BOARD OF MANAGEMENT

Joint Audit & Risk, and Finance & Property Committee

Tuesday 5 December 2023 in room A605 Kingsway Campus (MS Teams option available)

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** – 19 September 2023 Paper A for approval

5. **MATTERS ARISING** Paper B for information

6. **AUDIT & RISK COMMITTEE ANNUAL REPORT TO THE BOARD** Paper C for approval HH

7. **INTERNAL AUDIT**

7.1. Student Activity	Paper D for approval	HL
7.2. Student Support Funds	Paper E for approval	HL
7.3. Infrastructure Strategy/Capital Projects	Paper F for approval	HL
7.4. Follow-up Summary	Paper G for information	ST

8. **DATA REPORTING** Verbal update ST

9. **STRATEGIC RISK REGISTER** Paper H for approval ST

9.1. Cover Paper

9.2. Strategic Risk Register

10. **DATE OF NEXT MEETING**

Tuesday 5 March 2024, A625 Kingsway Campus

Close of Audit & Risk Committee Business

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

11. ANNUAL ACCOUNTS- Not published before Parliament

11.1.	Internal Audit Annual Report	Paper I for approval	HL
11.2.	Mazars Covering Letter	Paper J for approval	MS
11.3.	Mazars Annual Audit Report	Paper K for approval	MS
11.4.	Financial Statements for the Year ended 31 July 2023	Paper L for approval	BF

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

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FINANCE & PROPERTY COMMITTEE MEETING

12. WELCOME

13. APOLOGIES

14. DECLARATIONS OF INTEREST & CONNECTION

15. MINUTES OF PREVIOUS MEETING – 5 September 2023 Paper M for approval

16. MATTERS ARISING Paper N for noting

17. FINANCE BF

17.1.	2023/24 Management Accounts & Forecast Outturn	Paper O for information
17.2.	Draft Tuition Fees 2024/25	Paper P for approval

18. INFRASTRUCTURE

18.1.	Estates Update	Paper Q for information	BG

19. GARDYNE THEATRE LIMITED UPDATE Verbal update SH

20. PROCUREMENT BF

20.1.	Annual Procurement Report	Paper R for approval
20.2.	Procurement Update	Paper S for approval/noting
20.3.	Procurement Strategy	Paper T for approval

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

21.1.	Strategic Risk Register – Cover	Paper U for discussion
21.2.	Strategic Risk Register	Paper V for discussion

22. CORPORATE SERVICES REPORT Paper W for information ST

23. DATE OF NEXT MEETING - Tuesday 27 February 2024, A625, Kingsway Campus

Agenda Item 4.0

JOINT AUDIT & RISK, FINANCE & PROPERTY COMMITTEE

Tuesday 5 December 2023

Minutes of Previous Audit & Risk Committee Meeting 19 September 2023

PAPER A

BOARD OF MANAGEMENT

Audit & Risk Committee

Tuesday 19 September 2023 at 5.00pm

Minute of the Audit & Risk Committee meeting held on Tuesday 19th September 2023 at 5.00pm in Room A625 Kingsway Campus and via Microsoft Teams

PRESENT:	H Honeyman (Chair Audit)	J Buchanan
	M Williamson	R McLellan
	S Middleton	
IN ATTENDANCE:	S Taylor (Vice Principal)	P Muir (Board Administrator)
	M Speight (Mazar's)	S Inglis (Henderson Loggie)

1. WELCOME

H Honeyman welcomed members of the Audit Committee.

2. APOLOGIES

Apologies were noted from K Ditcham and Simon Hewitt.

3. DECLARATIONS OF INTEREST OR CONNECTION

None.

4. MINUTE OF THE PREVIOUS MEETING – 6th of June 2023

The minutes of the Audit and Risk Committee meeting held on the 6th of June 2023 were approved as accurate records.

5. MATTERS ARISING

Matters arising from previous meetings were closed with one remaining open in respect of the meeting between the Committee chair and M Speight from Mazars. H Honeyman noted that she would contact M Speight to arrange to catch up.

S Taylor advised that following further discussion the audit of Gardyne Theatre Ltd would continue as usual, with this work being undertaken by Mazars.

6. INTERNAL AUDIT

6.1 2022/23 Progress Report

S Inglis highlighted the progress report, stating there was one planned audit was still to be undertaken - Infrastructure and Capital Projects which was scheduled for April 2023, however he apologised for the delay due to absence of the College Executive Lead. Fieldwork for this review will commence week beginning the 19th of September 2023 with meetings being held and work started.

S Inglis highlighted that work was being completed on the Credits, Bursary, Childcare & Hardship Funds and EMA review. These were waiting on final returns to the Funding Council and he reassured the Committee they are working towards the deadline for completion. Overall, the audit work is progressing well and there were no concerns around arrangements for completion.

H Honeyman queried the likelihood of the Funding Council meeting these deadlines. S Inglis stated that this was out-with his control but that he didn't have any concerns.

6.2 Internal Audit Follow up Report

S Inglis noted the paper, a follow-up review of the recommendations made in Internal Audit reports issued during 2021/22 and any outstanding recommendations from reports from earlier years. S Inglis stated the College had made reasonable progress in implementing the recommendations followed-up as part of this review, with nine (69%) of the 13 recommendations followed-up being assessed as 'fully implemented and four recommendations (31%) categorised as 'partially implemented'. The recommendations that had been assessed as 'partially implemented' will be subject to further follow-up as part of the equivalent review in the 2023/24 programme of internal audit work.

S Inglis highlighted the 4 partially implemented reviews: Student Invoicing and Debt Management, Cyber Security, Data Protection and Publicity & Communications. S Inglis highlighted the difficulties of finalising these reviews, with some impacted by staff shortages. S Inglis stated there were procedures in place and progress being made, with revised completion dates of December 2023/January 2024 identified.

H Honeyman questioned if the Finance staffing shortage problems have been resolved at the College. S Taylor noted there was still a vacant role in Finance which the College was struggling to fill. Discussions are on-going and alternative pathways are being looked at, to fill this post.

S Inglis noted the Data Protection recommendation, highlighting there is a network and agenda in place and progress made, with a revised date of December 2023 in place. This review should be fully complete by then.

H Honeyman questioned why this review was partial and not fully complete as the recommendations appeared to be implemented. S Taylor stated arrangements were in place for the Data Protection group prior to summer, but this had been impacted by the savings plan arrangements which had taken precedence. S Taylor reassured the Committee that work was in place, established and will be completed. M Williamson stated that she felt that this (and the previous action) could be recorded as complete.

H Honeyman asked if the delay in sign off on the policy change was for a particular reason. S Taylor noted there were arrangements in place with unions as part of the College policy review arrangements, with these also impacted by the need to progress with the savings plans. The required change had been made and would be progressed through the policy review group and document control progress by December 2023.

S Inglis highlighted the Publicity and Communications review, stating a bespoke training programme had been introduced on communication, although not yet delivered, it was scheduled to take place at the start of the academic year. S Taylor stated that this training had now commenced with two sessions already complete and the third planned for 27 September 2023. S Taylor highlighted this review had been changed from partially implemented to fully implemented in the Follow up Summary. S Inglis will look and update the partial recommendations within the Follow Up Report. **S Taylor and S Inglis to progress.**

6.3 2023/24 Draft Audit Plan

S Inglis highlighted the Draft Audit Plan which was based on a three-year strategic plan. There had been two changes and two new audits proposed for 2023/24. S Inglis highlighted the review of the College's current procedures for the operation of the Sports Centre, to identify and propose procedural improvements to inform a wider College review of commercialisation and effectiveness of centre operations at the Gardyne campus. This review will be completed as a Business Process Review.

M Williamson questioned why the Sports Centre review was to be completed by an external auditor and not management. S Taylor stated the College was keen to obtain an external view on the centre operation, as the gym had sat with the Curriculum team for numerous of years and never quite secured the commercial potential that might be possible due to viewing this building as a curriculum facility as opposed to a commercial facility.

The benefits of the business process review were discussed and S Taylor noted that this had been useful to inform the review of catering operations and the resulting savings achieved. H Honeyman noted that she shared some of the concerns raised, but was happy to support this if it was felt useful by the College.

S Inglis noted that it was a business process review approach designed to target and identify areas of improvement to become more agile, efficient, and streamlined. Discussions and interactions will be at the forefront with management and stakeholders to produce points of improvements and to work on these.

S Inglis highlighted the Environmental Sustainability audit had been scheduled within the Internal Audit Plan, he stated the audit will include a review of the College's current position and operational arrangements to ensure compliance with the Climate Change Act 2009. S Taylor provided an update on Climate Emergency Plan and the update made to the June 2023 Board meeting. Overall, there were positive findings for the carbon usage within the College, however, discussions and enhancements would be ongoing with the Head of estates, Director of Infrastructure, Academic Development Manager, and other relevant College staff.

The audit of Risk Management and related areas was discussed and it was noted that the main focus would be the risk elements, with business continuity and disaster recovery also featured.

The revised draft audit plan was approved.

6.4 Follow up Summary

S Taylor summarised the paper, highlighting that this basically reflected the update from Henderson Loggie. It was noted that the Communications action on the follow up summary was detailed as complete.

S Taylor noted the process around Student Invoicing and Debt Management- highlighting the procedure around the student debt remains the same within the College with additional steps put in place in dealing with a student. Discussions are held with the student around the debt, and the College as a last resort would hold back certification if the debt had not been cleared.

7. STRATEGIC RISK REGISTER UPDATE

S Taylor summarised his covering paper and the register, noting that the Brexit risk had now been removed from the Strategic Risk Register.

The financial sustainability risk was discussed and it was highlighted that work and discussions had progressed significantly in terms of the savings needed, with the total savings achieved sitting at c£2.7 million relative to the £2.5 million target through a combination of savings and additional income. This represented c10% savings taken out over the two years, without any compulsory redundancies being required.

H Honeyman asked about the risk in respect of national bargaining and S Taylor highlighted the ongoing negotiations for both academic and support staff. Negotiations for the 2022/23 and 2003/24 academic staff salary settlements remain difficult, with a final offer of £2000 for 2022/23 and £1500 for 2023/24 on all salary points being rejected and a ballot on industrial action returning a majority vote.

Both EIS/FELA and Unison had commenced strike action, with the first day taking place on 7 September. Around 39% of academic staff and 22% of support staff had taken part in the action at D&A. Further strikes were ongoing due to continuing disputes, but overall relationships at D&A remained positive. S Taylor noted that this remained under active review and the risk rating would be revised if it was appropriate.

S Taylor concluded there were no changes to the Risk Register at this point and this was approved.

8. ANNUAL DATA PROTECTION COMPLIANCE

S Taylor noted this paper for information and highlighted that there had been no reportable breaches of data Security or Protection within the last year. Minor security and data protection issues were logged and managed appropriately as they occur by the Data Protection Officer and ICT team. S Taylor highlighted the success of 'mystery shopping' for cyber security, using this to inform and target staff development.

All new members of staff completed mandatory data protection and cyber security training. This was refreshed on a three year rolling basis for all staff. S Middleton asked if updates were provided during the intervening years and S Taylor reassured the Committee that regular updates and reminders are in place for staff and students, with self-awareness training of the various risks that exist.

