officer For Action	Agreed Completion Date	Progress at October 2022
<p>Systems and Procedures for Compilation of Returns</p> <p>Allocation of Credits to Courses</p> <p>R1 Ensure that Credits claimed for students are based upon the value of the units listed on the student course record, which reflect the activity delivered in the year, and not based upon a default tariff.</p>	3	<p>Data Management will create tracking reports for this type of situation and liaise accordingly with the appropriate curriculum teams.</p> <p>Discussions have also taken place with curriculum teams on the change process for frameworks if any learning cannot be delivered.</p>	Yes	Data Management Team Leader	July 2022	<p>Management advised that Data Management have created ongoing monitoring / tracking reports to identify this type of anomaly and liaise with appropriate curriculum teams although a minor underclaim was noted for one course in 2021/22 (refer paragraph 2.6 in main report). Management also noted that this type of error would have been picked up during final FES checks and dealt with before submission as part of the College's standard practice.</p> <p>Fully Implemented</p>



2021/22 Student Activity Data

Recommendation	Grade	Comments	Agreed Y/N	Responsible Officer For Action	Agreed Completion Date	Progress at October 2022
Distance / Work-Based Learning R2 The College should ensure evidence of progression and participation / engagement is retained to evidence eligibility of the Credits claimed for distance / work-based learning students. Where curriculum staff identify that no evidence is available, or that students are no longer engaging this should be notified to the Student Records team to ensure that the Credits are removed from the Credits claim.	3	<p>All distance / workbased learning programmes will now undertake monthly review checkpoints by the administration staff to monitor ongoing participation and engagement.</p> <p>Ongoing training and discussions with curriculum teams on the process for non-engaged students has been scheduled.</p>	Yes	Curriculum Support Services Tam Leader	Ongoing through academic session 21/22.	<p>Management advised that monthly engagement / participation checks are being carried out for these modes of delivery and relevant action taken for non-engaged students although issues were still found in this area (refer paragraph 2.4 in main report).</p> <p><i>Partially Implemented</i></p>



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**JOINT AUDIT & RISK,
FINANCE & PROPERTY COMMITTEE**



Tuesday 6 December 2022

Internal Audit

Student Support Funds

PAPER E

Dundee and Angus College

2021/22 Student Support Funds

Internal Audit report No: 2022/09

Issued: 4 November 2022



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Management Summary

Introduction

Colleges receive **Discretionary Funds** from the Scottish Funding Council (SFC) and the Student Awards Agency for Scotland (SAAS) to provide financial help for students where access to, or continuance in, further or higher education would otherwise be denied due to financial hardship. The maximum payable from both the Further Education Discretionary Fund and the Higher Education Discretionary Fund is normally £4,000 however, as in 2019/20 and 2020/21, this limit was relaxed for 2021/22 to allow additional support to be given to students financially impacted by COVID-19.

Childcare Funds sit alongside the Discretionary Funds to provide assistance with the cost of formal childcare expenses. From academic year 2011/12, childcare funds for higher education students formerly allocated to colleges by SAAS, were transferred to the SFC who now allocates childcare funding direct to colleges for all eligible further and higher education students. No limit is placed on the amounts individuals can access and colleges have the flexibility to determine award levels themselves. Priority must however be given to lone parents, part-time students and mature students when allocating funds from the Further Education Childcare Fund.

The Discretionary and Childcare Funds must be administered, and payments made, in accordance with SFC and SAAS guidelines.

Bursary funds are given to students at the discretion of a college to help maintain that student in their education beyond their compulsory school leaving date. An award can include allowances that cover a student's maintenance, travel and study costs. Colleges can also use bursary funds for allowances to cover costs incurred by a student due to an additional home, their dependants and / or special education needs.

Colleges must apply the terms of the National Policy for Further Education Bursaries, together with applicable legislation and supplementary letters issued by the SFC, when using the funds allocated to them for bursary purposes. The policy sets out the minimum criteria, maximum rates and minimum contribution scales that a college must apply in allocating bursary funds, however, a college may vary the terms of the policy by imposing additional eligibility criteria or conditions. Figures used within the policy to calculate a student's award may be varied, but only in order to reduce the value of an award, although where a college chooses to supplement bursary funds from its own resources it may use the additional resources as it sees fit.

Education Maintenance Allowances (EMAs) provide financial support for 16 to 19 year-olds from low income households who are attending non-advanced full-time education at school, college or are home educated. Eligible students receive £30 per week, which is targeted at young people from the lowest income families.

EMAs must be administered, and payments made, in accordance with SFC and Scottish Government guidelines

Audit Scope

For the 2021/22 academic year three specific fund statements were required for audit:

- Further Education Discretionary Fund, Further and Higher Education Childcare Fund and Bursary Return;
- Higher Education Discretionary and Childcare Fund; and
- Education Maintenance Allowance Return.

Audit Objectives

The audit objectives were to ensure that:

- The College complies with the terms, conditions and guidance notes issued by SFC, SAAS and the Scottish Government;
- Payments to students are genuine claims for hardship, bursary or EMA, and have been processed and awarded in accordance with College procedures; and
- The information disclosed in each of the returns for the year ending 31 July 2022, is in agreement with underlying records.

Audit Approach

The audit approach included:

- Reviewing new guidance from SFC, SAAS and the Scottish Government, including additional guidance issued in response to the COVID-19 pandemic, and identifying internal procedures;
- Agreeing income to letters of award;
- Reconciling expenditure through the financial ledger to returns, investigating reconciling items;
- Reviewing College analysis spreadsheets 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 the SFC was utilised.

Findings and Conclusions

We were able to certify the FE Discretionary Fund, FE & HE Childcare Fund and Bursary Return, and HE Discretionary and Childcare Fund, and submit these to the appropriate bodies, without reservation.

In our covering letter to SAAS enclosing the audited HE Discretionary and Childcare Fund Return we noted one observation arising from our audit work: The College does not operate a separate interest bearing bank account for the Fund and all transactions are through the College's main bank account. The College uses the Government banking service for all of its financial transactions, on instruction from the Scottish Funding Council, and this account does not pay interest.

A reservation was made in our Auditors' Report for the EMA Return. This related to the total maintenance payments claimed during the year of £357,360. An error was made in the monthly return for July 2022 by duplicating maintenance payments of £20,040 already claimed by the College in the monthly return for June 2022. The maintenance payments actually made by the College during the year totalled £337,320. We noted that this error had already been identified to the SFC by the College and will be corrected by deduction from monthly claims made in 2022/23.

Copies of the fund statements and audit certificates are provided at appendices I to III of this report.

Acknowledgments

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



Appendix I – Further Education Discretionary Fund, Further and Higher Education Childcare Fund and Bursary Return and Audit Certificate

Our ref: DUND386/DA/STI

Your ref:

Scottish Funding Council
Apex 2
97 Haymarket Terrace
Edinburgh
EH12 5HD

14 October 2022

Dear Sirs

**Dundee and Angus College
Discretionary Fund, Childcare Fund and Bursary Return 2021/22**

On behalf of our above named client, we attach the audited Discretionary Fund, Childcare Fund and Bursary Return for the academic year 2021/22.

Should you have any queries regarding the attached please do not hesitate to contact us.

Yours faithfully



Stuart Inglis
Director
For and on behalf of Henderson Loggie LLP
Chartered Accountants
Dundee Office
stuart.inglis@hlca.co.uk

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The SAS System**14:29 Monday, October 10, 2022****college=1002856 - Dundee and Angus College report=Student Support Funding**

College Name: Dundee and Angus College

College Contact:

College Number: 1002856

Phone Number:

1st August 2021 - 31st July 2022

(AAC 1)	(AAC 2)	(AAC 3)	(AAC 4)	(AAC5)	(AAC6)	(AAC 7)												
Bursary Funds		Student		Parentally		Parentally		Self-		Care-		Universal		Non-				Totals
Expenditure		under 18		Supported		Supported		supporting		experienced		Credit		maintenance				
(At home)	(Away from home)																	
Headcount	(£)	Headcount	(£)	Headcount	(£)	Headcount	(£)	Headcount	(£)	Headcount	(£)	Headcount	(£)	Headcount	(£)			
Maintenance Costs		0	0	486	1211340	30	93431	518	1712386	326	1798249	352	303608	0	0	1712	5119014	
Dependents Allowance		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Approved Residence Costs		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Personal Residence Costs		0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Study Expenses		0	0	485	71245	30	6412	515	79100	323	52619	351	69554	912	136293	2616	415223	
Travel Expenses		0	0	300	61151	20	3454	372	113285	179	26740	228	63629	621	103578	1720	371837	
Special Educational Needs		0	0	7	61248	0	0	1	19	0	0	0	0	11	69222	19	130489	
Total Bursary		0	0	486	1404996	30	103296	518	1904751	326	1877560	352	436782	924	309055	2636	6036440	

(AAC 1)	(AAC 2)	(AAC 3)	(AAC 4)	(AAC5)	(AAC6)	(AAC 7)												
Discretionary Funds		Student		Parentally		Parentally		Self-		Care-		Universal		Non-				Totals
Expenditure		under 18		Supported		Supported		supporting		experienced		Credit		maintenance				
(At home)	(Away from home)																	
Headcount	(£)	Headcount	(£)	Headcount	(£)	Headcount	(£)	Headcount	(£)	Headcount	(£)	Headcount	(£)	Headcount	(£)			
FE Discretionary		0	0	9	4291	16	42524	159	483897	32	70708	29	23841	50	19516	295	644777	

Childcare Fund Expenditure

Headcount Expenditure (£)

Total FE Childcare Fund 153 408727

Total HE Childcare Fund * 53 183475

* UHI partner colleges to manually enter data on the CSV version of this report.

Part-time

Full-time

Totals

The SAS System**14:29 Monday, October 10, 2022**

Headcount	Expenditure (£)	Headcount	Expenditure (£)	Headcount	Expenditure (£)		
FE childcare, lone parent	4	13310	65	180429	69	193739	
FE childcare, other	3	7829	81	207159	84	214988	
HE childcare, lone parent	0	0	30	119357	30	119357	
HE childcare, other	0	0	23	64118	23	64118	

We have examined the books and records of the above college and have obtained such explanations and carried out such tests as we consider necessary. On the basis of our examination and the explanations given to us, we report that the information set out in these forms is in agreement with the underlying records.

We also report that in our opinion, the college used these funds in accordance with the Scottish Funding Council conditions.

We are satisfied that the systems and controls of the administration and disbursement of these funds are adequate. * Delete if not applicable.

PLEASE RETURN AN ELECTRONIC AND SIGNED PAPER COPY OF THIS FORM TO THE SCOTTISH FUNDING COUNCIL.



Principals Signature

Auditors Name (in printed capitals)HENDERSON LOGGIE LLP.....



Auditors Signature.....

DIRECTOR

FOR AND ON BEHALF OF HENDERSON LOGGIE LLP, CHARTERED ACCOUNTANTS

Date of Signature...14 OCTOBER 2022.....

**Appendix II – Higher Education Discretionary and Childcare Fund
Return and Audit Certificate**



Our ref: DUND386/DA/STI

Your ref:

Student Awards Agency for Scotland
Saughton House
Broomhouse Drive
Edinburgh
EH11 3UT

31 October 2022

Dear Sirs

**Dundee and Angus College
Higher Education Audited Fund Accounts Return 2021/22**

On behalf of our above named client, we attach the audited HE Fund Accounts Return for the academic year 2021/22.

Although we have not raised any reservations in our Auditor's Report we have one observation to make arising from our audit work. The College does not operate a separate interest bearing bank account for the HE Discretionary Fund and all transactions are through the College's main bank account. The College uses the Government banking service for all of its financial transactions, on instruction from the Scottish Funding Council, and this account does not pay interest.

Should you have any queries regarding the attached please do not hesitate to contact us.