9. EXTERNAL AUDIT – MAZARS ASSURANCE REQUEST & D&A RESPONSE

As part of the arrangements in place, recently appointed external audit providers- Mazars - had issued a letter to D&A College requesting details and assurances in respect of a range of key audit points.

M Speight from Mazars highlighted that this letter aimed to summarise for the Audit and Risk Committee the requirements under International Auditing Standards, in respect of preventing fraud in the annual accounts, compliance with laws and regulations, litigation and claims, and going concern.

S Taylor noted that to support these arrangements information and comment had been identified against each element of the letter with relevant comments from the College's perspective as appropriate. These comments are only draft and were for consideration and discussion with the Audit & Risk Committee.

M Speight noted that he would request further details in respect of one of the sections (section 12) and had met with S Taylor to progress this. S Taylor highlighted that there was a limit on the information that could be provided in a public document, but this would be updated. This was recognised.

S Taylor noted that some of the responses reflected information that would be considered by other Board Committees and it was suggested that the draft be considered for final approval by the full Board.

In addition, S Taylor stated if the Committee were comfortable, the document could be amended to reflect the additional information requested by Mazars and approved by the Committee Chair prior to the Board papers being issued on 21 September. This was agreed, **S Taylor to progress.**

Overall, M Speight highlighted that the External Audit was progressing well, with fieldwork due to commence and a clear audit plan in place to complete the work by early December 2023.

10. **DATE OF NEXT MEETING** – Tuesday 5 December 2023, Kingsway Campus, Room A605, Joint meeting with the Finance and Property Committee

Action Point Summary

Action	Responsibility	Date
Update to Audit Follow Up Review to be considered	S Taylor/S Inglis	5 December 23
Audit Assurance document to be updated for Board approval	S Taylor	21 September 23

Agenda Item 5.0

JOINT AUDIT & RISK, FINANCE & PROPERTY COMMITTEE

Tuesday 5 December 2023

Matters Arising

PAPER B

BOARD OF MANAGEMENT
Audit & Risk Committee
Tuesday 5 December 2023

Matters Arising

Paper B for information

The following actions were noted from the Tuesday 19 September 2023 Audit & Risk Committee meeting.

Agenda Item No	Action	Current status	Open / Closed
6.2	Update to Audit Follow Up Review to be considered S Taylor/ S Inglis	Scheduled for 5th December 2023	Open

The following actions were noted from the Tuesday 6 June 2023 Audit & Risk Committee meeting.

Agenda Item No	Action	Current status	Open / Closed
11.0	Meeting to be arranged between the Committee Chair and M Speight (Mazars) S Taylor	Arrangements to be progressed	Open

Author & Executive Sponsor: Steve Taylor, Vice Principal

Agenda Item 6.0

JOINT AUDIT & RISK,
FINANCE & PROPERTY COMMITTEE

Tuesday 5 December 2023

Audit & Risk Committee Annual Report to the Board

PAPER C

BOARD OF MANAGEMENT
Tuesday 12 December 2023

Annual Report from the Audit & Risk Committee

Paper for 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 2023.

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 2022/23, including the Audit & Risk Committee meeting held on 19 September 2023.

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 12 December 2023.

4. Overview

4.1. The period of this Annual Report includes the consideration of the statutory accounts for AY 2022/23, together with the associated 2022/23 Annual Audit Report from Mazars, 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. 2022/23 is recognised as a challenging year, balancing the full return post-pandemic alongside the Cost of Living Crisis and significant financial challenges. Managing these challenges continued to shape how the College operated in 2022/23 as well as engaged with audit, risk, processes, systems, management, leadership and governance.

4.4. 2022/23 was impacted by the SFC funding settlement for 2022/23 and 2023/24 which required the College to undergo a savings exercise which resulted in c40 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 Risk Registers and the oversight and review of specific risks by committees
- Updates on progress towards implementing audit recommendations.
- Information and Cyber Security (ICS) Risk and Maturity Report.
- Consideration of a lessons learned exercise within a Scottish College and identified by the Scottish Funding Council.
- Consideration of audit and consolidation questions relating to the operation of Gardyne Theatre Limited.
- Discussion with Mazars as our new External Auditors for the audit of the College's statutory accounts 2022/23 to 2026/27.
- Preparation of a detailed Audit Assurance Response in respect of the range of information required to fulfil the International Auditing Standards, in respect of preventing fraud in the annual accounts, compliance with laws and regulations, litigation and claims, and going concern assurance.

5. Committee Membership

The Audit & Risk Committee Membership in the 2022/23 year was as follows:

Helen Honeyman (Chai) Margo Williamson, Kirsty Keay (to March 2023), Kevin Ditcham, Michael F Thomson (Co-Opted to June 2023), Sally Middleton, Roy McLellan and Jackie Buchanan (from May 2023 and appointed Vice Chair).

College staff members – Jaki Carnegie, Vice Principal Corporate Services, Steve Taylor, Vice Principal Support Services and Operations/Secretary to the Board and Penny Muir, Board Administrator were also in regular attendance at meetings. Andy Ross, Director of Infrastructure attended in respect of the Cyber-Security Risk and Maturity Report.

Representatives from Henderson Loggie (Internal Auditor) and Mazars (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:

- 6 December 2022
- 7 March 2023
- 6 June 2023
- 19 September 2023

7. Internal Audit

The Internal Auditor's 2022/23 Annual Plan was presented and approved at the Audit & Risk Committee meeting in September 2022.

The reports considered by the Audit & Risk Committee under the plan for 2022/23 included:

		Number of Recommendations (& Action Grades [1])			Recommendations Outstanding
Audit Area	**Report Grades** [2]	**1**	**2**	**3**	
Cash & Bank (Catering Operations)	Satisfactory			5	
Health Safety and Wellbeing	Good			2	
Teaching Staff Utilisation	Good				
Partnership Working	Good				
Infrastructure/Capital Projects[#]				3	
Student Activity Data	Audit opinion unqualified			3	
Student Support Funds	Audit opinion unqualified				
	Total				

[#] This audit was delayed due to staff absence and reported on in December 2023.

There in currently one partially completed recommendations from previous internal audit.

		Number of Actions Outstanding (& Priority Grades)		
Audit Area	**Report Grades**	**1**	**2**	**3**
Student Invoicing and Debt Management	Satisfactory	-	-	1
	Total	-	-	**1**

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

In the Annual Report for 2022/23 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 2022/23 was £20,400.

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[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

8. External Audit of Year End Financial Statements

The external audit of the Financial Statements to 31 July 2023 was undertaken by Mazars, who were appointed by the Auditor General for a 5-year term from 2022/23 to 2026/27 inclusive.

The fee for the 2022/23 College Statutory Accounts was £40,150.

The external auditor's Annual Audit Plan was considered by the Committee at its June 2023 meeting.

At a joint meeting with the Finance & Property Committee on 5 December 2023, the Audit & Risk Committee received the Annual Accounts for 2022/23, 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 2023 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.

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 Review was undertaken in November 2023 and the report from this review will be considered at the March 2024 meeting.

10. 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.

11. 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.

12. National Fraud Initiative

The matches for our third National Fraud Initiative (NFI) 2022/23 exercise have been investigated, with these identifying 195 matches, 4 overlapping with 2020/21. Three errors required to be corrected resulting in a total recovery of £2,807. This result is considered to be very satisfactory, however efforts will be renewed to complete our own internal exercise annually.

As reported in previous years, the last 2020 NFI Audit report provided us with a “Good” level of assurance.

13. 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 Audit Manager Ruth Holland and Audit Senior Somtochukwu Onyesoh.

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 2022, and
- Scottish Government Audit and Assurance Committee Handbook, which was revised in February 2023

and that the College has been compliant for the period from 1 August 2022 to 31 July 2023.

14. 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

Agenda Item 7.1

JOINT AUDIT & RISK, FINANCE & PROPERTY COMMITTEE

Tuesday 5 December 2023

Internal Audit

Student Activity

PAPER D

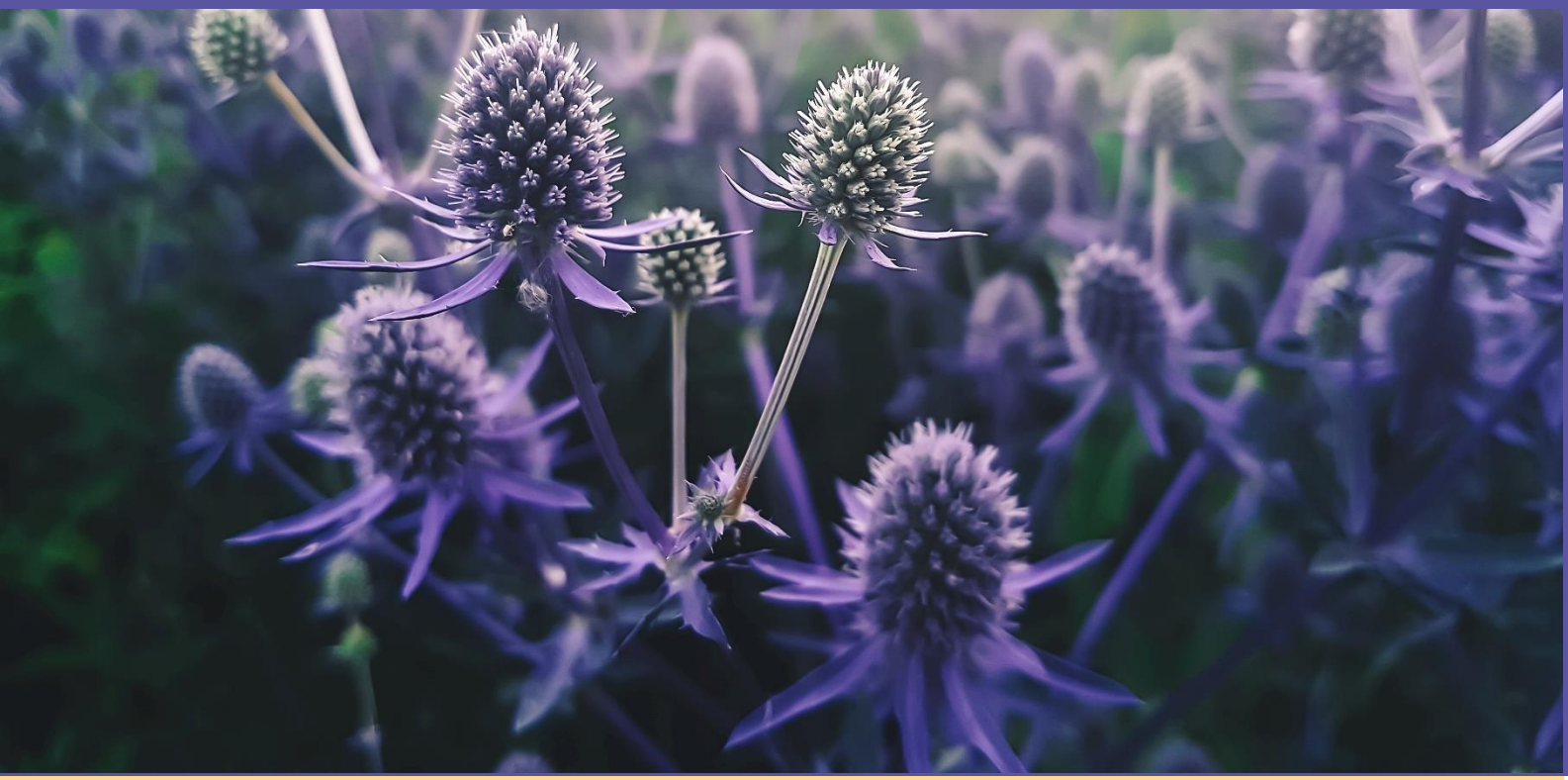
Dundee and Angus College

2022/23 Student Activity Data

Internal Audit report No: 2023/07

Draft issued: 27 October 2023

Final issued: 13 November 2023



Henderson Loggie

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Management Summary

Introduction

The Guidance Notes issued by the Scottish Funding Council (SFC) on 30 August 2023, '*FES Return and Audit Guidance 2022-23'* requested submission by Dundee and Angus College ('the College') of the FES return for session 2022/23, which includes the Credits data relating to College activity for the academic year 2022/23.

Guidance on completion of the 2022/23 return was issued by the SFC on 31 May 2022.

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 key risk areas identified at Annex C to Credits Audit Guidance.

Audit Staffing

An Audit Director with 30 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 five and three-years' experience in the sector respectively. A Senior Manager with 18 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 10, split ½ day for the Audit Director, ½ day for the Senior Manager, 5 days for the Senior Auditor and 4 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 23 October 2023. 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
2.2.2 – 2.2.3	**Systems and Procedures for Compilation of Returns** **Distance / Work Based Learning** **R1** The College should ensure evidence of progression and participation / engagement is retained to evidence eligibility of the Credits claimed for 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**	Ongoing training with curriculum teams to ensure our engagement and retention procedures are being adhered too. Further progress on the reporting of our engagement tracker for work-based students.	Yes	Administration Manager and Directors of Curriculum & Attainment	31 March 2024
2.4.1	**Credits Claimed** **R2** Ensure that any significant changes to the Credits claimed after audit sampling are brought to auditor's attention on a timely basis so that these can be considered for testing prior to conclusion of the audit fieldwork stage.	**2**	This was an isolated issue relating to our deferred student's activity from the COVID pandemic. It is not foreseen that this will occur again due to the small number of deferred students still to complete in 23/24, but we will ensure notification is given if these circumstances arise again.	Yes	Data Management Team Leader	30 June 2024

2022/23 Student Activity Data

Para Ref.	Recommendation	Grade	Comments	Agreed Y/N	Responsible Officer for Action	Agreed Completion Date
2.4.2 – 2.4.4	**R3** Attendance records should be maintained on CELCAT to support the actual hours completed, and Credits claimed, for infill deferrals.	**3**	This was an isolated issue relating to our deferred student's activity within our Construction dept. For the very small number we have rolled over to complete in 2023/24 we will ensure the standard attendance recording procedures are enacted.	Yes	Data Management Team Leader and Directors of Curriculum & Attainment	30 June 2024

Main Report

1. Introduction

1.1 SFC Guidance

1.1.1 The Credits Audit Guidance issued by the Scottish Funding Council (SFC) on 30 August 2023 sets out, at Annex C, the key areas of risk in relation to the preparation of the FES return. These are:

- allocation of Credit values to students where Credits exceed full-time levels;
- incorrect Credit value is claimed for collaborative provision;
- claims for fee waivers and students with multiple enrolments;
- spanning courses;
- identification of non-fundable activity, both courses and students, including capturing of eligible enrolments and identification and recording of student withdrawals;
- recording of progress for students on open / distance learning programmes;
- identification and counting of infill students; and
- claims for non-accredited work experience / placement.

1.1.2 For academic year 2022/23 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; 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 16 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 and, where Credits were claimed beyond full time levels, that the claims could be appropriately justified by the College.

2.1.3 For a total of 71 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 2022/23 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;
e) For students following courses of open / distance learning vouched to study plan etc. and ensured that required criteria was met; and
f) For students undertaking non-accredited work experience / placement 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 2022/23 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 for spanning courses were claimed in the correct year.

2.1.5 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 the cost of the course was covered by the Young Person's Guarantee (YPG) scheme and 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. As this course only finished on 31 July 2023 final checks had not been completed at the time of audit fieldwork.

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

2.1 Introduction (continued)

2.1.6 It was confirmed by the College that there has been no new collaborative activity during 2022/23. 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.

2.1.7 Before signing our audit certificate, we reviewed the final FES online report and the explanations for remaining errors.

2.1.8 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 C of the Credits Audit Guidance and were working satisfactorily as described to us.

2.1.9 The remainder of this section discusses issues identified during our review of the 2022/23 student activity data.

2.2 Distance / Work Based Learning

2.2.1 The Credits guidance states that where a programme is delivered by flexible learning methods (e.g. open learning, distance learning and work-based learning) colleges should have procedures in place to: agree the likely duration of study; set time related milestones; and review progress. Records of work of such students which record formal progress against a schedule with milestones must be maintained.

2.2.2 For some work based SVQ courses, Credits are calculated by the College based on an average for how long the award should take to complete and the total Credits involved in the award. Candidates are signed up at the beginning of their award for all the mandatory units associated with the programme so they can access course material on the College's system. For example, if the student enrolled in semester one the College would claim 3 Credits, and if they are still studying in semester two then a further 3 Credits would be claimed. The total Credits claimed for each student depends on the point in the year when they enrol and when they complete. For one work-based learning programme in our sample, SVQ Level 2 Social Services and Healthcare, we identified one student on the course for whom Credits were being claimed but there was no formal evidence of progression. A further sample of students was selected and on review three further students were identified where there was no formal evidence of progression. In one instance an assessor had still to be appointed to the student and therefore no work had been completed by the student in 2022/23. The student enrolment for 2022/23 was removed by the College during the audit resulting in a reduction of 3 Credits. On discussion with the College, it was established that the other students were engaged in the workplace, had accessed study materials and an assessor had been appointed, although nothing will be uploaded to the College's system until the students have completed two written assessments. The College's claim for these students was accepted.

2.2.3 Similar issues were identified in previous years (see **R3** per Appendix V) and so we have repeated our previous recommendation.

Recommendation

R1 The College should ensure evidence of progression and participation / engagement is retained to evidence eligibility of the Credits claimed for 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. Systems and Procedures for Compilation of Returns (continued)

2.3 Student Attendance and Withdrawal

2.3.1 For one part-time course in our sample, National 5 Mathematics (Evening), we noted two students whose withdrawal date did not agree to their last day of attendance. Due to the structure of the course and it being recorded in two separate parts in the attendance system, a system error meant that the UNIT-e system was unable to identify the actual last date of attendance and instead recorded the date the withdrawal was processed in error. In both instances the last date of attendance in UNIT-e was updated to reflect the attendance registers at the time of audit which resulted in one student not meeting the attendance requirement and 4 Credits were removed for the final claim. We did not identify any further issues with student withdrawals for this course or for other students in our sample testing. College management advised that this structure was unique to the course and in the next session attendance will not be recorded in two separate parts, so this particular issue will not happen again.

2.4 Credits Claimed

2.4.1 On receipt of the final FES online we noted that Credits had increased by 1,147 from the figures originally submitted for audit, leading to a delay in finalisation. The College sent lists for the two main sources of the difference - Sports Leadership Academy (189 credits) and infill deferrals (COVID) SVQ Level 3 (1,080.25). We selected a sample of students from Sports Leadership Academy and Infill Deferral (COVID) - SVQ Level 3 Carpentry and Joinery which was the course with the largest number of credits. No issues were noted from our testing of the Sports Leadership Academy course.

2.4.2 The infill deferrals were effectively infill Credits for students who could not previously complete their studies due to COVID. They would have undertaken the theory elements during 2020/21 but have had to pick up the practical elements in the following years based on the things they have worked on with their employers. The Credits claim was based on the actual hours' students have completed in 2022/23. College management advised that the hours were identified by the curriculum team based on the outstanding units and how many hours delivery would be required for these units to ensure the students achieved them. Once the hours were worked out for each student, the College worked with employers to identify the main weeks that would be suitable for the candidates to attend. The College used the hours required rather than the Credit value against the units because in some cases the Credit value was much higher than the hours required to complete.

2.4.3 Although enrolment information and timetables were provided for each student sampled on Infill Deferral (COVID) - SVQ Level 3 Carpentry and Joinery, the timetables were not tailored to show the actual hours planned and actual attendance was not recorded on the College's attendance system CELCAT. Confirmation was provided by the Curriculum and Quality Leader: Construction and Technology that the students did attend for the weeks / hours stated to complete their deferred activity from previous sessions. Student attainment information was also provided showing units worked on and results. In addition, we reviewed what had been claimed for the sample students over 2020/21 to 2022/23 and noted that this ranged from 42.5 to 46.5 Credits against the course framework of 58, confirming that the total Credits claimed is not excessive in comparison to expectations.

2.4.4 Based on the available information we concluded that there was sufficient evidence to support that the students completed the units stated and that the Credits claim was not materially misstated but have made a recommendation to improve record keeping. We understand that there is likely to be only a very small number of infill deferral students in 2023/24.

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

2.4 Credits Claimed (continued)

Recommendations

R2 Ensure that any significant changes to the Credits claimed after audit sampling are brought to auditor's attention on a timely basis so that these can be considered for testing prior to conclusion of the audit fieldwork stage.

R3 Attendance records should be maintained on CELCAT to support the actual hours completed, and Credits claimed, for infill deferrals.

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 Price Groups 1, 4 and 5. 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 1: decrease of 4,293 Credits. There has been a continued decline in full-time recruitment across the College portfolio, which has also been exacerbated by the cost-of-living crisis which has had a significant impact on student retention. This has been offset to varying degrees across the Price Groups by deferred Credits claimed for students who could not previously complete their studies due to COVID.

- Price Group 4: decrease of 826 Credits. As above.

- Price Group 5: increase of 1,415 Credits. This is due to a return to full on-campus delivery which has allowed the College to offer a full range of part-time and community provision to students requiring additional support.