Yours faithfully



Stuart Inglis
Director
For and on behalf of Henderson Loggie LLP
Chartered Accountants
Dundee Office
stuart.inglis@hlca.co.uk

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T: 0141 471 9870



AUDITED FUND ACCOUNTS RETURN 2021/22

DISCRETIONARY FUND AND/OR CHILDCARE FUND (if appropriate)

Income and Expenditure

Name of institution: Dundee and Angus College

	Undergraduate Discretionary Fund	Postgraduate Discretionary Fund	Childcare Fund (HE only)	COVID-19 Discretionary Fund	TOTAL	ADVICE NOTES
	£	£	£	£	£	
INCOME						
a Funding carried over from previous academic year 2020/21	-	-	-		-	
b New allocation received for the academic year 2021/22	201,166.00	-	-		201,166.00	Received in two payments 70% (Jul 21) and 30% (Feb 22)
c Coronavirus Fund Received				171,691.00	171,691.00	Received June 2021
d Bank interest received in the academic year 2021/22	-	-	-	-	-	
e Virement/transfer from other funds (HE only)	-	-	-	-	-	
<i>(Enter positive and negative amounts to show transfer between relevant funds)</i>						
f Total funds available for disbursement (a+b+c+d+e)=m	201,166.00	-	-	171,691.00	372,857.00	
Validity Checks						

EXPENDITURE						
g Funds disbursed (= grand total of k from Report on Funds Expenditure)	189,026.30			171,637.35	360,663.65	
h Winter COVID funds previously returned in March 2022				-	-	
i Unspent COVID-19 additional support to be returned to SAAS by 31 October 22				53.65	53.65	
j Remaining allocation from 2021/22; funds to be returned to SAAS by 31 October 2022	12,139.70				12,139.70	
k Total disbursement of funds (g+h+i+j)=f	201,166.00	-	-	171,691.00	372,857.00	Provide breakdown on Funds Expenditure tab

NAME: SIMON HEWITT
(Principal)

SIGNED:



DATE: 28/10/2022

AUDITOR'S REPORT

We have examined the books and records of the above institution and have obtained such explanations and carried out such tests as we considered necessary. On the basis of our examination and of the explanations given to us we report that the information set out above is in agreement with the underlying records and in our opinion is in accordance with the relative statutory requirements. We are satisfied that the systems and controls of the administration and disbursement of these funds are adequate, and that an interest bearing account or accounts was in operation for the Funds which are separate from the Institution's account.

* Delete if not applicable

APPOINTED AUDITOR: HENDERSON
LOGGIE LLP

SIGNED:



DATE: 31/10/2022

DIRECTOR
FOR AND ON BEHALF OF HENDERSON LOGGIE LLP, CHARTERED ACCOUNTANTS

AUDITED FUND ACCOUNTS RETURN 2021/22

REPORT ON FUNDS EXPENDITURE

Name of institution: Dundee & Angus College

	Undergraduate Discretionary Fund		Postgraduate Discretionary Fund		Childcare Fund	COVID-19 Fund	TOTAL
	Full Time	Part Time	Full Time	Part Time	Full Time		
	£	£	£	£	£	£	£
a General living expenses	182,853.80	-	-	-		153,733.69	336,587.49
b Travel	-	-	-	-		72.00	72.00
c Childcare	5,692.50	-	-	-	-	5,926.50	11,619.00
d Bursary /scholarship	-	-	-	-		-	-
e Short-term loans not repaid in the academic year	480.00	-	-	-		-	480.00
f Disability diagnosis costs	-	-	-	-		-	-
g Equipment	-	-	-	-		11,905.16	11,905.16
h Audit	-	-				-	-
i Advertising and publicity	-	-				-	-
j Other administration costs	-	-				-	-
k Total (= grand total of (i) from the Income & Expenditure accounts return)	189,026.30	-	-	-	-	171,637.35	360,663.65

Validity Checks

NAME: SIMON HEWITT
(Principal)

SIGNED:



DATE: 28/10/2022

AUDITED FUND ACCOUNTS RETURN 2021/22

REPORT ON STUDENT NUMBERS

Name of institution: Dundee & Angus College

	Undergraduate Discretionary Fund		Postgraduate Discretionary Fund		Childcare Fund (HE only)	COVID-19 Fund	TOTAL
	Full Time	Part Time	Full Time	Part Time	Full Time		
SUMMARY OF STUDENT NUMBERS							
a Total number of students applying for assistance (= b+c)	105	-	-	-	-	191	296
b Total number of students assisted	103	-	-	-	-	172	275
c Total number of students refused assistance (= a-b)	2	-	-	-	-	19	21
For COVID Fund only: of the students in b above, how many were:							
d International Students							-
e Nursing Students							-
DETAIL OF STUDENT NUMBERS							
f General living expenses	100	-	-	-		139	239
g Travel	-	-	-	-		1	1
h Childcare	3	-	-	-	-	1	4
i Bursary /scholarship	-	-	-	-		-	-
j Short-term loans not repaid in the academic year	3	-	-	-		-	3
k Disability diagnosis costs	-	-	-	-		-	-
l Equipment	-	-	-	-		44	44
Validity Checks							

NAME: SIMON HEWITT
(Principal)

SIGNED:



DATE: 28/10/2022

Please note, a student may be assisted in more than one category therefore the total number of students assisted may not equal the sum of students shown in individual categories.

Appendix III – Education Maintenance Allowance Return and Audit Certificate



Our ref: DUND386/DA/STI

Your ref:

Scottish Funding Council
Apex 2
97 Haymarket Terrace
Edinburgh
EH12 5HD

14 October 2022

Dear Sirs

**2021/22 Education Maintenance Allowance
Dundee and Angus College**

In accordance with the Scottish Funding Council's EMA audit guidance we attach an 'Auditors' Report' in relation to the above College's EMA Academic year-end statement for 2021/22 (copy attached).

As referenced in our Auditors' Report, we have one reservation to make in relation to the total maintenance payments claimed during the year of £357,360.00. An error was made in the monthly return for July 2022 by duplicating maintenance payments of £20,040.00 already claimed by the College in the monthly return for June 2022. The maintenance payments actually made by the College during the year totalled £337,320.00. We note that this error has already been identified to the SFC by the College and will be corrected by deduction from monthly claims made in 2022/23.

Should you have any queries regarding the attached please do not hesitate to contact us.

Yours faithfully



Stuart Inglis
Director
For and on behalf of Henderson Loggie LLP
Chartered Accountants
Dundee Office
stuart.inglis@hlca.co.uk

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T: 0141 471 9870



Our ref: DUND386/DA/STI

Your ref:

Scottish Funding Council
Apex 2
97 Haymarket Terrace
Edinburgh
EH12 5HD

14 October 2022

Dear Sirs

**Dundee and Angus College: Education Maintenance Allowance Return
Auditors' Report to the Scottish Funding Council (SFC) for the period from 1 August 2021
to 31 July 2022**

We have examined the books and records of the above College, including evidence of checks of five per cent of applications and payments, with a sample size appropriate to the total number of applications, and have obtained such explanations and carried out such tests as we considered necessary.

On the basis of our examination and of the explanations given to us, we report that, subject to the reservations set out in our letter dated 14 October 2022, the information set out in these forms is in agreement with the underlying records.

We also report that, in our opinion, the College used these funds in accordance with the SFC's conditions and the principles of the Education Maintenance Allowance programme.

We are satisfied that the systems and controls of the administration and disbursement of these funds are adequate.

Yours faithfully



Stuart Inglis
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For and on behalf of Henderson Loggie LLP
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Henderson Loggie LLP is a limited liability partnership registered in Scotland with registered number SO301630 and is a member of PrimeGlobal, a global association of independent accounting firms, the members of which are separate and independent legal entities. Registered office is: The Vision Building, 20 Greenmarket, Dundee, DD1 4QB. All correspondence signed by an individual is signed for and on behalf of Henderson Loggie LLP. Reference to a 'partner' is to a member of Henderson Loggie LLP. A list of members' names is available for inspection at each of these addresses.





**JOINT AUDIT & RISK,
FINANCE & PROPERTY COMMITTEE**

Tuesday 6 December 2022

Internal Audit

Catering Outlets Cash & Bank

PAPER F

Dundee & Angus College

Cash & Bank

Internal Audit report No: 2023/02

Draft issued: 21 November 2022

Final issued: 22 November 2022



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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 and 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

Satisfactory

System meets control objectives with some weaknesses present.

Risk Assessment

This review focused on the controls in place to mitigate the following risks from Dundee & Angus College's Strategic Risk Register:

- 2.4 – Financial Fraud

Background

The catering functions within Dundee & Angus College operate across three distinct sites at Kingsway, Gardyne, and Arbroath. A Catering Manager is in place who is responsible for overseeing the operations of the catering functions within all three sites. Each site has its own Supervisor, who is responsible for key roles including: managing day to day operations, ensuring the function is adequately staff, ensuring stock is held at a suitable level, and that the daily takings are recorded accurately with all cash held securely and deposited safely. Each site has a designated Cook and Catering Assistants (at least one of whom will have undertaken till operation supervisor training to assist the Supervisor) who work in shifts across the week to provide breakfast and lunch services to the college's students and staff.

Training was delivered in 2022 to all catering staff to address changes implemented to procedures, which are detailed in the Cash Register Procedures document. This training was delivered to all existing staff, and hard copies of the procedures are held by the Supervisors for reference and for training purposes for any incoming staff. Additionally, a Spot Check Form has been introduced to allow periodic checks to be performed over the amounts held in tills (against the amounts recorded in the system) for completeness and accuracy. Each Catering Assistant has a designated role in managing the environment within the catering outlets, with some staff solely working on tills and others performing restocking duties and never working on tills, in an effort to establish segregation of duties and help with the efficient running of catering operations. All Supervisors report to the Catering Manager for both the recording of financial information and for any operational issues, and therefore the parties work closely in an effort to ensure that the catering functions are always operating effectively.



Scope, Objectives and Overall Findings

The scope of the audit was to review the key internal controls in place over the recording of cash, credit / debit card payments and meal vouchers received from students and staff at the catering outlets on the Kingsway, Gardyne, and Arbroath campuses.

The table below notes each separate objective for this review and records the results:

Objective	Findings			
The objective of our audit was to ensure that:		1	2	3
		No. of Agreed Actions		
1. Till procedures are adequate and staff are trained and understand how to process cash and cash equivalent transactions (including meal vouchers).	Satisfactory	-	-	2
2. Weekly and ad hoc analysis of transactions are undertaken and recorded to identify unusual activity (including refunds/voids) or the need for further investigation or training.	Good	-	-	-
3. Staff understand the need for internal control systems to minimise the risk of theft.	Satisfactory	-	-	1
4. Monies collected by the College are fully, accurately and timeously recorded.	Satisfactory	-	-	1
5. All monies received are banked intact and in a timely manner.	Satisfactory	-	-	1
6. Regular reconciliations are carried out between actual receipts and amounts recorded in the College's finance system.	Good	-	-	-
Overall Level of Assurance	Satisfactory	-	-	5
		System meets control objectives with some weaknesses present.		

Audit Approach

We interviewed various staff, documenting the systems and key controls in place through interviews with catering staff and review of relevant documentation and considered these for adequacy.

We then performed compliance testing around void / refund override controls, training documents, and of reconciliations of weekly takings, to establish whether the identified controls are operating effectively in practice.