Appendix I – Copy of Audit Certificate

Dundee and Angus College
Old Glamis Road
Dundee
DD3 8LE

23 October 2023

Dear Sir or Madam

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 31 May 2022 and which has been confirmed as being free from material misstatement by the College's Principal in his Certificate dated 3 October 2023. We conducted our audit in accordance with guidance contained in the 2022-23 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

23 October 2023

Date FES returned: 2 October 2023

Appendix II – Summary of Adjusted and Unadjusted Errors

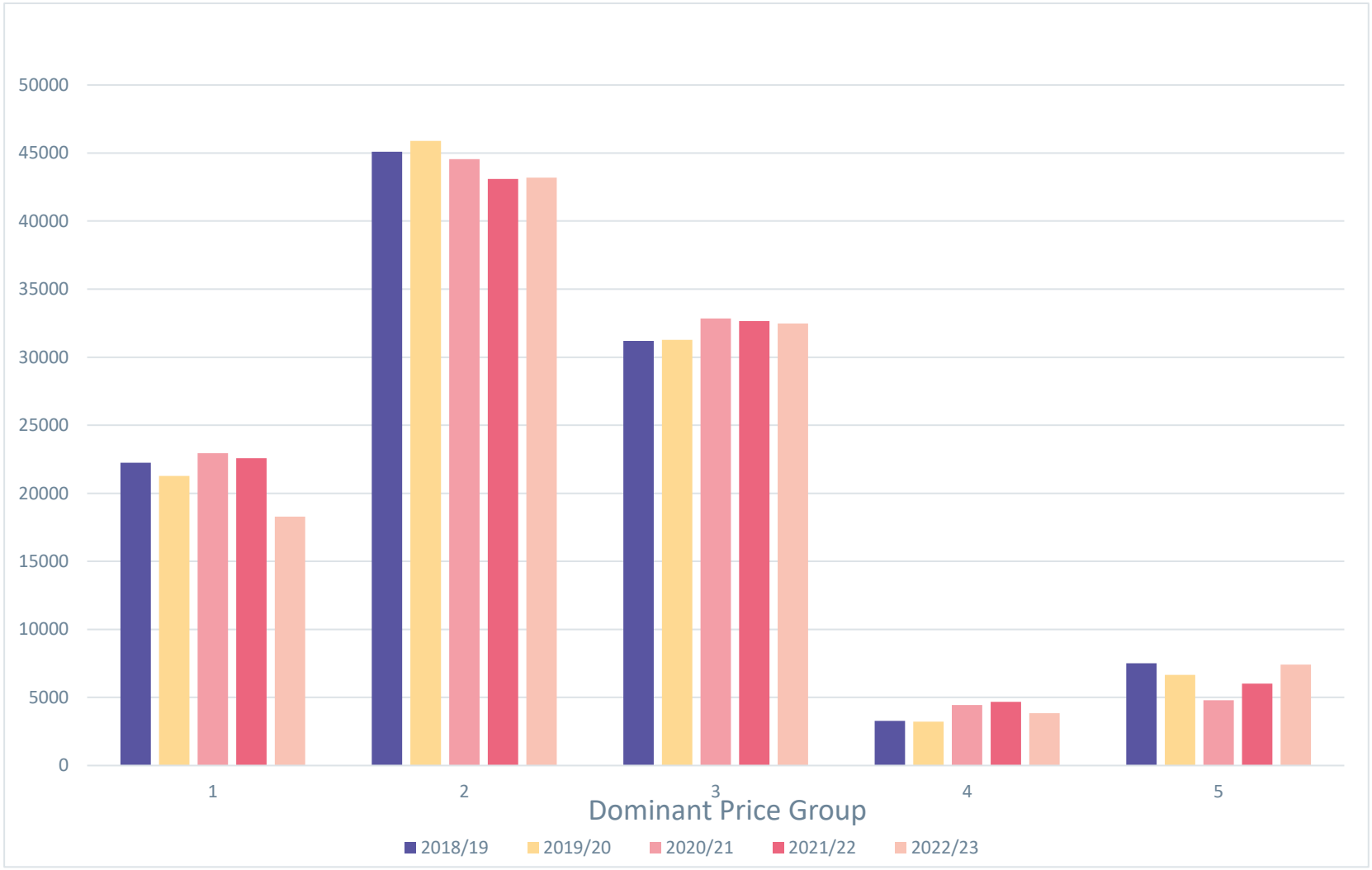
Report Para	Error identified	Adjusted/unadjusted	Approx. Value
2.2.2	Credits claimed for students who did not show progression on their work-based learning programmes	Adjusted	-3 Credits
2.3.2	Credits claimed for student who did not meet the attendance requirement	Adjusted	-4 Credits

Appendix III – Price Group Analytical Review 2021/22 and 2022/23 – Figures

Price Group	2021/2022		2022/2023		Variance	Variance
	Credits		Credits		Credits	%
1	22,586		18,293		(4,293)	(19.0)
2	43,104		43,183		79	0.2
3	32,646		32,482		(164)	(0.5)
4	4,673		3,847		(826)	(17.7)
5	6,009		7,424		1,415	23.5
	109,018		**105,229**		**(3,789)**	**(3.5)**

College Funded Target 2022/23: **109,230 Credits**

Appendix IV – Price Group Analytical Review 2018/19 to 2022/23 – Graph



Appendix V – Updated Action Plan – Student Activity Data 2021/22

Recommendation	Grade	Comments	Agreed Y/N	Responsible Officer for Action	Agreed Completion Date	Progress at October 2023
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	No similar issues noted during audit testing in 2022/23. ***Fully Implemented***
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	No similar issues noted during audit testing in 2022/23. ***Fully Implemented***

2022/23 Student Activity Data

Recommendation	Grade	Comments	Agreed Y/N	Responsible Officer for Action	Agreed Completion Date	Progress at October 2023
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	Similar issues again identified as part of audit testing in 2022/23 (refer to paragraph 2.2.2 in main report). ***Partially Implemented***

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Our ref: DUND386/DA/STI
Your ref:

Dundee and Angus College
Old Glamis Road
Dundee
DD3 8LE

23 October 2023

Dear Sir or Madam

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

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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

23 October 2023

Date FES returned: 2 October 2023

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Agenda Item 7.2

JOINT AUDIT & RISK, FINANCE & PROPERTY COMMITTEE

Tuesday 5 December 2023

Internal Audit

Student Support Funds

PAPER E

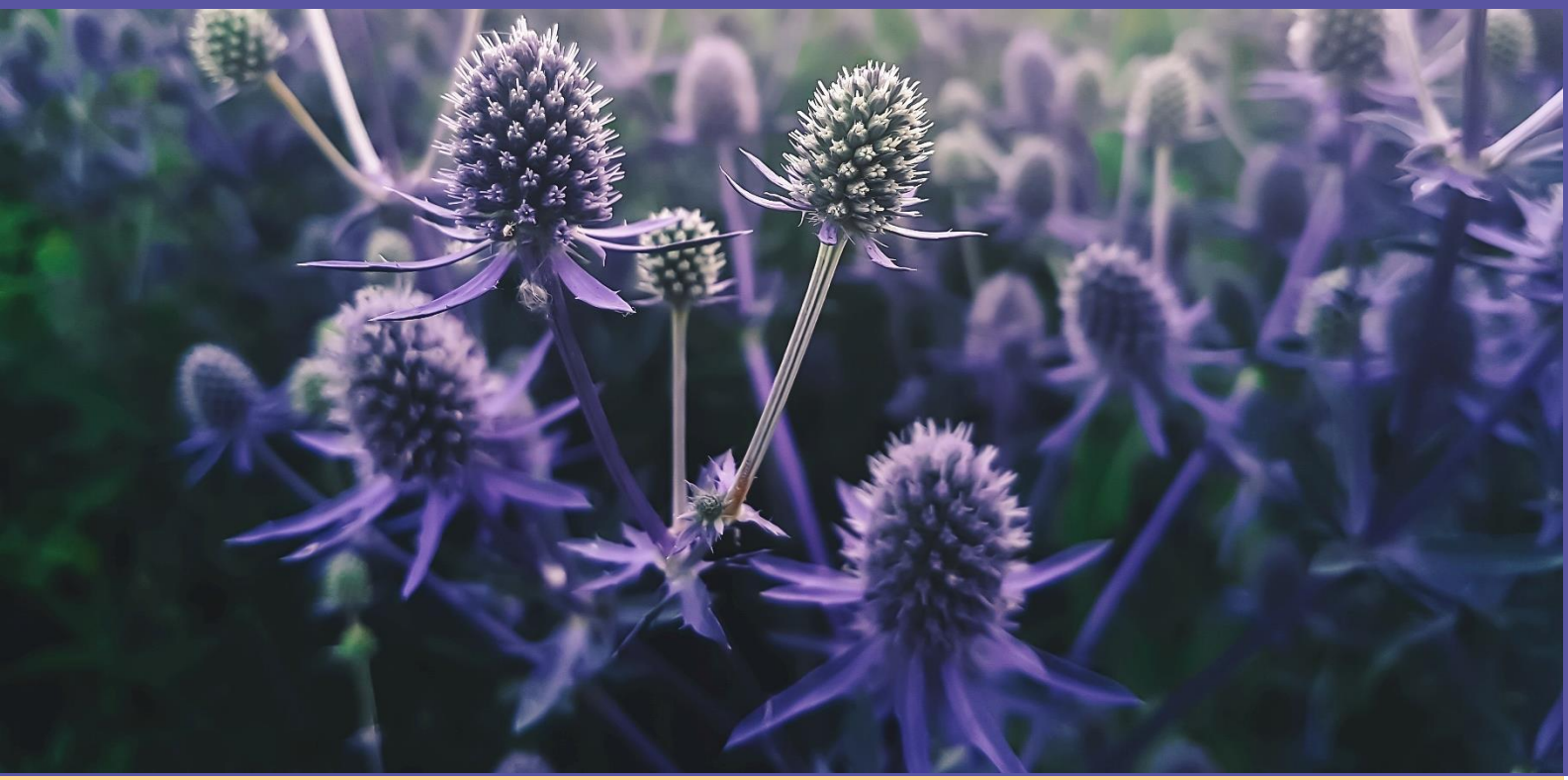
Dundee and Angus College

2022/23 Student Support Funds

Internal Audit report No: 2023/08

Draft Issued: 9 November 2023

Final Issued: 13 November 2023



Henderson Loggie

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Appendix II	**Higher Education Discretionary and Childcare Fund Return and Audit Certificate**	
Appendix III	**Education Maintenance Allowance Return and Audit Certificate**	

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 the Further Education Discretionary Fund is normally £4,000 however this cap was removed again for 2022/23 to allow additional support to be given to students financially impacted by COVID-19 and the current cost of living pressures. The £4,000 cap for the Higher Education Discretionary Fund was re-instated for 2022/23.

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 certain groups, including lone parents and mature students, when allocating funds from the Further and Higher 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 living in college-approved accommodation, or due to having 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. In recognising that the bursary fund is cash-limited, colleges may have to exercise discretion to target support to meet local priorities and the needs of their students. SFC expects colleges to award students their full calculated bursary award. 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 2022/23 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 2023, 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 amounts awarded;
- 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.

Action Plan

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 and Risk 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.

Findings and Conclusions

We were able to certify all fund statements for the year and submit these to the appropriate bodies, without reservation.

In our covering letter to SAAS enclosing the audited Higher Education 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 SFC, and this account does not pay interest.

Findings and Conclusions (Continued)

Although we did not raise any reservations in our Auditors' Report for the Education Maintenance Allowance Return, we made one minor observation arising from our audit work. Total EMA payments of £7,095 were claimed by the College in the year-ended 31 July 2023 in relation to 473 EMA claimants. A total of 471 individual students were in receipt of EMA payments in 2022/23 giving rise to a small overclaim of £30, which has been adjusted by the College in the monthly return for August 2023.

In addition, the following points were noted during the course of our audit:

Award Letters
The following instances were noted during our sample testing where we could not fully agree payments made to students to award letters:

- A travel award for one Bursary student was re-assessed from £10.90 to £17.90 per week (total increase £231) following a transfer from the Kingsway to Arbroath campus. The new travel award was correctly paid however a revised award letter was not issued;
- For one student in receipt of Childcare the amount per the award letters was £540 less than that actually paid by the College. During the year the student took part in a placement as part of the course which required enhanced childcare hours. We were advised that the student mistakenly told Finance this would be for five weeks however it was actually for more than this. The tutor corrected the error and the additional amounts were paid however no revised award letter for the extended period was issued; and
- For one student in receipt of Further Education Discretionary funding there were differences in the monies awarded between the award letters issued, TeQuios and the FES return. The student was awarded £5,605 from the fund according to the award letters issued, but the total on TeQuios shows £6,075, for a difference of £470. It was explained that there may be some award letters missing as even though the College would normally issue them, there were numerous staff members involved in assisting the student and some award letters may have been omitted as much of the communication with the student was also done in person by Student Services or by their key worker. There was also direct communication with the student's landlord, to whom the housing payments were eventually directed to. Additional e-mails were provided confirming awards of £130 and £140 being paid out. The remaining £200 was not tied into any award letter or e-mails but there was an application made for this payment and it was paid out in cash. The amount reported on the FES return for this student was restricted to £5,189 to take into account SFC guidance that total Bursary maintenance and Discretionary funding should not exceed £10,000 unless there were exceptional circumstances (£660 of the excess was paid to the student but not claimed and £226 was withheld).

Recommendation
R1 Ensure that revised award letters are always issued, and copies retained, where reassessment of student awards is made during the year.

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.

Action Plan

Page Ref.	Recommendation	Grade	Management Comments	Agreed Y/N	Responsible Officer For Action	Agreed Completion Date
3	**Award Letters** **R1** Ensure that revised award letters are always issued, and copies retained, where reassessment of student awards is made during the year.	**3**	Requirements reiterated to all staff involved in re-assessments of awards, sample checks to be conducted as part of ongoing house-keeping checks.	Yes	Student Funding Team Leader and Student Services Manager	Reminders by 31 October 2023 Sample checks completed by 31 May 2024

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

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

Appendix III – Education Maintenance Allowance Return and Audit Certificate

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Agenda Item 7.3

JOINT AUDIT & RISK,
FINANCE & PROPERTY COMMITTEE

Tuesday 5 December 2023

Internal Audit

Infrastructure Strategy/Capital Projects — PAPER F

LEVEL OF ASSURANCE
Satisfactory

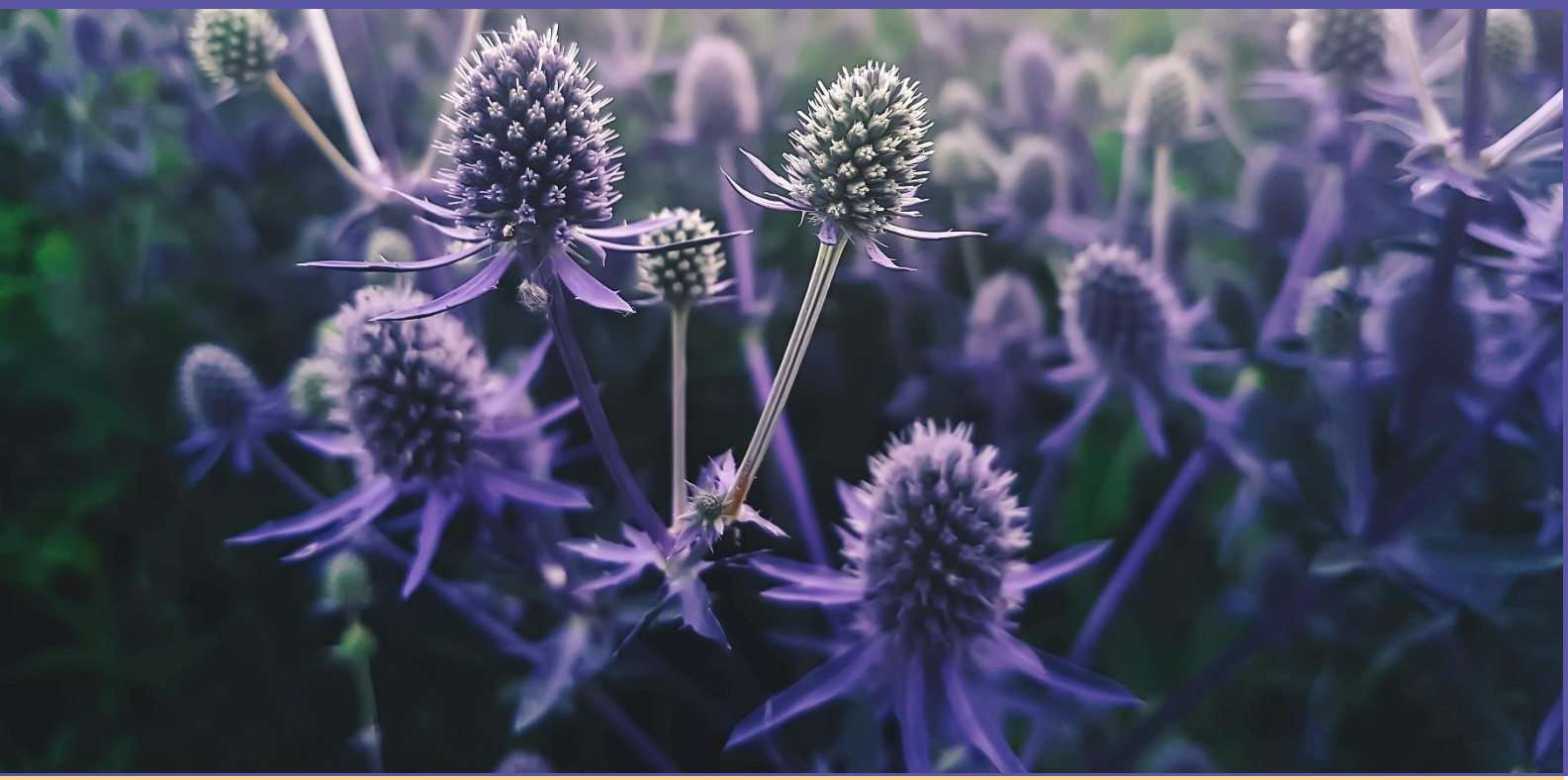
Dundee & Angus College

Infrastructure Strategy / Capital Projects

Internal Audit report No: 2023/09

Draft issued: 17 November 2023

Final issued: 27 November 2023



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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

A review of the Dundee & Angus College ('the College') Strategic Risk Register, identified the following specific risks relating to Infrastructure Strategy / Capital Projects:

- Risk 2.6: Demands of capital developments / maintenance impacts on financial sustainability or delivery of learning and / or services (Net Score – 4 minor);
- Risk 4.2: Failure to achieve ambitions of Digital strategy; strategy and development is ineffective. (Net Score – 8 minor); and
- Risk 4.4: ICT infrastructure fails to support effective data security / data protection (Net Score – 8 minor).

Background

As part of the Internal Audit programme at the College for 2022/23 we carried out a review of the systems in place in relation to Infrastructure Strategy / Capital Projects. The ANA identified this as an area where risk can arise and where Internal Audit can assist in providing assurances that the related control environment is operating effectively, ensuring risk is maintained at an acceptable level.

Responsibility for oversight of the College's infrastructure sits with the Director of Infrastructure, who oversees the capital projects undertaken by the College. The College establishes the need for capital projects through both assessment of the condition of the College's assets through planned replacement programs, and also for any organisational changes such as new equipment required for particular courses.

The College has various strategies in place, with the capital projects being linked to these, with the More Successful Students 2025 Strategy requiring refreshing / upgrading of equipment to improve the overall experience and quality of learning for the students at the College. The College's Estates Strategy also defines the plans for a five-year period, which influences the projects undertaken each year. Additionally, the College has a Procurement Strategy in place, which stipulates the College's need to comply with the Procurement Reform (Scotland) Act 2014, but also to ensure value for money is achieved by the College and that projects are authorised based on the needs of the College.

The project managers work closely with the Procurement Team at the College to identify the requirements of a project, and establish the procurement method to be adopted by the College in obtaining the services of an external contractor. The progress of the projects is reported to the Board via the Finance and Property Committee on a quarterly basis, with an annual report also presented to the Board detailing the capital projects undertaken in the year and the performance of these against management's expectations.

Scope, Objectives and Overall Findings

The scope of the audit was to review and test the policies and procedures in place for the planning, control and monitoring of capital projects relating to the College infrastructure.

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

Objective	Findings				
The specific objectives were to ensure that the policies and procedures are in line with Scottish Funding Council and other good practice guidance in relation to:		**1**	**2**	**3**	**Actions already planned**
		No. of Agreed Actions			
1. The Infrastructure Strategy, including that it has been developed and aligned with key strategic priorities and also takes cognisance of supporting strategies and plans (such as the financial plan, curriculum planning, digital strategy and people strategy).	**Good**	-	-	-	✓
2. The capital project identification and appraisal process, including the information provided to management and the Board of Management and its committees for decision making purposes.	**Satisfactory**	-	-	1	
3. Risk management and contingency planning on capital projects.	**Satisfactory**	-	-	1	
4. The selection and management of consultants and contractors, including the tendering process and performance management.	**Satisfactory**	-	-	1	
5. The monitoring of progress made on projects and expenditure against budget, by management and Board committees.	**Good**	-	-	-	
Overall Level of Assurance	**Satisfactory**	**-**	**-**	**3**	
		System meets control objectives with some weaknesses present.			

Audit Approach

We reviewed relevant documentation including, relevant Strategies, policies, procedures, capital project appraisal documents etc. relating to capital projects and discussed the procedures adopted with staff.

We considered whether the policies and procedures are in line with good practice in relation to planning, control and monitoring of capital projects and, for a sample of recent capital projects, we then tested compliance with these.

Summary of Main Findings

Strengths

- The College has an Estates Strategy in place to define, at a high level, the approach to projects for a number of years.
- The More Successful Students 2025 Strategy is in place which details the areas to be developed by the College and builds on the recently completed objectives of the IT Strategy.
- A Procurement Strategy is in place defining the framework to help the College achieve its wider strategic objectives.
- The College's IT network was upgraded in 2022 to provide increased IT security and an improved quality of IT facilities for both staff and students.
- Business cases are put in place for any major works, to ensure that the proposals are reviewed by the Board in addition to the relevant College Vice Principal and / or Principal.
- Approval of the business cases is undertaken by the Board, evidenced in the Board minutes.
- All upcoming projects are detailed within the Procurement Report and presented to the Finance and Property Committee on an annual basis for review and approval.
- The scheme of delegation is defined in the Financial Regulations.
- Estates related risks are recorded on the College's Strategic Risk Register.
- Risks are linked back to works undertaken in the quarterly reporting to the Finance and Property Committee.
- There is a focus on issues raised from the condition survey ratings for each building on the campuses.
- From a review of three projects in 2023 and their contract awards to check alignment with policy, no issues were noted.
- A process is in place for undertaking exercises in line with the Procurement Reform (Scotland) Act 2014.
- Quarterly reporting is undertaken on the progress of all projects to the Finance and Property Committee.
- The quarterly reporting mechanism in place also allows for topical / one-off issues or areas of concern to be raised.
- An annual Estates Report is submitted to the Board detailing projects undertaken in the year.
- Finance issue monthly reports to budget holders detailing costs incurred against budget, to assist them in their monitoring of expenditure.