Summary of Main Findings

Strengths

- A formal Cash Register Procedures document is in place which has been provided to all catering staff as part of formal training;
- All staff training documentation is held by the Supervisors to evidence that the till operation supervisors are suitably trained for the additional duties they have been assigned;
- A weekly inspection of the takings for the three sites is undertaken by the Catering Manager, with queries raised with the Supervisors where any discrepancies are identified;
- From an inspection of a sample of weekly banking sheets, evidence was consistently held for the week selected across all three sites, with the amounts recorded in the cash bags reconciled to the figures recorded on the takings sheets;
- From inspection of the till system at all three sites, we confirmed that no Catering Assistants can process refunds/ voids without the management approval code / Supervisor's fob;
- From discussion with catering staff, it was clear that they had an understanding of their access levels to the system and their associated roles and responsibilities;
- Requisitions are issued to the finance team to claim monies for all meal vouchers (received from the relevant Council and / or charitable organisations) and for any hospitality;
- Cash amounts held at the Kingsway and Gardyne sites are taken to the bank by couriers on a daily basis, with the monies collected at the Arbroath site taken to the bank by the janitor (also on a daily basis) who provides the Team Leader with a receipt upon their return to the Arbroath campus;
- Meal vouchers are recorded at the full amount, with no change given, irrespective of whether the value of the goods is below the total value of the meal voucher; and
- Monies banked by the relevant sites are reconciled by the finance team to amounts recorded in the relevant college bank account(s).

Weakness

- Theft of stock by students across all sites was noted as a concern by the Catering Manager. The catering functions do not reconcile quantities of products sold back to inventory, though the system is capable of this function;
- All catering staff at the Arbroath campus have access to the spare safe key;
- There are two till operation supervisors in addition to the Supervisor at the Arbroath site, and therefore three members of staff can process refunds / voids, instead of only the Supervisor and one other member of catering staff (excluding cooks) at the Kingsway and Gardyne sites;
- Spot check processes which have been implemented have been performed at the Gardyne and Arbroath sites, with checks yet to be performed at Kingsway; and
- Meal voucher processes are not reflected within the documentation applied around till procedures.

Acknowledgment

We would like to take this opportunity to thank the staff at Dundee & Angus College who helped us during the course of our audit.

Main Findings and Action Plan

Objective 1: Till procedures are adequate and staff are trained and understand how to process cash and cash equivalent transactions (including meal vouchers).

Procedure

The College has a formal Cash Register Procedures document in place, which was provided to all catering staff during a refresher training course delivered in September 2022. Physical copies of these documents are also held by the Supervisors at all sites for ease of access. The Supervisors at each site are responsible for, among other things, managing their teams to ensure resources are appropriately covered, ensuring tills are correctly cashed up, and ensuring all voids/ returns are processed appropriately. It was noted from inspection that meal voucher processes are not included in the Cash Register Procedures document.

Review of Processes in Practice

Kingsway

Meal Vouchers – All student vouchers are recorded as the maximum value, with the physical voucher held in the till and reconciled with the number of meal vouchers processed at the end of each day. Each month, the Catering Manager/ Supervisor prepares an invoice and sends this to the Finance team who then issue this to the relevant body (i.e. Dundee City Council) to recover the funds. For hospitality vouchers, the Catering Manager performs a balancing check for the week against the 'Hospitality Requisition Form' – (which has a unique reference) which is received from certain departments and balances the vouchers received against the amount provided and issues this to Finance. A copy of the form and the attached vouchers are held digitally for evidence.

Voids/ Refunds - Supervisor approval is required for both voids and refunds. With approval being performed by the Supervisor, till operation supervisor and/ or the cook. From inspection of two transactions at the tills, it was confirmed that staff cannot process a void/ refund without the supervisor code as the keypad appears automatically and locks the screen until this is input.

Gardyne

Meal vouchers – Vouchers are provided to students by organisation such as: Dundee City Council, School Link, Pace, and Supported Education. In line with Kingsway, these are recorded in the tills and invoiced on a monthly basis and sent to Finance. All meal vouchers are held in the office for evidence.

Voids/ Refunds – The supervisor, and the cook can process voids/ refunds. From inspection of two transactions at the tills, it was confirmed that that these could not be processed without supervisor approval.

Arbroath

Meal Vouchers – N/A, meal vouchers are not in place.

Voids/ Refunds - till operation supervisor training has been undertaken for two Catering Assistants. Voids and refunds can therefore be processed by the Supervisor, two till operation supervisors and the cook. Inspected supervisor training certificates for the Supervisor and the two Catering Assistants with supervisor training. From inspection of two transactions at the tills, it was confirmed that that these could not be processed without supervisor approval.

Objective 1: Till procedures are adequate and staff are trained and understand how to process cash and cash equivalent transactions (including meal vouchers).

Observation	Risk	Recommendation	Management Response
There is an inconsistency with the application of supervisors at each sites, with two till operation supervisor level members of staff in addition to the Supervisor at the Arbroath site, and therefore three members of staff can process refunds / voids, instead of only the Supervisor and one other member of front serving staff (as the cooks can also process them) at the Kingsway and Gardyne sites.	There is a risk that there is less control over the processing of voids/ refunds at the Arbroath site, due to the higher number of staff with supervisor sign off.	R1 It is recommended that consideration be given to allocating till operation supervisor responsibility for the review of refunds / voids at the Arbroath site to one nominated member of staff (outwith the Supervisor) to further strengthen controls.	<p>Accepted.</p> <p>Responsibility for till operation supervision will be allocated to one Catering Assistant in Arbroath.</p> <p>To be actioned by: Catering Manager</p> <p>No later than: 31 January 2023</p>
			<div>Grade</div> <div>3</div>

Cash & Bank

Objective 1: Till procedures are adequate and staff are trained and understand how to process cash and cash equivalent transactions (including meal vouchers).

Observation	Risk	Recommendation	Management Response
It was noted from our review of the Cash Register Procedures document that the meal voucher process is not currently reflected in this procedural document, and though no instances of incorrect processing of meal vouchers were identified from our audit, a documented process would help to ensure that a consistent approach is applied, regardless of any potential future staffing changes.	There is a risk that a consistent approach will not be applied across all sites, as incoming staff are reliant on the direction of existing staff, and therefore procedures may be open to misinterpretation.	R2 It is recommended that procedures for processing meal vouchers be recorded within the Cash Register Procedures document to ensure consistent approaches are continuously applied across all sites.	<p>Accepted. The Cash Register Procedures will be updated to reflect the process for meal tickets.</p> <p>To be actioned by: Catering Manager</p> <p>No later than: 31 January 2023</p>
			<div>Grade</div> <div>3</div>

Objective 2: Weekly and ad hoc analysis of transactions are undertaken and recorded to identify unusual activity (including refunds/voids) or the need for further investigation or training.

Transaction Review

All transactions through the catering areas are recorded on the 'InnoOnDemand' system, which the Catering Manager periodically reviews for its content. On a weekly basis, the Catering Manager inspects the summary of transactions reports for each of the sites, for reasonableness against previous weeks (i.e. significant increases in refunds/ meal vouchers), and using their professional expertise, queries the transactions with the Supervisors, investigating any issues identified.

Daily Cash Review

On a daily basis, the Supervisors (with the count of cash performed by either the cook or the supervisor) complete the banking sheets, recording all the cash and card transactions, and upload this into the Catering team group in Microsoft Teams. Each day, the Catering Manager reviews the amounts recorded against those recorded in the InnoOnDemand system, querying any discrepancies with the Supervisors.

These sheets are then stored as evidence in the Teams group filing area at the end of each week, and the Supervisors store the cash in the safe and the meal vouchers in the designated folder for safe retention at the end of each day. The amounts recorded are also submitted to Finance for recording in the finance system on weekly basis by the Catering Manager, following their final review.



Objective 3: Staff understand the need for internal control systems to minimise the risk of theft.

Discussions were held with the Supervisors and a selection of Catering Assistants during onsite visits to the Kingsway, Gardyne and Arbroath sites. Key areas of control were discussed including: Supervisor review and approval of voids/ refunds, segregation of duties when counting cash at the end of the day, Catering Assistant sign in on the tills to ensure accountability, no cash involvement with meal vouchers transactions and supervision of students to help ensure stock is not misappropriated.

From these discussions, it was established that the staff have a strong understanding of the need for the controls in place, with Catering Assistants having an understanding of their system access limitations. From inspection of the training folders at all sites, it was confirmed that valid certificates were held for all supervisors having completed 'Level 2' supervisor training, with valid certificates of Level 1 training held for all Catering Assistants.

It was noted from discussions with Supervisors, however, that at the Kingsway and Gardyne sites there is the potential for student theft of property, as the catering area is heavily congested at peak times, providing opportunities for students to misappropriate goods. The Catering Manager reviews CCTV in an attempt to identify the any misappropriation. However, this is a time consuming process and not always effective as it requires staff to recognise any particular students suspected of theft.



Objective 3: Staff understand the need for internal control systems to minimise the risk of theft. (Continued)

Observation	Risk	Recommendation	Management Response
Despite the staff's understanding of the need for internal controls and segregation of duties within the catering function, it was identified that there is a recurring potential for students misappropriating goods during peak hours within the catering facilities. We were advised that the opportunity for these incidents has increased as a result of the staff on duty being busy on tills or restocking goods, and therefore there is insufficient staff cover to effectively supervise the catering outlet area to prevent misappropriation of goods.	There is a risk that a significant amount of goods is being misappropriated by students, with no preventative measure, apart from CCTV and the capacity of staff, to stop this continuing.	<p>R3 It is recommended that the RESPECT campaign is reinforced.</p> <p>It is also recommended that consideration be given to implementing a reconciliation between the inventories held against those purchased and sold (the information for which is available in the InnoOnDemand system), to track the level of any missing stock in each catering outlet.</p>	<p>Accepted.</p> <p>Consideration will be given to the affordability/return on the additional capacity required to undertake the reconciliation and the cost of additional control systems to determine and take action in relation to any suspected misappropriation.</p> <p>This will be considered in the context of the College's financial sustainability and increasing levels of subsidy required to provide a catering service.</p> <p>To be actioned by: Catering Manager</p> <p>No later than: 31 March 2023</p>
			<div>Grade</div> <div>3</div>

Objective 4: Monies collected by the College are fully, accurately and timeously recorded.

From discussions with the Supervisors, it was established that there is segregation of duties in place during the counting up process for tills at the end of the lunch service and at the end of the day. At each site, either the cook or another supervisor balances the till at the end of the day as they would not have been working on the till. This provides an element of independence in the end of day cash counting process. The Supervisor then reviews the cash and card transactions, and checks the amount of cash, and records this on the banking sheet, and then uploads the amounts recorded on the banking sheets into the catering Microsoft Teams files for the Catering Manager to review.

Tills are cashed up and the amounts recorded at various points within the day. For the larger Kingsway and Gardyne sites, one till is cashed up following the lunch service for efficiency purposes, with one till left active for the remainder of the day.

A spot check process has now been implemented within the College, with a Spot Check Form in place, which is held by all Supervisors in the physical training folder at site. As part of our review, we inspected these forms to confirm their effective deployment, and noted that these processes had been performed for one Catering Assistant at each of the Gardyne and Arbroath sites, with the amounts being recorded on the forms and no discrepancies identified. However, at the time of our audit fieldwork this process had not yet been performed at the Kingsway site. From our discussions with all the Supervisors it was established that they planned to check these forms at random times of the day, for random members of staff, to help ensure their effectiveness.



Objective 4: Monies collected by the College are fully, accurately and timeously recorded.

Observation	Risk	Recommendation	Management Response	
<p>It was identified from a review of the Spot Check Forms across the three sites, that the spot check process had not yet been performed at the Kingsway site.</p> <p>It was noted, however, that each of the Supervisors understood the need for the checks to be random and performed at different times of the day to be most effective.</p>	<p>There is a risk that the controls around monitoring of cash in tills is not as effective across all sites, resulting in an increased risk of misappropriation at sites where this check is not being performed.</p>	<p>R4 It is recommended that the spot check process be applied at the Kingsway site to ensure that the cash within the tills is adequately monitored, and that the overall culture of control is as robust as possible.</p>	<p>Accepted.</p> <p>Random spot checks will be undertaken at each site</p> <p>To be actioned by: Supervisor</p> <p>No later than: 31 January 2023</p>	
			Grade	3

Objective 5: All monies received are banked intact and in a timely manner.