Opportunities for Improvement

- Following a previous review of capital projects (internal audit report 2015/02, issued February 2015) we made a recommendation to develop formal project appraisal procedures which detailed the circumstances and threshold for the requirement to provide a strategic business case, with the level of appraisal required for projects below this threshold also formally set out. Although this recommendation was subsequently noted as implemented, these procedures are no longer in use.
- Following our 2015 review of capital projects, we also made a recommendation that, for projects above an appropriate cost threshold, the College should ensure that recognised risk management processes such as project risk registers are utilised. Our review noted that project risk registers are still not commonly used by the College on capital projects and there is no formally documented threshold above which these would be prepared.
- From discussions in respect of procurement arrangements and approaches it was noted that there was no control in place to ensure that lower value procurement exercises were passed through and reviewed by the Procurement Team in line with the College Procurement Policy. In these instances, checks are undertaken by the project managers, however these are not recorded in the same manner as Procurement Team checks.

Acknowledgments

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

Main Findings and Action Plan

Objective 1 – The Infrastructure Strategy, including that it has been developed and aligned with key strategic priorities and also takes cognisance of supporting strategies and plans (such as the financial plan, curriculum planning, digital strategy and people strategy).

Estates Strategy

The College has an Estates Strategy in place, which defines the College's approach to how it will manage its estate from 2019 to 2024. The strategy sets out guiding principles, with the four areas noted as follows:

- *Scale: the estates will be of appropriate size and scale, applying rigorous space utilisation targets, and estate planning will exploit opportunities to consolidate space and collaborate with partners.*
- *Suitability: campuses will be in the right places for our learners, with buildings accessible to all; space will be functionally suitable, legally compliant and designed to the highest level.*
- *Flexibility: buildings will be designed for maximum efficiency and space utilisation (see above); facilities will be capable of continuous modernisation in response to changing curriculum needs, working practices and technology advances.*
- *Sustainability: investment will support the College's commitment to carbon reduction, achieving the highest possible level of environmental performance measured against externally accredited sustainability standards.*

The College's Regional Outcome Agreement defines the national framework defined by the Scottish Government which aims to improve the job prospects of students, support jobs and growth across the country. The requirement to fulfil this framework is recorded within the Estates Strategy, with the five pillars of the framework defined as:

a) *A more equal society because learning is accessible and diverse, attracting and providing more equal opportunities for people of all ages, and from all communities and backgrounds.*
b) *An outstanding system of learning where all students are progressing successfully and benefiting from a world-class learning experience, in the hands of expert lecturers delivered in modern facilities.*
c) *A more successful economy and society with well prepared and skilled students progressing into jobs with the ability, ideas and ambition to make a difference.*
d) *High performing institutions – a coherent system of high performing sustainable institutions with modern, transparent and accountable governance arrangements.*
e) *Greater innovation in the economy – a national culture of enterprise and innovation leading to a more productive and sustainable economy.*

Objective 1 – The Infrastructure Strategy, including that it has been developed and aligned with key strategic priorities and also takes cognisance of supporting strategies and plans (such as the financial plan, curriculum planning, digital strategy and people strategy) (Continued).

Estates Strategy (continued)
The strategy document defines the needs of the College in terms of estates improvements, largely based on the condition surveys commissioned by the Scottish Government in 2017, with each of the College's campuses and the buildings within them categorised as A, B, C or D based on their condition. It is noted in the strategy document that the Kingsway campus requires the most work due to it having the highest number of buildings which fall into category C. Works undertaken in 2022/23 per the annual report showed that eight projects were undertaken at Kingsway, compared with seven at Arbroath and four at Gardyne.

College Strategy
The College has a 2025 student focused strategy in place, entitled More Successful Students, which defines how it aims to achieve a better learning environment, and ultimately, better experience for the students. In order to achieve this, it has underpinned by three strategic pledges, being: Effective Partnerships, Future Focused, and Thriving Community.

In relation to the College's strategic approach to its infrastructure and capital projects, the following methods of how the College aims to deliver this were noted:

Pledge 2 – Future Focused:
- *Co-designing sector-leading, modern courses and services;*
- *Ensuring we are digitally enabled and developed;*
- *Using data to better inform our decision making; and*
- *Providing modern and flexible learning spaces.*

Infrastructure Strategy
In conjunction with the wider College Strategy, the College has an 'Infrastructure Strategy – 2027 vision' in place which defines its approach to maintaining and upgrading both the physical aspects of the College as well as the digital infrastructure across its campuses. The Infrastructure Strategy highlights the focus on the three strategic pledges of the College Strategy, detailing 24 infrastructure related aims under the objectives of the three strategic pledges, including improving learning through advanced technology and defining the College's climate related commitments. The Infrastructure Strategy document also outlines its road map for delivering each of the aims of the plan, with an aim to achieving all objectives by 2027.

From review of the above areas of focus, the College is required to invest adequately in its capital projects to ensure that sufficient facilities are in place to fulfil the pledge of developing for the future.

People Strategy / Workforce Plan
The College's People Strategy defined the processes to be undertaken from 2017 to 2020, and as such does not align with the strategic objectives of the current strategy documents. The College does however have a Workforce Plan in place from 2022-24 which defines its focus on the three strategic pledges as above.

Objective 1 – The Infrastructure Strategy, including that it has been developed and aligned with key strategic priorities and also takes cognisance of supporting strategies and plans (such as the financial plan, curriculum planning, digital strategy and people strategy) (Continued).

Financial Strategy

The College has a Financial Strategy in place defining the objectives from 2022-2027 detailing the College's key sources of income and expenditure, with infrastructure costs noted as being the most significant for the College, highlighting the alignment of the significant spend with the three strategic pledges of the College. The Financial Strategy also defines the opportunities and risks of the wider College Strategy and notes the income generation methods to achieve these objectives within the College's financial means on a long-term basis.

Procurement Strategy

The College has a Procurement Strategy in place, defining the College's approach from 2021 to 2024, which was reviewed and signed off by the Vice Principal (Corporate Services) as well as by the College Principal. In addition to ensuring compliance with the relevant regulations and legislation, including the Procurement Reform (Scotland) Act 2014, the Procurement Strategy sets out the following strategic objectives for the College:

- Improving supplier access to public contracts;
- Delivering savings and benefits;
- Maximising efficiency and collaboration; and
- Embedding sustainability in all we do.

In order to achieve these objectives, the College, through the operational processes overseen by the Procurement Manager, and more recently also by the Head of Procurement, undertakes procurement exercises in line with the thresholds defined within the Procurement Policy per the stipulations of the Financial Regulations. The College being part of the APUC Framework also helps to ensure that efficient and cost-effective suppliers are procured, helping to ensure value for money for the College. It was noted from discussions that the Procurement Team is undergoing changes, with a shared service with Abertay University being implemented and, as such, the Procurement Strategy and Procurement Policy are currently being updated to reflect the changes made.

Objective 2 – The capital project identification and appraisal process, including the information provided to management and the Board of Management and its committees for decision making purposes.

Business Cases

Where works are required based on improvements arising from rolling renewal programs or through failings, these are authorised by the appropriate project manager in line with the delegation of authority in place at the College. Where a more significant project is required, a business case should be prepared by the process owner and presented to the Finance and Property Committee detailing the reasoning behind the project, the costs associated, and the benefits to the College. From discussions with the Director of Infrastructure and the Head of Estates it was noted that the most recent project which required the preparation of a business case was the replacement of the IT network at the College, which was undertaken in 2022, and overseen by the Director of Infrastructure (in their previous role as Head of ICT).

In order to establish the information presented to the Finance and Property Committee, we obtained and inspected the business case for the replacement of the IT network and noted the following:

- The business case was prefaced by a background section providing some context on the network arrangements at the College at the time of the case being presented, in order to aid the readers in their understanding of the reasons for a network being required.
- The issues giving rise to the need for the project were presented after the initial background section, with the switches across the College identified as being past the end of their useful life, resulting in them being unable to receive security updates and therefore being vulnerable to cyber-attacks. Additionally, the system's access control issues were identified following a review of the system, and the previous network in place was deemed unfit to host this.
- Three options were presented for consideration: do nothing and replace the network in parts; replace the network and implement network access control technology; replace the network and do not implement network access control technology.
- The costs associated were noted as c. £402k for the hardware and £199k for subscription and support for five years, with an additional c. £16k for the network access control software and subscription for three years.
- The procurement exercise was also recommended as being a 'mini-tender' through the APUC Framework due to the value of the works.
- The costs were also broken down into the individual budgets and how these will be apportioned for the next five years.

Alignment with the Scottish Public Finance Manual (SPFM) and Scottish Funding Council (SFC) Financial Memorandum (FM)

The SPFM provides guidance on the proper handling and reporting of public funds. This includes sections on: Appraisal and evaluation techniques and procedures; Expenditure and payments; Major investment projects; and Procurement, all of which are relevant to the College's management of capital projects.

The SFC FM requirements include that the governing body should ensure that:
'The institution's procurement processes must reflect the relevant guidance contained in the Advanced Procurement for Universities and Colleges, and relevant policy and advice issued by the Scottish Procurement Directorate. Procurement must be undertaken by appropriately trained and authorised staff and treated as a key component of achieving the institution's objectives consistent with the principles of Best Value, the highest professional standards and any legal requirement.'
Additionally, the memorandum also states that *"the institution plans and manages its activities to remain sustainable and financially viable. An institution is being managed on a sustainable basis if, year on year, it generates sufficient income to cover its costs and allow for maintenance of and investment in its infrastructure (physical, human and intellectual) at a level which enables it to maintain adaptive capacity necessary to meet future demands.'*

Objective 2 – The capital project identification and appraisal process, including the information provided to management and the Board of Management and its committees for decision making purposes (Continued).

The SFC's Capital Projects Decision Points Process also defines the need for projects to follow a set process, with the following key stages noted: Strategic Assessment, Business Justification, Procurement Strategy, Pre-Tender, Pre-Construction, and Post-Occupancy Evaluation. This process is specifically aimed at larger capital projects, however the principles of the process align with those applied at the College.

The College assesses each project against its wider needs and procures the services of the external contractor via a formal procurement process, with preset selection criteria on price and quality of service, to help ensure that the College achieves value for money.

Observation	Risk	Recommendation	Management Response	
Following a previous review of capital projects (internal audit report 2015/02, issued February 2015) we made a recommendation to develop formal project appraisal procedures which detailed the circumstances and threshold for the requirement to provide a strategic business case, with the level of appraisal required for projects below this threshold also formally set out. Although this recommendation was subsequently noted as implemented, these procedures are no longer in use.	Without a strategic business case the business objectives, project scope and requirements and critical success factors may not be clearly defined.	**R1** – Reinstate the formal project appraisal procedures detailing the circumstances and threshold for the requirement to provide a strategic business case, and the level of appraisal required for projects below this threshold.	College to create a formal procedure for project appraisal and creation and consideration of post-project evaluations for all infrastructure projects above a defined financial threshold. **To be actioned by:** Director of Infrastructure **No later than:** 30 June 2024	
			Grade	**3**

Objective 3 – Risk management and contingency planning on capital projects.

The College has a Strategic Risk Register in place which incorporates estates related risks, against which each of the projects are assessed. From inspection of the risk register in place it was noted that the following capital project related risks were identified:

- Risk 2.6: Demands of capital developments / maintenance impacts on financial sustainability or delivery of learning and / or services;
- Risk 4.2: Failure to achieve ambitions of Digital strategy; strategy and development is ineffective; and
- Risk 4.4: ICT infrastructure fails to support effective data security / data protection.

From review of the register, the measures in place to address these risks were identified as being:

- Measure 2.6: Multi-year estates strategy and capital planning; Lobbying of SFC on capital and backlog maintenance funding; Planning for D&A Foundation bids.
- Measure 4.2: Planning, careful phasing of changes to processes and systems; Effective management of ICT arrangements; and Clear investment plan.
- Measure 4.4: Effective infrastructure and systems design and implementation; Effective management of ICT arrangements and GDPR compliance.

When assessing these risks and controls against the capital projects that are being undertaken by the College at the time of this review, it was noted that particular projects such as the replacement of the Gardyne roof, the installation of LED lights and the window replacement project at the Gardyne campus, are aligned with the College's aims of consistently improving the facilities.

Objective 3 – Risk management and contingency planning on capital projects (Continued).

Observation	Risk	Recommendation	Management Response	
Following our 2015 review of capital projects, we also made a recommendation that, for projects above an appropriate cost threshold, the College should ensure that recognised risk management processes such as project risk registers are utilised. Alternatively, details of project risks identified by external project managers should be shared with the College Capital Projects Team. Risks should be discussed as a standing item at regular progress meetings held between the College, project manager and contractors, findings documented and monitored. Our review noted that project risk registers are still not commonly used by the College on capital projects and there is no formally documented threshold above which these would be prepared.	Inadequate risk identification and monitoring may lead to poorly defined project scopes and incomplete contracts resulting in design costs exceeding budget.	**R2** – For projects above an appropriate cost threshold ensure that recognised risk management processes such as project risk registers are utilised.	College to implement a documented risk register process and mechanism for all infrastructure projects above a defined financial threshold. **To be actioned by:** Director of Infrastructure **No later than:** 30 June 2024	
			Grade	**3**

Objective 4 – The selection and management of consultants and contractors, including the tendering process and performance management.

From discussions with the Head of Estates, it was established that the member of management responsible for overseeing the project engages with the Procurement Team where relevant to prepare documentation and establish the process to be undertaken based on the value of the contract. As such, the College can undertake single quotation (up to £3,000), three quote processes (£3,000-£5,000), mini-competitions, Invitations to Quote (ITQ) and Invitations to Tender (ITT), with all contracts with a value over £50,000 processed through the Procurement Team per the College's Procurement Policy and contracts between £5,000 and £50,000 requiring referral to the Procurement Manager for advice and guidance. Once the process is determined, documentation is prepared and issued to the preferred contractors through the APUC system or through the Public Contracts Scotland (PCS) system. It was noted from discussions with the Procurement Manager, that the College's systems document all its pre-approved suppliers in addition to those on the APUC Framework.

The quotes / tenders are then reviewed against the preset criteria and awarded based on this, with a price and quality balance assessed.

A sample of exercises were selected for review, with these being:

- Gardyne Swimming Pool Roof (ITQ);
- CSW Building Lift Replacement (ITT); and
- Gardyne LED Lighting Installation (ITQ).

From inspection of the documentation, the following was noted:

Gardyne Swimming Pool
The procurement exercise utilised was a Quick Quote process through PCS, which allows for the College to submit details of the tender to pre-approved suppliers for them to submit proposals. Two suppliers submitted their proposals, which were assessed on their technical and commercial elements, with 65% of the assessment allocated to the technical benefits and 35% allocated to commercial aspects. The preferred supplier was selected on this basis, with the award document signed as approved by the Vice Principal of People & Performance. The award document was then issued to the contractor in May 2023, with the procurement exercise and the amount recorded in the May Finance and Property Committee report. The Committee was then notified in the September 2023 meeting that the works had been completed, with the contract value consistently recorded as being c. £60k.

CSW Building Lift Replacement
The College identified potential suppliers through the APUC Lift Maintenance, Installation and Refurbishment Framework Agreement, with the assessment criteria made up of 60% technical elements, with the remaining 40% being the commercial criteria. Six suppliers were pre-approved per the framework, with submissions received from all six suppliers. A preferred supplier was identified against the criteria, and this was signed as approved by the Principal in February 2023. The award document was issued to the contractor in July 2023, with the procurement exercise and the amount recorded in the May Finance and Property Committee report, with the exercise noted as being 'In Progress' as it was in the early stages of confirming specifications and establishing the exercise to be undertaken. The Committee was then notified in the September 2023 meeting that the works had been completed, with the contract value consistently recorded as being c. £60k.

Objective 4 – The selection and management of consultants and contractors, including the tendering process and performance management (Continued).

Gardyne LED Lighting Installation

The Quick Quote facility within PCS was utilised by the College to obtain the required services, with the ITQ document setting a deadline of 7 September 2023, with technical criteria being allocated 60% and the remaining 40% being commercial aspects of the contract. The procurement exercise and the amount (£500k) were recorded in the May Finance and Property Committee report, with an update in September 2023 noting that an exercise had been undertaken. One supplier submitted its proposal and was deemed suitable to fulfilling the works, and therefore the award was signed as approved by the Vice Principal of People & Performance in September 2023.

From discussions with the Head of Estates and the Director of Infrastructure, it was noted that formal monitoring measures are implemented for large contracts, primarily those which require business cases, with regular meetings and KPIs in place. Based on the value of the contracts selected for review, formal measures were not applicable, with ongoing monitoring undertaken informally, and budget monitoring undertaken through monthly reports issued by the college's Finance team.

Review and Approval

From discussions with the Procurement Manager, it was noted that the procurement exercises for the year are compiled and presented to the Finance and Property Committee on an annual basis. These are discussed and noted as signed off as approved by the Committee, which is then recorded in the minutes as evidence. If a short notice procurement exercise is required, this it is passed to the Committee as part of its quarterly cycle and approved by the members.

We obtained and inspected a copy of the annual report submitted in September 2023 to the Finance and Property Committee, detailing the exercises to be undertaken in the year, with members asked to:

a) note the recently awarded contracts;
b) approve Non-Competitive Awards (there are none); and
c) approve the anticipated procurements over £100K.

From review of the document, eight contracts were noted as having been awarded from May to September 2023, with a further eight upcoming contracts noted for approval by the members. The approval is recorded in the minutes of the meeting as evidence.

Objective 4 – The selection and management of consultants and contractors, including the tendering process and performance management (Continued).

Observation	Risk	Recommendation	Management Response	
From discussions in respect of procurement arrangements and approaches it was noted that there was no control in place to ensure that lower value procurement exercises were passed through and reviewed by the Procurement Team in line with the College Procurement Policy. In these instances, checks are undertaken by the project managers, however these are not recorded in the same manner as Procurement Team checks.	There is a risk that the requirements of the Procurement Policy are not consistently adhered to.	**R3 –** It is recommended that a procedure be implemented which requires that all selection documentation for projects above a defined financial threshold which are not processed in conjunction with the Procurement Team (or compliant equivalent such as the SCAPE framework) be documented in a common format to support high level review to ensure that procedures are followed in line with the relevant regulations.	College to review and update Procurement Policy thresholds and requirements to ensure that appropriate arrangements and documented processes are in place for all infrastructure projects above a defined financial threshold. **To be actioned by:** Director of Infrastructure **No later than:** 30 June 2024	
			Grade	**3**

Objective 5 – The monitoring of progress made on projects and expenditure against budget, by management and Board committees.

Monthly and Quarterly Reporting

Monthly reports are submitted by the Finance team to all budget holders within the College, to monitor the costs against each budget, including those for capital projects, with variations highlighted and scrutinised to help ensure the costs incurred remain within the agreed budget. All budget holders receive these reports, and any deviations are flagged by the Finance team for explanations to be obtained to justify the deviation.

Quarterly reporting is in place to the Finance and Property Committee, and the quarterly reports submitted to the Committee for February, May, and September in 2023 were obtained and inspected to establish the level of information within them. From inspection of the reports, it was noted that the Head of Estates provides updates on the status of the projects in place, including information such as:

- Ongoing Projects;
- Capital Backlog Maintenance Projects (including costs associated with each project); and
- Links to the Strategic Risk Register.

This information allows the reviewers to consider the nature of the ongoing projects, including those which have been initiated out of necessity as a result of assets being at the end of their useful life, and requiring upgrade, and also capital projects which are in place to improve the facilities at the College. A high-level summary of the funding available was also provided in the September report to detail the total amount available to the College, and all the projects that have been undertaken with these funds, and the status of these at the point in time of the report being presented. Additional time specific areas were also included in the reporting, including any sector related issues, to detail the College's approach on relevant issues, with the following noted from the three 2023 reports:

- Capital Funding for Maintenance (September report);
- Scottish Green Public Sector Estate Decarbonisation Scheme (May report); and
- Reinforced Autoclave Aerated Concrete – RAAC (September report).

Annual Reporting

An annual report is presented to the Finance & Property Committee by the Head of Estates, detailing the projects undertaken in the financial year, with the most recent report being from April 2022 to March 2023. From inspection of the report, the Head of Estates details the following:

- Infrastructure Strategy - 2027 Vision;
- Estates Strategy 2019-2024;
- Capital Backlog Maintenance Projects;
- Climate Emergency Action Plan;
- Mandatory Climate Change Reporting;
- Green Public Sector Estate Decarbonisation Scheme; and
- Operation Unicorn.

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Agenda Item 7.4

JOINT AUDIT & RISK,
FINANCE & PROPERTY COMMITTEE

Tuesday 5 December 2023

Internal Audit

Follow-up Summary

PAPER G

BOARD OF MANAGEMENT

Audit & Risk Committee
Tuesday 5 December 2023

Internal Audit Outstanding Actions Follow-up Summary

Paper G 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.

2. Recommendations

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

3. Background

The following provides a summary of current progress in respect of 'live' Internal Audit recommendations.