The takings for the day are compiled into a banking bag by the Supervisor, with a barcode recorded on it, and stored in the safe until the designated pick up time. A copy of the barcode is attached to a sheet by the Supervisor, which at the end of the week will contain all the barcodes and the amounts recorded in each bag, which is checked against the total on the banking sheets submitted to the Catering Manager for their review.

An inspection of the conditions under which each of the safes are held was undertaken at all sites, and assessed for suitability, with the following noted:

Kingsway

Barcoded bag is held with the same details for what is in the bags in the safe, which are picked up at 2pm every day. All documents are held in the office and scanned into the system and sent into Finance. The safe is held in a storage room which only the Supervisor, cooks and Catering Manager can access, with the safe key held by the Supervisor. A courier collects the contents of the safe daily and takes this to the bank.

Gardyne

The cash is totalled daily by the supervisor and checked by the Supervisor, with the Supervisor recording the information on the banking sheets. Bag barcodes attached to the banking sheet and held in the Supervisor's office. Till receipts are also stored in a box in their office.

The safe is held in the Supervisor's office, which can only be accessed by the Supervisor, cook, and Catering Manager. A courier collects the contents of the safe daily and takes this to the bank.

Arbroath

At the end of each day, the Supervisor cashes the till up and records this on the banking sheets, with the supervisor checking that the figures are correct. All banking sheets are printed off and held in hard copy in the room with the bag barcodes and the cash totals.

The safe key is held by the Supervisor on their set of keys. A spare key, however, is held in an accessible communal area. At the end of each day, the Supervisor takes the cash through to the front desk and they put it in the college safe and the janitor takes it to the bank every day and provides a receipt to the Supervisor which is held with all the bank slips. The majority of transactions at the Arbroath site are card transactions so the amounts are not as large as at the Kingsway and Gardyne sites. The safe is held within the storeroom, which has a locked padlock on it which is locked at the end of each day, the key for which is held by the Supervisor.



Objective 5: All monies received are banked intact and in a timely manner.

Observation	Risk	Recommendation	Management Response
It was identified from inspection of the safes at all sites, and through discussions with the Supervisors regarding access to the safes, that although a key is held by the Supervisor on their set of keys, there is a spare key held at the Arbroath catering site, which all of the Catering Assistants have access to.	There is a risk that the safe can be accessed by all catering staff, and therefore its contents could be misappropriated with no clear responsible person, reducing the likelihood of recovering the amounts taken.	R5 It is recommended that the spare key for the Arbroath site be allocated to another designated member of staff (for use when the Supervisor is absent), to ensure accountability within the security processes.	<p>Accepted.</p> <p>Access to the spare safe key will be restricted</p> <p>To be actioned by: Arbroath Supervisor</p> <p>No later than: 31 January 2023</p>
			<div>Grade</div> <div>3</div>

Objective 6: Regular reconciliations are carried out between actual receipts and amounts recorded in the College's finance system.

On a daily basis, the physical amounts of cash taken in the tills, are recorded against the amounts recorded in the till system, with any differences recorded and investigated. These takings are recorded on the banking sheets and compiled by the Supervisors and uploaded to the Microsoft Teams catering group for review by the Catering Manager. The banking sheets for all three sites are reviewed daily, and also at the end of the week for accuracy and reasonableness. Cash is deposited daily at all sites by either couriers picking up the cash (Kingsway and Gardyne) or the janitor taking it to the bank and providing the Supervisor with the receipt upon their return (Arbroath).

On a weekly basis, following their review, the Catering Manager submits the banking sheets and a scanned copy of the barcodes of the bags in which the cash was deposited, to the Finance team, for all three sites. This is then reconciled by the Finance team against the online banking system, to which only they have access, and any discrepancies will be raised immediately with the Catering Manager for resolution.

Where hospitality requests are received from staff, requisitions are submitted by the departments for the relevant event/ function, 48 hours before they are due to be used. The Supervisors then prepare the food for the designated time and then send the invoice to the relevant department, and then to finance who then process and balance the books as no cash is exchanged in the process. A similar process is followed for student meal vouchers, with no cash exchanged, and the full amounts recorded in the till system, and the total of the vouchers received in the week issued to Finance for recovery from the relevant provider.



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**JOINT AUDIT & RISK,
FINANCE & PROPERTY COMMITTEE**

Tuesday 6 December 2022

Internal Audit

2022/23 Progress Report

PAPER G

Dundee & Angus College

Internal Audit Progress Report

Audit & Risk Committee – 6 December 2022

Issued: 25 November 2022



Internal Audit Progress Report

December 2022

Progress in delivering the annual plan for 2022/23 is shown below.

Audit Area	Planned reporting date	Report status	Report Number	Overall Conclusion	Audit & Risk Committee	Comments
Annual Plan 2022/23	September 2022	Draft: 19/08/22 2 nd Draft: 05/09/22 Final: 20/09/22	2023/01	N/A	20/09/22	
Cash & Bank	December 2022	Draft: 21/11/22 Final: 22/11/22	2023/02	Satisfactory	06/12/22	
Health, Safety and Wellbeing Estates Strategy / Capital Projects	March 2023					Fieldwork scheduled for week commencing 23 January 2023
Teaching Staff Utilisation	June 2023					Fieldwork scheduled for April 2023
Estates Strategy / Capital Projects	June 2023					Fieldwork scheduled for April 2023
Partnership Working (incl. Regional Engagement) – Tay Cities Deal	March 2023					Fieldwork scheduled for December 2022
Credits	December 2023					Fieldwork scheduled for August / September 2023



Audit Area	Planned reporting date	Report status	Report Number	Overall Conclusion	Audit & Risk Committee	Comments
Bursary, Childcare and Hardship Funds	December 2023					Fieldwork scheduled for August / September 2023
EMA	December 2023					Fieldwork scheduled for August / September 2023
Follow Up Reviews	September 2023					Fieldwork scheduled for July / August 2023

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.

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**JOINT AUDIT & RISK,
FINANCE & PROPERTY COMMITTEE**

Tuesday 6 December 2022

Internal Audit

Follow-up Summary

PAPER H

BOARD OF MANAGEMENT

Audit & Risk Committee Tuesday 20 September 2022



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 include 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.

The report also includes an update on the progress of actions related to the theft of cash in the catering outlet and other related updates.

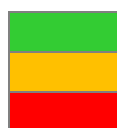
2. Recommendations

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

3. Background

The following provides a summary of the progress of Internal Audit recommendations since the June 2022 meeting.

		Number of Actions Outstanding (& Priority Grades)		
Audit Area	Report Grades	1	2	3
Student Invoicing and Debt Management	Satisfactory	-	-	1 1 1
Data Protection	Good			1 1
Publicity & Communications	Satisfactory			1 1
	Total	-	-	7



Complete or on track to complete

Behind schedule by < 3 months from original deadline

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

Of the 7 outstanding actions, since the last Audit & Risk Committee, the following progress has been made:

- 1 is Complete
- 2 are On Target to complete

- 4 are Behind Schedule

The outstanding actions with the respective progress updates are detailed in Appendix 1 below.

4. National Fraud Initiative Update

The next (our Third) National Fraud Initiative (NFI) 2022/23 exercise has commenced with the College providing the data which will be used to identify any potential fraud matches by 18th November 2022. We will thereafter receive the results of the matching exercise.

In terms of the roll-out of the Fraud, Bribery and Corruption policy and training this has been incorporated into the CPD programme for the Leadership Development Forum alongside a rise package being available.

5. Theft of Cash

Good progress is being made on the implementation of the review recommendations as detailed in Appendix 2 below.

6. 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 and other 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 achieve/maintain compliance arrangements
- 3.5 – loss of reputation with key stakeholders
- 3.8 – breach of data security/data protection
- 4.3 – breach of ICT/Cyber security
- 4.4 – failure to support effective data security/data protection

Authors: Steve Taylor, Vice Principal – People & Performance

Andy Ross, Head of ICT

Abi Mawhirt, Head of People and Organisational Development

Billy Grace, Head of Estates

Brian Ferguson, Head of Finance

Colin Lynah, Data Protection Officer

Executive Sponsor: Jaki Carnegie, Vice Principal – Corporate Services

Outstanding Recommendations Update

Appendix 1

Year	Audit Area Report Title	Priority Action Grade	Report Grade	Action	Responsible Officer	Deadline	Progress (as at December 2022)
2022/04	R1 - Student Invoicing and Debt Management	3	Satisfactory	The introduction of a facility which would allow online payment of student fees, through the online portal, should be explored in conjunction with IT to determine whether this is a feasible project to build into future plans for system development	Head of Finance and Head of ICT	July 2022 Phase 1- October 2022 Phase 2 – January 2023	<u>Behind Schedule</u> Phase 1 – complete visibility of debt. The data cleanse and development has been completed. Reports now with Finance and Administration teams. Phase 2 – online payment of fees functionality will be delivered now that fee visibility has been completed. This is scheduled to be complete in early 2023.
2022/04	R2 – Student Invoicing and Debt Management	3	Satisfactory	Consideration should be given to making information on the status of fees available to Administration staff through the College data layer and students through their online portal, including how much students have already paid and are still due to pay.	Head of ICT (supported by Kick, Finance Team)	July 2022 October 2022	<u>Complete</u> Report now available to Administration staff
2022/04	R3 – Student Invoicing and	3	Satisfactory	A review of the College's written debt management	Head of Finance	August 2022	<u>Behind schedule</u> The current Financial

Year	Audit Area Report Title	Priority Action Grade	Report Grade	Action	Responsible Officer	Deadline	Progress (as at December 2022)
	Debt Management			procedures should be conducted, and the document should be updated to reflect the changes in working practices which have been brought in as a result of remote working and the impact of the COVID-19 pandemic.		January 2023	Procedure remains valid and collection has been augmented by additional methods of reaching out to students such as Teams and texts.
2022/05	R1 - Data Protection	3	Good	Consider establishing a data privacy network to support the Data Protection Officer, comprising data protection leads within key departments who would be responsible for communicating training to team members and for assisting the DPO with data breaches, subject access requests, supporting the DPO with the maintenance of the Record of Processing Activities (RoPA) and compliance monitoring.	Head of ICT	September 2022 March 2023	<u>Behind Schedule</u> Alongside this data governance group, the College are keen to launch an analytics, reporting and dashboard working group as part of the new reporting strategy. As a result, this group's formation is delayed to align with the publish of the reporting strategy
2022/05	R3 – Data Protection	3	Good	A data protection compliance monitoring procedure and audit plan should be developed, which reflects and builds upon existing practices,	Data Protection Officer / VP People & Performance	December 2022	<u>On Track</u> Data protection compliance monitoring procedure and rolling internal audit plan is currently being finalised

Year	Audit Area Report Title	Priority Action Grade	Report Grade	Action	Responsible Officer	Deadline	Progress (as at December 2022)
				and which identifies the form, frequency and method of compliance monitoring and describes how results should be reported. The procedures for compliance monitoring should outline the roles and responsibilities of the members of the Data Privacy Network (see R1) in monitoring compliance within their respective areas of the College.			with target to complete by due date
2022/06	R1 – Publicity and Communications	3	Satisfactory	The Internal Communication Policy should be reviewed to ensure that it adequately reflects the most recent developments in the communication processes within the College.	Head of People and Organisational Development	September 2022 December 2022	<u>Behind Schedule</u> The update is in draft form with final publication expected by end of December 2022.
2022/06	R2 – Publicity and Communications	3	Satisfactory	We recommend that consideration should be given to the development of a bespoke training programme on communication, including contemporary digital communication methodologies, and this training should be made	Head of People and Organisational Development	July 2023	<u>On Track</u> Engaged with external company for delivery; currently scoping work with training programme to begin in early 2023.

Year	Audit Area Report Title	Priority Action Grade	Report Grade	Action	Responsible Officer	Deadline	Progress (as at December 2022)
				available to management and staff at all levels across the College.			

Theft of Cash: Progress of Recommendations (reported to June 2022 Audit & Risk Committee)

Appendix 2

	Recommendation	Responsible Officer	Deadline	Progress (as at December 2022)
6	Investigate the wired network connections to the till to improve the speed of processing.	Head of ICT	August 2022	<u>Complete</u> New Chip + Pin terminals have improved performance Further work will be undertaken, scheduled for summer 2023, to continue to enhance performance.
7	Consider installing CCTV cameras within all student catering outlets.	Head of Estates	November 2022	<u>On Track</u> Kingsway installation is in progress and Arbroath will follow thereafter. Gardyne outlet is already covered by CCTV
3, 4 & 9	Gaps in awareness of college policies and procedures is identified and training and support provided by the People team. Formal communication such as an email/paper copy should follow any formal training or instruction. Training is provided to all student catering outlet staff linked to the College's Fraud, Bribery and Corruption Policy.	Head of Estates HR Manager VP Corporate Services	Ongoing September / October 2022	<u>Complete</u> Fraud, Bribery and Corruption Policy training was delivered in September/October



**JOINT AUDIT & RISK,
FINANCE & PROPERTY COMMITTEE**

Tuesday 6 December 2022

**HEFESTIS –
Annual Information & Cyber Security Risk
& Maturity Report 2022**

PAPER I



Dundee and Angus College: Annual Information and Cyber Security Risk and Maturity Report 2022

OCTOBER 2022

DAVID ROBERTSON

HEFESTIS | HIGHER EDUCATION/FURTHER EDUCATION SHARED TECHNOLOGY AND INFORMATION
SERVICES STIRLING BUSINESS CENTRE, WELLGREEN, STIRLING, FK8 2DZ



Information and Cyber Security (ICS) Risk and Maturity Report

The following report is generated from review of the Dundee and Angus College information and cyber security maturity and RAID log including ongoing information and cyber security management activity over a period of 1 year. The reporting period is October 2021 to October 2022 and includes reference to previous improvements recorded from October 2020 included in last years report.

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EXECUTIVE SUMMARY

Over the reporting period October 2021 to October 2022 the cyber security activities performed at Dundee and Angus College have maintained and built upon a strong level of **information and cyber security (ICS)** risk management. However, the threat level to the HE/FE sector is still high to very high. This report summarises the ongoing cyber security risk and maturity position and is calculated against Dundee and Angus College risk appetite, the public sector action plan and industry maturity standards.

Of exceptional note is the risk mitigation and maturity improvement recorded at strategic, tactical and operational levels throughout the college in relation to organisation and structure of information security, communication and management (including supplier management) which currently score at the highest possible levels of advanced maturity (4 to 5) with significant improvement or maintaining of strong levels of risk and maturity posture over the reporting period in all audited areas.

Key Performance Indicators

Risk Mitigation: Progress Towards Minimising Cyber Security Risk

Over the reporting period the college has maintained a **100%** mitigation level to presenting critical risks (KPI #1) **100%** compliance with risk appetite minimum (KPI#2) and further **progression to over 90%** towards optimal risk appetite levels (KPI#3) – **significant and substantial overall improvement**. See **risk summary** and **RAID Log** (appendix 1) for details.

Security Maturity Improvement Is Significant

Areas of excellence were demonstrated at all levels in relation to information and cyber security management.

Progress in governance plus migration to cloud-based controls and services have further contributed to reduced risk and a strengthening of the security posture - **significant improvement**. See Maturity Assessment (appendix 2).

Progress Towards Minimum National Standards Is In The Advanced Range

A Public Sector Action Plan Assessment using the current (2022) version of the Cyber Resilience Framework self-assessment tool has been completed. * The **Public Sector Cyber Resilience Framework version 2** is due for release and implementation in early 2023 and will replace the current version of the framework.

The assessment scoring indicates that information and cyber security levels at Dundee and Angus college are currently substantively (77%) within the “**advanced**” range which indicates activity towards the highest level of ICS security management as defined by the National Cyber Security Centre (NCSC). See Public Sector Action Plan Assessment (page 9).

Conclusion

Dundee and Angus college have reached a position of advanced information and cyber security resilience by applying resource, technology and communications in a risk prioritised and controlled manner over 2020, 2021 and 2022. Recommendations to maintain and enhance this position follow in the recommendations section on the next page.

Justifications, illustrations and more detailed analysis constitute the remainder of this report and its appendices.



Recommendations

It is important to note that the threat of significant cyber security incident to the HE/FE sector continues to rise and significantly evolve year on year. Effective ICS mitigation and protection is best approached as a continuous improvement programme of managed activity providing countermeasures against improved or invigorated cyber-criminal activity. The following recommendations are included to provide ongoing systematic management of ICS threats and activities.

Continuation of good practice in priority order (ongoing)

1. Continuance of existing best practice in all areas in order to maintain the security posture and continuously address ICS risk throughout the organisation and for all stakeholders

Management response	Bring Your Own Device controls to be fully implemented on all staff users
Timescale for completion/continuance	Jan 2023

2. Direct focus on completion of activities to embed best practice in ICS across the organisation in order to replicate the success and clarity of improvements in information and cyber security namely
 - o continued update of technical activity, policy and standards documentation

Management response	Review of all policies and procedures to ensure they are still relevant
Timescale for completion/continuance	Sep 2023

3. Transition to alignment with the **Public Sector Cyber Resilience Framework version 2** which is due for release early next year as a benchmark for Alignment of internal/external auditing procedures is recommended. Migration to the latest standards and frameworks to support continuous improvement and evolution of cyber security are essential in an environment of ever rising and changing cyber security threat.

Management response	New Framework available in January 2023. Undertake a baseline for the College in the first quarter of the year
Timescale for completion/continuance	March 2023

4. Measures to include in transition: annual/ongoing review and reporting of information and cyber security progress and activity for purposes of ongoing quantification and management of risk and security posture against existing auditable standards and assessment *including the 2023 Public Sector Action Plan/cyber resilience framework over the course of 2023 and beyond.

Management response	Create action list after initial assessment against new framework and perform against it
Timescale for completion/continuance	June 2023

5. Focus be applied in future reporting cycles to maintain continuous improvement and embed improved security practice, procedures and systems as business as usual



Management response	Implementation of annual stop and review for all business systems
Timescale for completion/continuance	March 2023

Areas for improvement

There are two areas identified that would benefit from further attention. However those areas are not directly IT related – in priority order.

1. Classification scheme embedding could be improved in partnership with the governance team

Management response	Working within the College's data governance group, implement a data classification scheme
Timescale for completion	Sep 2023

2. Physical security (although not a high cyber security risk) is the lowest scoring area and may benefit from strengthening in partnership with the estates teams.

Management response	Review actionable items and put in place a plan to remediate
Timescale for completion	Jun 2023

There is an **opportunity for improvement** in ensuring the security team are deeply engaged in security by design beyond the procurement stage.

Management response	Review cyber security onboarding process
Timescale for completion	Apr 2023



ICS Risk and Maturity Analysis

The most recent annual risk profile is illustrated within this section.

Risk Posture and KPI's

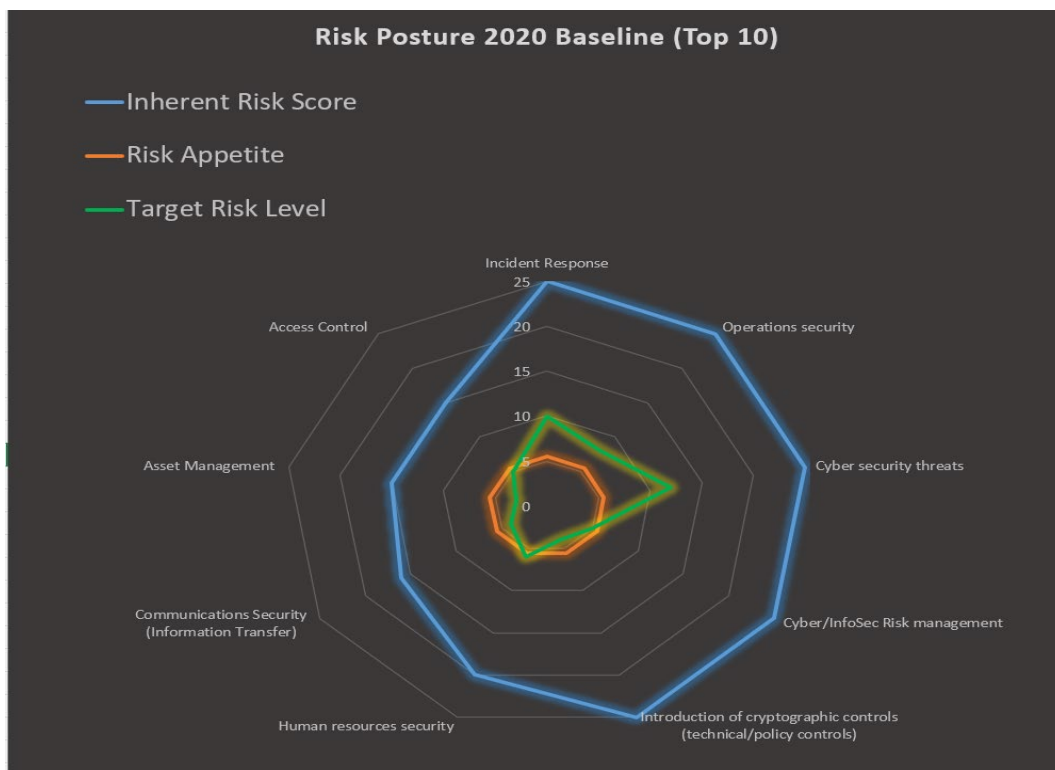
The three risk posture diagrams illustrate change in risk levels over the reporting period. Baseline scores from the beginning of the reporting period are on the left, current scores in the middle and, on the right, combined scores showing where change in risk level has been recorded. The report illustrates progress towards the “green area” in the centre of each chart which indicates the optimal “target level” for ICS risk as defined by the organisation.

- the **blue** line (baseline) in the “baseline” and “combined” risk posture diagrams illustrates the levels of risk recorded at the assessment starting period used as a baseline for mapping progress against inherited levels of ICS risk – reflecting the risk report initial or starting posture.
- the **orange** line (maximum appetite) shows the maximum risk appetite as a minimum standard of acceptable ICS risk - better than half out of maximum scoring of 25 = 12 (defined by the organisation - adjustable) *excludes external threat level
- the **green** line (target appetite) displays the preferred target levels of risk as an aspirational level of risk to the organisation for each risk category *optimum acceptable levels of risk
- the **grey** line (current risk level) represents the current ICS risk level as recorded at the end of the reporting period.

Risk improvement is displayed as the gap between the **blue** line (baseline) and the **grey** line (current) risk posture scorings and is used to generate ICS risk key performance indicators.

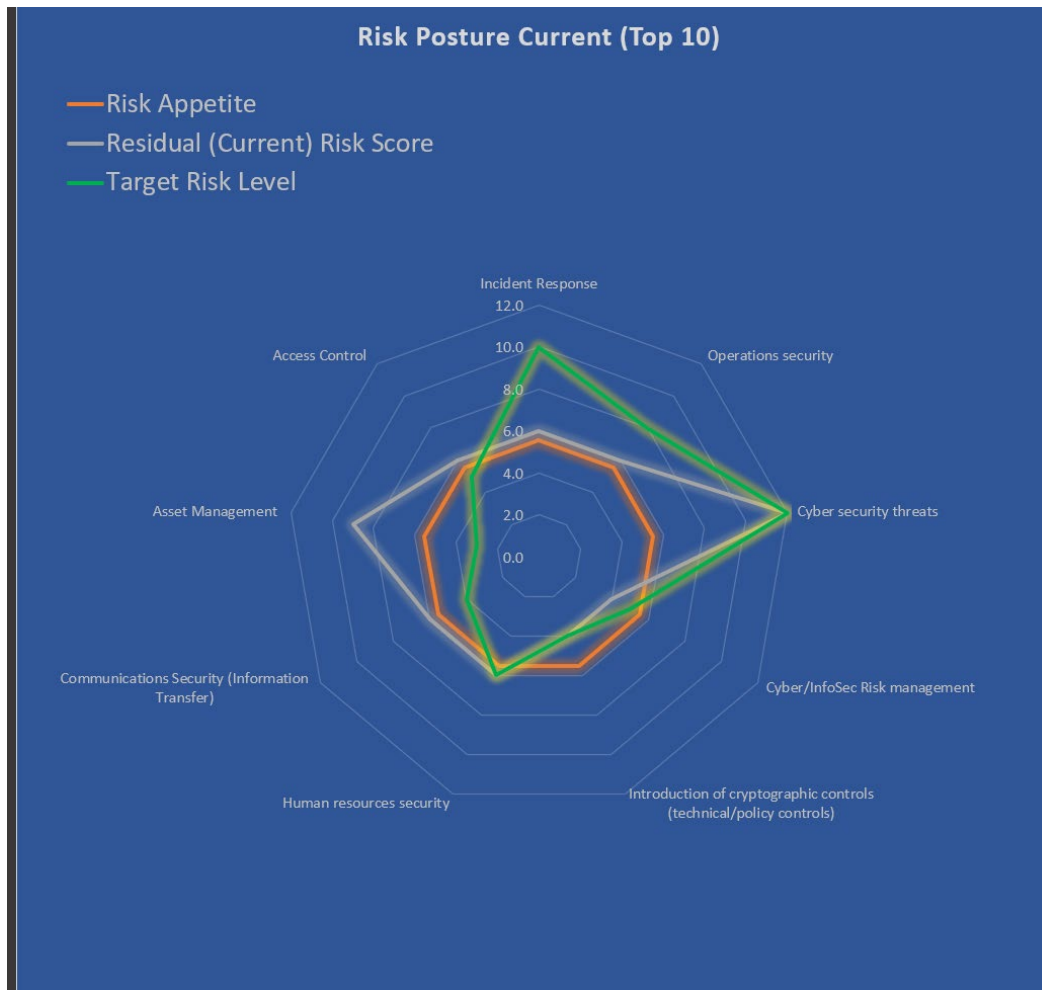
October 2020 (Baseline) Risk

Where D & A College were





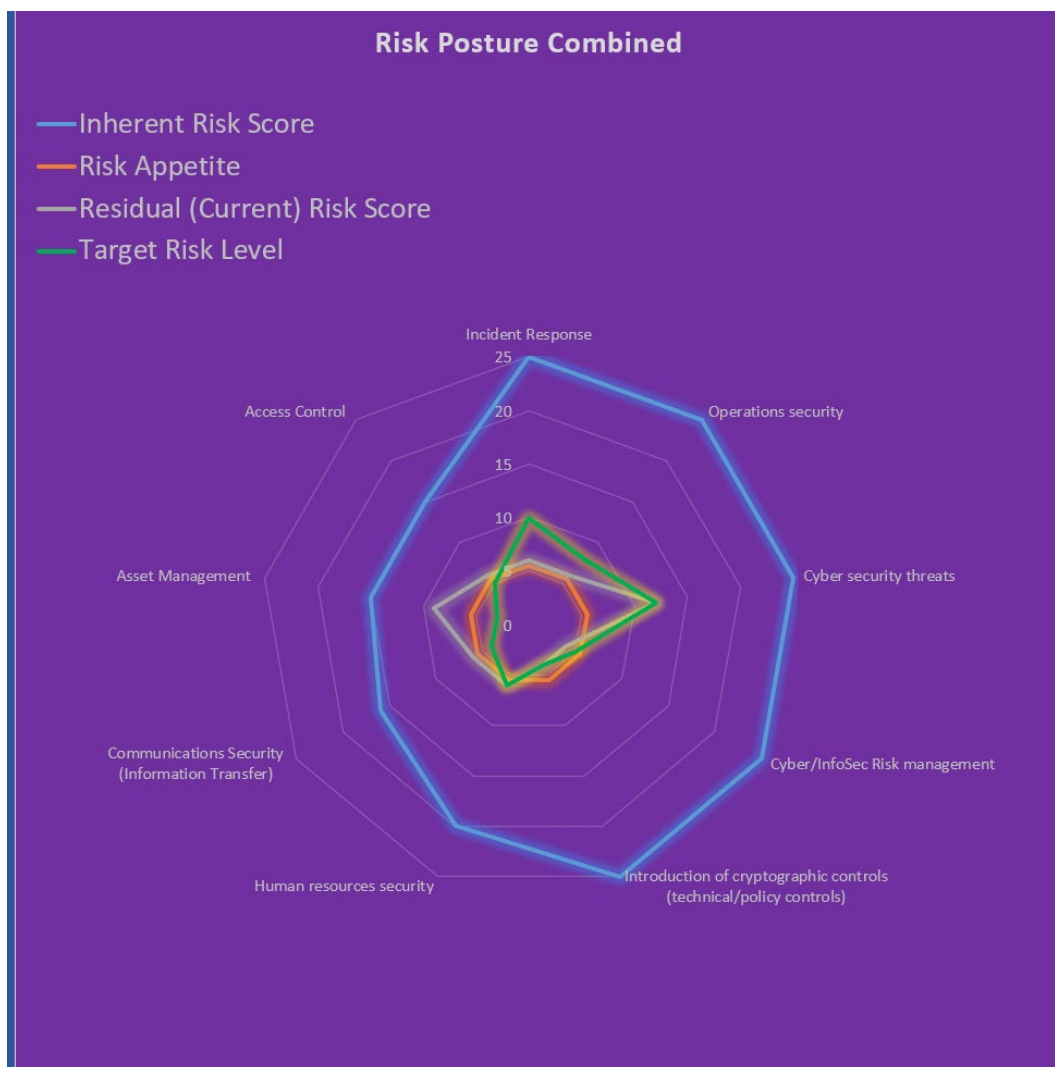
October 2022 (Current) Risk Where D & A College are





October 2020 to 22 (Combined) Risk

Measured Improvement





Key Risk Management Performance Indicators

Key Performance Indicator 1: Reduction In Number Of Critical Risks = 100%

Over the reporting period the cyber security mitigations and actions applied by this institution have reduced critical risk instance by 100% from 7 to 0. There are currently no critical level ICS risks recorded against industry appetite levels. **Significant improvement and best practice.**

Key Performance Indicator 2: Reduction Of Risk Towards Minimum Compliance Levels = 100%

Markedly the figures represent 100% achievement and maintenance of a minimum compliance position within the initial risk tolerance threshold. *Minimum threshold = 12 or below commensurate with baseline to target levels of security compliance against Public Sector Action Plan criteria for all recorded ICS risks over the 12-month reporting period. **Significant improvement and best practice.**

Key Performance Indicator 3: Reduction Of Risk Towards Target (Advanced/Optimal) Levels = 90%

Over the reporting period the recorded level of reduction to presenting ICS risk represents a further 30% progress to 90% mitigation towards the advanced target levels of risk appetite. **Significant improvement.**

Risk management reporting therefore indicates **significant improvement** of the ICS risk position over 2021 and builds on successful implementation of risk controls in 2020.



ICS Maturity and Posture Summary

The cybersecurity posture for the institution refers to its overall cybersecurity resilience, articulated in terms of continuous improvement. The ICS security maturity posture expresses the relative levels of mitigation, countermeasures, procedures and application security to the IT and wider security estate, particularly relative to the internet and vulnerability to cyber-threat. Baselining and ongoing measurement of security maturity is performed to articulate and put in place measures with KPI's to illustrate and monitor information and cyber security resilience within and across the organisation.



Justification

Security Maturity Summary: By Section (Average Score)					
Control Description	Control: Maturity Score 2021	Current Maturity Score (Oct 2022)	Target Maturity Score	Maturity Gap	Improvement
A.17 Information security aspects of business continuity management	5.0	5.0	4.0	-1.0	0.0
A.16 Information security incident management	4.1	4.1	4.0	-0.1	0.0
A.13 Communications security	3.4	4.0	4.0	0.0	0.6
A.7 Human resources security	4.0	4.0	4.0	0.0	0.0
A.18 Compliance	3.3	3.5	4.0	0.5	0.3
A.6 Organisation of information security	2.7	3.9	4.0	0.1	1.1
A.14 System acquisition, development and maintenance	3.0	3.0	4.0	1.0	0.0
A.1 Security Strategy	3.5	4.0	4.0	0.0	0.5
A.9 Access control	3.1	4.1	4.0	-0.1	0.9
A.11 Physical and environmental security	1.7	1.7	4.0	2.3	0.0
A.8 Asset management	3.2	3.6	4.0	0.4	0.4
A.12 Operations security	3.8	4.1	4.0	-0.1	0.3
A.2 Terms and Definitions	4.0	4.0	4.0	0.0	0.0
A.3 Structure of information security standards	3.0	4.0	4.0	0.0	1.0
A.4 Risk Management	4.0	4.0	4.0	0.0	0.0
A.5 Information security policy management	3.0	4.0	4.0	0.0	1.0
A.10 Cryptography	4.0	4.0	4.0	0.0	0.0
A.15 Supplier relationships	2.2	4.0	4.0	0.0	1.8
Average score/improvement	3.4	3.8	4.0	0.2	0.4



Maturity improvement summary

Strong maturity with high levels of improvement is indicated by the ICS maturity summary – the right hand “improvement” column indicates by how much ICS posture has strengthened over the reporting period.

Improvement is very good (dark green) in supplier security due to progression of the planned managed cloud-based migration from network dependent services.

Improvement is good (medium green) in the main body of the summary.

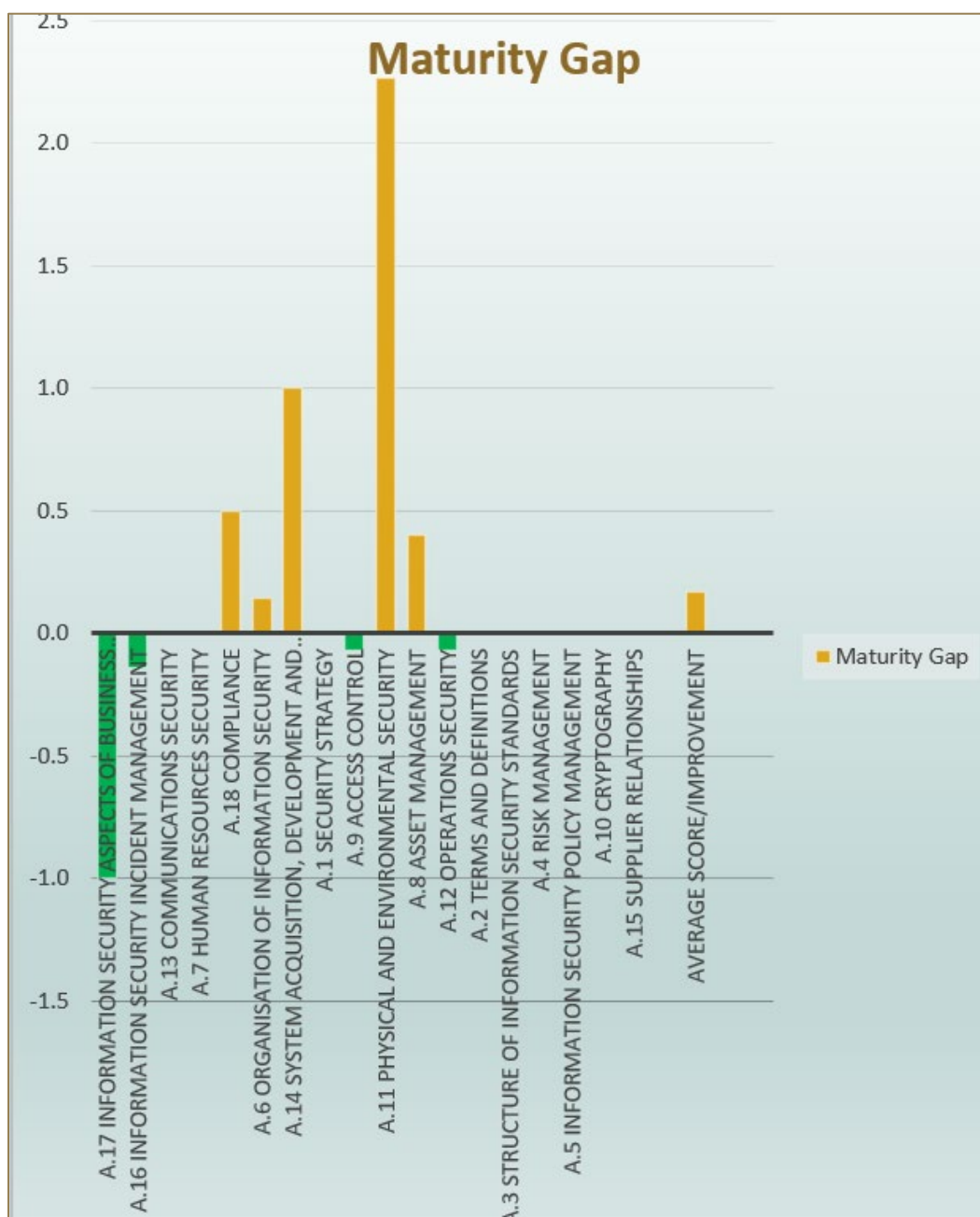
Posture has been maintained (white) in all other areas.

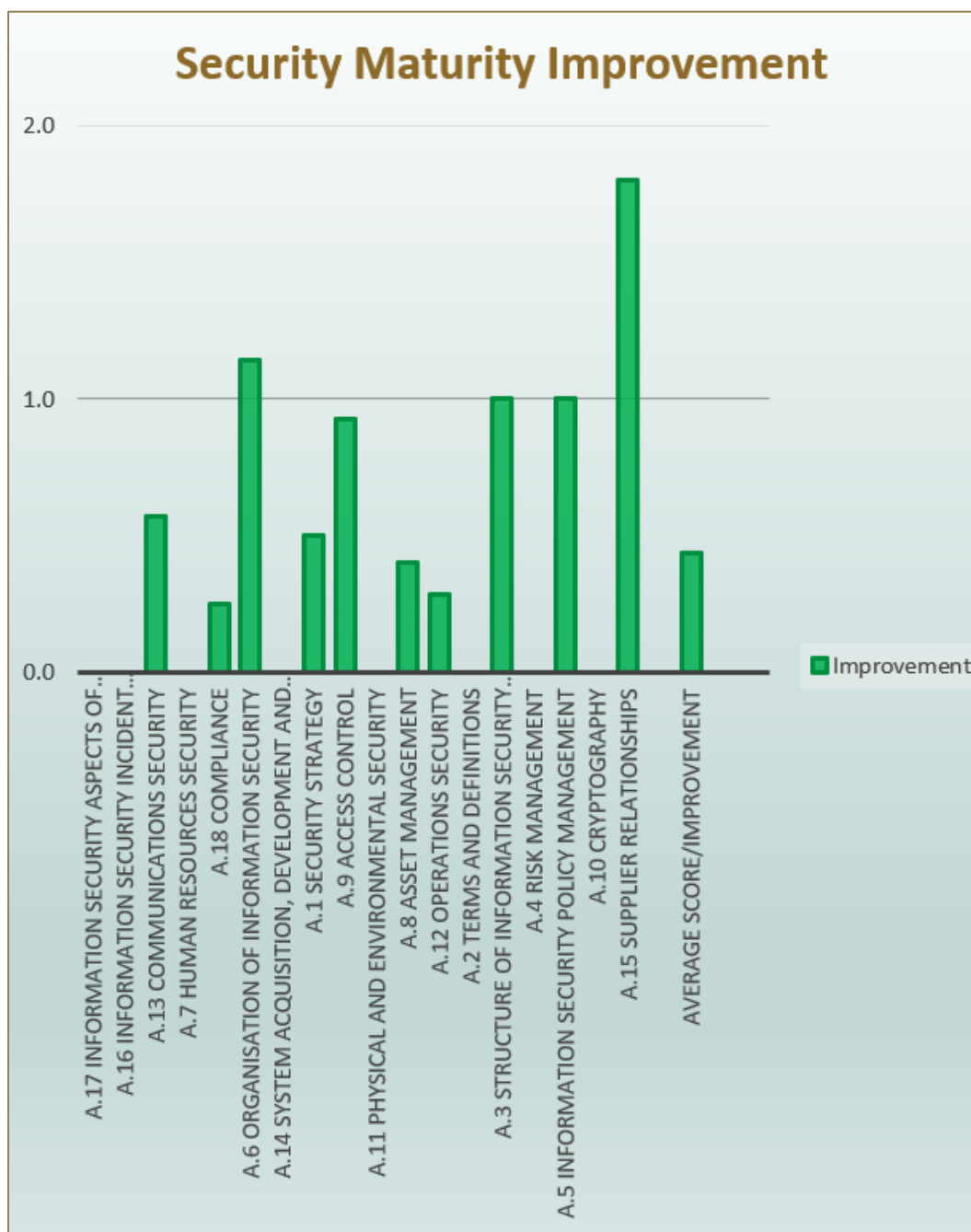
Improvements in the organisation of cyber and information security and a wide range of security applications and controls underpin high levels of overall improvement.

Maturity Gap Improvement

The change between Baseline and current ICS maturity levels over the reporting period is illustrated in the following set of charts.







The charts above display the ICS maturity areas using gap analysis - Current vs Baseline. (Green) bars in the maturity posture and improvement charts indicate where improvement has been made as detailed in the previous section.



Maturity Gap Quantification

Focus is given to the **Orange** areas in the Maturity Gap chart (middle) where further improvement opportunity has been identified and may be considered for prioritisation.

1. A gap score greater than 2 indicates significant maturity improvement is required (one area)
2. A gap score of between 1 and 2 indicates maturity improvement is recommended (no areas)
3. A gap score of 1 or less indicates incremental improvements may be gained (5 areas)
4. A gap score of zero or lower indicates that ICS maturity is high and should be maintained (12 areas)

Area 1 – there was **1 significant** gap identified in organisational maturity at the end of the reporting period. The gap relates to physical security where areas for follow up by means of audit against the control standards have been identified.

Area 2 – there were **0 significant** gaps identified in organisational maturity at the end of the reporting period.

Area 3 – relates substantially to completion of policy and documentation to the point of sign off and review following significant digital upgrades and an element of bedding in of new technologies – which can be managed as business as usual.

Area 4 - the report indicates that ICS risk is currently applicably mitigated in all other areas i.e. action plans have been successfully completed and identified improvements have been made.

Areas of Significant Improvement

Areas of excellence were demonstrated at all levels in relation to information and cyber security management.

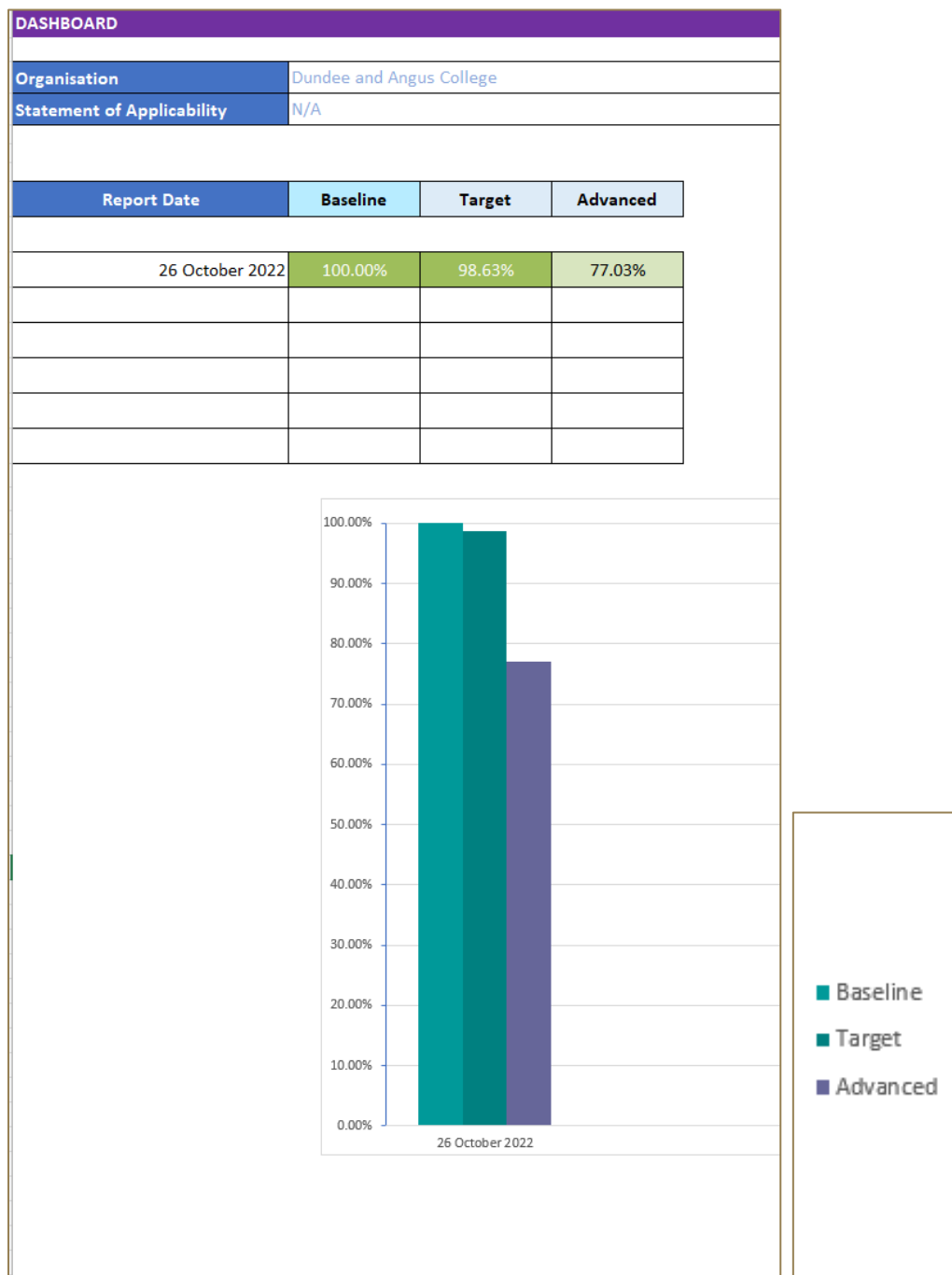
Progress in governance plus migration to cloud-based controls and services have further contributed to reduced risk and a strengthening of the security posture - **significant improvement**. See Maturity Assessment (appendix 2).

It should be noted that although there was a significant increase in external risk and threat level due to Covid related change and heightened threat actor activity, there were no areas of maturity regression recorded over the reporting period despite increased pressure on remote service and device usage which, consequently, had minimal impact on overall security posture.



Public Sector Action Plan Assessment

A Public Sector Action Plan Assessment using the current version of the Cyber Resilience Framework self-assessment tool has been completed. Scoring is taken from the ICS maturity model values and applied to the assessment criteria in line with current NCSC guidance based on the ISO 27001 standards.





Public Sector Action Plan Scoring

The assessment scoring indicates that information and cyber security levels at Dundee and Angus college are currently substantively within the “advanced” range which indicates activity towards the highest level of ICS security management as defined by the National Cyber Security Centre (NCSC).

100.00%	of baseline ICS levels reached
98.63%	of target ICS levels reached
77.03%	of advanced ICS levels reached

This is a leading result within the HE/FE sector.



Appendices

Appendix 1: RAID log (current)



Information Security
Maturity Tool (D&A -

Appendix 2: Maturity Posture (current)



RAID Log (D&A -
2022).xlsx

Appendix 3: Calculating Risk and Maturity Improvement

Calculating Risk and Maturity Improvement

Following ongoing review of information and cyber security services conducted for Dundee and Angus College over 2021, an updated report on information and cyber security (ICS) risk management has been provided. The purpose of this annual report is to articulate measures with KPI's (Key Performance Indicators) put in place to monitor and improve cyber security risk and maturity management within the organisation.

All risk scoring is from 0 to 25 with a score of 25 (Likelihood 5 x Impact 5 = 25 critical) being the maximum possible value for risk facing the organisation. Maturity scoring is from 0 to 5 with 0 being low to no maturity and 5 being advanced maturity levels.

Improvement is rated by percentage of maximum possible scoring

0%	= no change
0 to 5 %	= minor improvement
5 to 10 %	= good improvement
15 to 20%	= substantial improvement
> 20%	= significant improvement



**JOINT AUDIT & RISK,
FINANCE & PROPERTY COMMITTEE**

Tuesday 6 December 2022

Strategic Risk Register

PAPER J

10.1 Cover Paper

10.2 Strategic Risk Register

BOARD OF MANAGEMENT

Audit and Risk Committee

Tuesday 6 December 2022



Strategic Risk Register Update

Paper for approval

1. Strategic and COVID-19 Risk Registers

A copy of the November 2022 draft Strategic Risk Register is enclosed. This has been raised with the Senior Leadership Team and through the Board Committee arrangements with comment / amendments highlighted as noted below.

2. Brexit Risk

The risk likelihood for the Brexit risk was reduced in March 2022 based on experience of the impact over the previous 12 months. No further change is proposed at this time, and this risk will remain under review.

3. Credit Target Risks

Following on from previous update in respect of the reduction in full-time student recruitment in 2021/22 and in 2022/23, discussions remain on-going between Colleges Scotland and the Scottish Funding Council around a range of sector wide flexibilities and rule changes to better support the sector.

It is clear that the recruitment decline is a sector wide issue, with D&A decline of c25% for HE and 9% for FE since 2019 comparing well with sector average figures of 21% and 20% respectively.

Feedback from SFC is that they are supportive of the sector and that colleges should not be overly concerned around the risk of financial clawback for 2021/22 and 2022/23. This however has not yet been formally confirmed.

Wider discussions surrounding future funding and activity target arrangements are on-going at a national level, relative to anticipated available funding for 2023/24 and beyond.

4. Financial Sustainability Risk

College Risk Management practice requires that any strategic risks that remain as Major or Fundamental post mitigation will be reported to the Committee at each meeting.

Following the decision of the Board of Management in March 2022 to recommend increasing the post mitigation risk in respect of future financial sustainability, the post mitigation likelihood was increased from 3 to 4 and the overall risk rating increased to 16.

This moved this risk into the Major Risk (**Red**) category, and it is unlikely that this risk will be reduced in the near future.

The need to address the impact of cuts in sector funding, and the need to support areas of future opportunity and development, have been the subject of major review, resulting in the significant savings plan enacted in May – August 2022.

It is anticipated that future savings plans and reductions will remain necessary for the foreseeable future, with the activities developed to address the funding cuts and financial sustainability risk cutting across multiple strategic risks (in areas such as HR practice and industrial relations (Risks 3.3 and 3.7) and PR / publicity (Risk 3.5)). These will remain under review, with the overall risk rolled into the high level Financial Sustainability risk measure.

Future funding levels and savings plan proposals and progress updates will continue to be developed with Board member input and included for discussion at the Finance & Property and Human Resource & Development Committees alongside the full Board.

5. Cost of Living Crisis

Significant activities are progressing through the Thrive with D&A project to support students and staff with the challenges faced by the cost of living crisis. Updates on this work have been provided to the Learning, Teaching & Quality and the Human Resource & Development Committees.

Whilst no change in risk ratings is proposed at this point in time, the risks associated with increased costs will continue to be monitored, particularly in respect of the impact of this on learner retention and staff salary costs/demands. The financial impacts of increasing costs for the College are subsumed within the financial sustainability risk outlined above.

6. Broader Review of Strategic Risk Register

Following discussion with the Board Chair, a range of Strategic risks have been noted as under review and will be subject to further discussion and consideration prior to revised proposals being brought to the March meeting of the Audit & Risk Committee.

7. Approvals

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

- Approval of the Strategic Risk Register

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



STRATEGIC RISK REGISTER

2022 - 2023

As at November 2022

Post Holders	ELT	Executive Leadership Team	Prin	Principal	Score	Impact	Likelihood
	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 Likely

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">Robust strategic planningEffective environmental scanningStrong partnershipsClear links between strategy and practiceConcerted demands for increased activity levels	4	2	8	<ul style="list-style-type: none">Robust monitoring via ROAClear performance metricsAmendment of strategic direction/ plansRolling curriculum review	Principal & Chair
1.2 Board	College may be disadvantaged by changes to either UK or Scottish Government policies Under Review	4	3	12	<ul style="list-style-type: none">Effective environmental scanningNegotiation/influence at national level	4	2	8	<ul style="list-style-type: none">Review of changes and amendment of strategic direction/plansFinancial strategy sensitivities	Principal & Chair
1.3 Board	College disadvantaged by changes arising from UK leaving European Union	5	4	20	<ul style="list-style-type: none">Negotiation/influence at national levelReview of activities/ projectsResponsiveness to new opportunities	5	2	10	<ul style="list-style-type: none">Review of changes and amendment of strategic direction/plans/ curriculumFinancial strategyWorkforce planningInternational strategy & planningPost Brexit planning	Principal

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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	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">Ability of the College to meet key regional strategies/objectivesFinancial loss or unmanageable financial riskReputational loss	4	3	12	<ul style="list-style-type: none">Effective project/activity management in placeClear governance structuresProject/initiative finances clearly incorporated within College financial strategy and plansEnd of project and exit/contingency planning	3	2	6	<ul style="list-style-type: none">Regular project updates at Executive/Board levelMonitoring of project activities, plans and outcomesClear project Management arrangements in placeBudget reporting and management	Principal, VPC&A
1.5 Board	College disadvantaged as a result of changes arising from major national educational body reviews: SFC, SQA, EdS	4	4	16	<ul style="list-style-type: none">Negotiation/influence at national levelReview of activities/ projects and response to new opportunities	4	1	4	<ul style="list-style-type: none">Robust monitoring via ROAAmendment of strategic direction/ plansRolling curriculum review	Principal

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	Risks	Impact	Likelihood	Score	Mitigation Actions	Impact	Likelihood	Score	Monitoring	Lead Responsibility
1	Strategic and Structural									

1.6 Board	Failure of D&A plans and activities to deliver on required carbon reductions and sustainability actions necessary to meet national targets and achieve College climate emergency ambitions.	4	3	12	<ul style="list-style-type: none"> Robust CEAP in place Multiple strands of activity/action Embedding sustainable practices in normal activity and ways of working Clear links between strategy and practice Planned investment in carbon reduction Sustainable procurement 	4	2	8	<ul style="list-style-type: none"> Robust monitoring and reporting of CEAP at SLT and Board level Clear performance metrics Amendment of strategic direction/ plans Monitoring of scope 3 emissions 	VPCS, HoE
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	Risks	Impact	Likelihood	Score	Mitigation Actions	Impact	Likelihood	Score	Monitoring	Responsibility
2	Financial									
2.1 F&P	Change in SFC Funding Methodology and Allocation – Reduction in Funding	3	3	9	<ul style="list-style-type: none"> Negotiation/influence at national level Contingency plans for reduced funding 	2	3	6	<ul style="list-style-type: none"> Advance modelling of new funding methodologies and allocations Monitoring impact of changes Amendment of strategic or operational direction/plans Financial strategy sensitivities 	VPCS
2.2 F&P	Failure to achieve institutional sustainability	5	4	20	<ul style="list-style-type: none"> Protection of funding through dialogue with SFC Robust annual budget-setting and multi-year financial strategic planning Effective budgetary control Where required, swift action to implement savings 	4	4	16	<ul style="list-style-type: none"> Monthly monitoring of budgets Regular review of financial strategy and non-core income sensitivity Detailed monitoring of savings programmes 	VPCS
2.3 F&P	National outcomes on salaries and conditions of service outstrip ability to pay	4	4	16	<ul style="list-style-type: none"> Influence within Employers Association Management of staffing expenditures 	4	3	12	<ul style="list-style-type: none"> Expenditure modelling On-going discussions with staff Financial strategy sensitivities Workforce planning 	VPP&P, VPCS

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	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"> Strong financial controls: segregation of duties and review of transactions. Review of impact of any changes in structure or duties Whistleblowing arrangements 	3	2	6	<ul style="list-style-type: none"> Continuous review of financial controls Internal Audit programme 	VPCS
2.5 F&P	D&A Foundation refuses/withholds funding for key College priorities	5	3	15	<ul style="list-style-type: none"> On-going dialogue with Foundation Trustees Appropriate bid arrangements in place 	3	2	6	<ul style="list-style-type: none"> Monitor and advise Board of Management 	Prin & VPCS
2.6 F&P	Demands of capital developments / maintenance impacts on financial sustainability or delivery of learning and/or services	3	2	6	<ul style="list-style-type: none"> Multi-year estates strategy and capital planning Lobbying of SFC on capital and backlog maintenance funding Planning for D&A Foundation bids 	2	2	4	<ul style="list-style-type: none"> Monitoring of capital plans and expenditures Regular review of capital plans/timescales relative to funds 	VPCS

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

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	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"> Clear and proactive approaches to managing and promoting health, safety and wellbeing Continuous self-evaluation and action planning Rigorous CPD arrangements in place Regular staff and learner feedback arrangements 	3	2	6	<ul style="list-style-type: none"> Regular employee engagement monitoring Open communication with staff Comprehensive monitoring of key PIs and student/staff feedback Regular union/management dialogue 	VPP&P, VPCS
3.5 Board	Reputational Risk – Loss of reputation with key stakeholders Under Review	4	3	12	<ul style="list-style-type: none"> Marketing strategy Reputation plan Positive marketing approaches 	4	2	8	<ul style="list-style-type: none"> Stakeholder engagement Social media monitoring arrangements 	VPC&A, DirC&A
3.6 HR&D	National bargaining outcomes impact adversely on College operations, activity and flexibility	4	4	16	<ul style="list-style-type: none"> Influence within Employers Association Management of bargaining outcomes and implementation 	4	3	12	<ul style="list-style-type: none"> Positive union relations and staff communication On-going discussions with staff Innovation in approaches 	VPP&P, VPC&A

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

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	Risks	Impact	Likelihood	Score	Mitigation Actions	Impact	Likelihood	Score	Monitoring	Lead Responsibility
3	People and Performance (cont.)									
3.10 HR&D	College arrangements do not minimise risk associated with Modern Slavery	4	3	12	<ul style="list-style-type: none"> Clear and compliant procurement arrangements and procedures Staff identity checking arrangements and use of PVG. 	4	1	4	<ul style="list-style-type: none"> Annual procurement monitoring/reporting Regular employee engagement monitoring Open communication with staff 	VPC&A, VPP&P
3.11 Board	Failure to plan or respond adequately to future pandemic illness.	5	4	20	<ul style="list-style-type: none"> Monitoring and rapid response to WHO and UK/Scottish Government information and alerts Maintenance of COVID-19 good practice approaches to inform future use Effective business continuity planning in place 	4	2	8	<ul style="list-style-type: none"> Pandemic readiness / response included in business continuity plan reviews and testing COVID/Pandemic Response Group in place Active monitoring and rapid adoption of pandemic guidance / control measures 	Principal

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