		Number of Actions Outstanding (& Priority Grades)		
Audit Area	**Report Grades**	**1**	**2**	**3**
Student Invoicing and Debt Management	Satisfactory	-	-	1
	Total	-	-	**1**

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 5 actions reported at the September 2023 Audit & Risk Committee, two were noted at the meeting as being complete. From the remaining 3 the following progress has been made:

- 2 are Complete
- * are On Target to complete
- 1 is Behind Schedule

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

4. 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
3.3 – legal actions; serious accident; incident or civil/criminal breach
3.5 – loss of reputation with key stakeholders
3.8 – significant breach of ICT/Cyber security resulting in loss of service sufficient to impact College student / staff outcomes
4.3 – breach of ICT/Cyber security
4.4 – failure to support effective data security/data protection

Authors: Steve Taylor, Vice Principal
Andy Ross, Director of Infrastructure
Billy Grace, Head of Estates
Brian Ferguson, Head of Finance
Colin Lynagh, Data Protection Officer
Executive Sponsor: Steve Taylor, Vice Principal

Outstanding Recommendations Update December 2023 Appendix 1

Year	Audit Area Report Title	Priority Action Grade	Report Grade	Action	Responsible Officer	Deadline	Progress (as at December 2023)
2022/04	R3 – Student Invoicing and Debt Management	3	Satisfactory	A review of the College's written 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.	Head of Finance	~~August 2022~~ ~~January 2023~~ January 2024	Behind schedule The current Financial Procedure remains valid and collection has been augmented by additional methods of reaching out to students such as Teams and texts. Whilst a review has recommenced, staffing shortages within Finance is constraining progress and target date revised.
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	Head of ICT	~~September 2022~~ ~~March 2023~~ December 2023	**Completed** Data Management group now in place. Agenda to encompass all elements of data privacy network alongside the business intelligence aspects of the group. Reporting oversight has also been incorporated into the remit of the Group.

Year	Audit Area Report Title	Priority Action Grade	Report Grade	Action	Responsible Officer	Deadline	Progress (as at December 2023)
				Record of Processing Activities (RoPA) and compliance monitoring.			Initial meetings were delayed due to absence and structural change.
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, 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.	Data Protection Officer / VP People & Performance	~~December 2022~~ ~~June 2023~~ Dec 2023	**Completed** The Compliance Monitoring process document has been created and is awaiting formal approval and incorporation into the College's quality management system. For data protection compliance monitoring the College has adopted Microsoft's Purview Compliance Management tool. It allows the College to manage the progress of two assessments which will be run between now and the end of the calendar year. These assessments (for the UK GDPR and UK

Year	Audit Area Report Title	Priority Action Grade	Report Grade	Action	Responsible Officer	Deadline	Progress (as at December 2023)
							Data Protection Act) have been created by Microsoft and will enable the College to track progress, manage remediation actions and report compliance status. The Data Protection Act assessment consists of 643 checks covering the requirements of the legislation, and the UK GDPR assessment consists of 514 checks relating to its requirements (in each case many checks are not relevant to the College). The schedule for completion of these is December 2023. Any remediation requirements will be managed with the relevant teams. Completion of these assessments on an ongoing basis will inform the detail of monitoring and improvement activities.

Agenda Item 9.0

JOINT AUDIT & RISK,
FINANCE & PROPERTY COMMITTEE

Tuesday 5 December 2023

Strategic Risk Register **PAPER H**

9.1 Cover Paper
9.2 Strategic Risk Register

BOARD OF MANAGEMENT
Audit and Risk Committee
Tuesday 5 December 2023

Strategic Risk Register Update

Paper H for approval

1. Strategic Risk Register

A copy of the December 2023 draft Strategic Risk Register is enclosed. This is noted for discussion and incorporates the changes arising from discussion at the September 2023 Board meeting.

2. Credit Target Risks

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

Feedback from SFC appears to be more supportive of the sector and that colleges should not be overly concerned around the risk of significant financial clawback for 2022/23. SFC has highlighted that it has no desire to act in a punitive way, or to destabilise sector finances. National discussions have also centred around the potential for 2023/24 'flexibilities' to be applied to AY 2022/23.

Wider discussions surrounding future funding and activity target arrangements for 2023/24 have concluded, with almost all colleges receiving a 10% reduction in their activity (credit) target. For D&A, this reduction has been used to underpin the curriculum changes outlined within the financial savings and sustainability plan, with 2023/24 recruitment progressed on a basis that will meet the new credit target. Discussions are now progressing in respect of 2024/25, with discussion around greater sector engagement and advance warning of future changes being welcomed.

3. 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 on-going discussion and review with the Board and has underpinned the More Successful and Sustainable College plans and updates shared with all Board members since initial publication in April 2023.

The appropriate curriculum, HR and financial plans and approaches underpinning the paper and progress around the proposals it contained have been discussed at the recent Learning, Teaching and Quality; Human Resource & Development; and Finance & Property Committee meetings. A final update on progress through these savings plan was discussed at the September 2023 Board meeting.

The activities developed to address the funding cuts and financial sustainability risk will cut across a range of areas, and arrangements are in place to support arrangements and minimise adverse risk 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.

4. Cost of Living Crisis

Significant activities were reported in respect of the Thrive with D&A project to support students and staff with the challenges faced by the cost of living crisis. Following review of the impact of this work it was agreed that this would continue into 2023/24, including provision of the free food offer for students and staff.

5. Reinforced Autoclaved Aerated Concrete (RAAC) Risk

Following discussion at the Board of Management meeting on 28 September 2023, the risks surrounding RAAC were included as an example within risk 4.1.

In respect of RAAC itself, the following update has been provided to staff and details will be discussed with the Finance and Property Committee.

Following on from the earlier message around the Reinforced Autoclaved Aerated Concrete (RAAC) within the Kingsway Engineering and Construction block roofs, the Structural Engineers have now completed their Stage 4 Detailed Assessment in accordance with the RAAC Estates Guidance.

It is positive to note that the findings from this detailed inspection is that these structures remain safe and the engineers have concluded that generally the roof structure arrangement in both buildings containing RAAC be classified as low to medium risk. This means that no further action is required other than these areas being monitored annually (through activities such as visual inspection, laser survey, and deflection testing) to assess the condition on an ongoing basis (Stage 5 Management and Remediation activities).

There were however some small, localised areas in both buildings identified as being in the medium to high-risk category. This means that some in-house repair work will need to be carried out to these areas. This repair work is relatively minimal and will be carried out over the next few weeks. The current condition of these small areas does not require any additional safeguards to be put in place, and we are planning to do remedial work over and above what is recommended to minimise any future issues. The repairs will not cause any disruption to classroom activities in either building. Once the repair work has been carried out these areas will also continue to be monitored on an annual basis.

In line with the RACC Estates Guidance, we would want to replace the RAAC that is present on campus and this will be considered as part of our longer-term infrastructure and campus development plans.

Any queries or concerns regarding any aspect of the College Estate can be raised through estates@dundeeandangus.ac.uk

6. Strategic Risk Register

No other changes have been proposed to the Strategic Risk register at this time.

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

STRATEGIC RISK REGISTER

2023 - 2024

As at November 2023

Post Holders					Score	Impact	Likelihood
	ELT	Executive Leadership Team	Prin	Principal	1	Routine	Remote
	SLT	Senior Leadership Team	DirC&A	Directors of Curriculum & Attainment	2	Minor	Unlikely
	Board	Board of Management	DirSE	Director of Student Experience	2	Minor	Unlikely
	VPSO	Vice Principal Support & Operations	DirFin	Director of Finance	3	Significant	Possible
	VPCP	Vice Principal Curriculum & Partnerships	HoE	Head of Estates	4	Major	Probable
	DirInf	Director of Infrastructure	Chair	Chair of the Board of Management	5	Critical	Very Likely

Risk Number & Committee	POTENTIAL CONTRIBUTING FACTORS: Risks	Impact	Likelihood	Score	TREATMENT: Mitigation Actions	Impact	Likelihood	Score	POST MITIGATION EVALUATION: 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	• Robust strategic planning • Effective environmental scanning • Strong partnerships • Clear links between strategy and practice • Concerted demands for increased activity levels	4	2	8 ↔	• Robust monitoring via ROA • Clear performance metrics • Amendment of strategic direction/ plans • Rolling curriculum review	Principal & Chair
1.2 Board	College may be disadvantaged by changes to either UK or Scottish Government policies	4	3	12	• Effective environmental scanning • Negotiation/influence at national level	4	3	12 ↔	• Review of changes and amendment of strategic direction/plans • Financial strategy sensitivities	Principal & Chair

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

Post Holders					Score	Impact	Likelihood
	ELT	Executive Leadership Team	Prin	Principal			
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Risk Number & Committee	POTENTIAL CONTRIBUTING FACTORS				TREATMENT	POST MITIGATION EVALUATION				
	Risks	Impact	Likelihood	Score	Mitigation Actions	Impact	Likelihood	Score	Monitoring	Lead Responsibility
1 Strategic and Structural										
1.3 Board	Difficulties or over commitment arising within large scale/national College led initiatives or projects impact negatively on: • Ability of the College to meet key regional strategies/objectives • Financial loss or unmanageable financial risk • Reputational loss	4	3	12	• Effective project/activity management in place • Clear governance structures • Project/initiative finances clearly incorporated within College financial strategy and plans • End of project and exit/contingency planning	3	2	6 ↔	• Regular project updates at Executive/Board level • Monitoring of project activities, plans and outcomes • Clear project Management arrangements in place • Budget reporting and management	Principal, VPCP
1.4 Board	College disadvantaged as a result of changes arising from major national educational body reviews: SFC, SQA, EdS	4	4	16	• Negotiation/influence at national level • Review of activities/ projects and response to new opportunities	4	1	4 ↔	• Robust monitoring via ROA • Amendment of strategic direction/ plans • Rolling curriculum review	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

Post Holders					Score	Impact	Likelihood
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	POTENTIAL CONTRIBUTING FACTORS				TREATMENT	POST MITIGATION EVALUATION				
Risk Number & Committee	**Risks**	**Impact**	**Likelihood**	**Score**	**Mitigation Actions**	**Impact**	**Likelihood**	**Score**	**Monitoring**	**Lead Responsibility**
1 Strategic and Structural										
1.5 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	• 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 ↔	• Robust monitoring and reporting of CEAP at SLT and Board level • Clear performance metrics • Amendment of strategic direction/ plans • Monitoring of scope 3 emissions	VPSO, DirInf, HoE

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

Post Holders					Score	Impact	Likelihood
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Risk Number & Committee	POTENTIAL CONTRIBUTING FACTORS				TREATMENT	POST MITIGATION EVALUATION				
	Risks	Impact	Likelihood	Score	Mitigation Actions	Impact	Likelihood	Score	Monitoring	Responsibility
2 Financial										
2.1 **F&P**	Change in SFC Funding Methodology and Allocation – Reduction in Funding	3	3	9	• Negotiation/influence at national level • Contingency plans for reduced funding	3	3	9 ↔	• Advance modelling of new funding methodologies and allocations • Monitoring impact of changes • Amendment of strategic or operational direction / plans • Financial strategy sensitivities	VPSO
2.2 **F&P**	Failure to achieve institutional sustainability	5	4	20	• 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 ↔	• Monthly monitoring of budgets • Regular review of financial strategy and non-core income sensitivity • Detailed monitoring of savings programmes	VPSO
2.3 **F&P**	National outcomes on salaries and conditions of service outstrip ability to pay	4	4	16	• Influence within Employers Association • Management of staffing expenditures	4	3	12 ↔	• Expenditure modelling • On-going discussions with staff • Financial strategy sensitivities • Workforce planning	VPSO

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Risk Number & Committee	POTENTIAL CONTRIBUTING FACTORS				TREATMENT	POST MITIGATION EVALUATION				
	Risks	Impact	Likelihood	Score	Mitigation Actions	Impact	Likelihood	Score	Monitoring	Lead Responsibility
2 Financial (cont)										
2.4 **A&R**	Financial Fraud	4	3	12	• 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 ↔	• Continuous review of financial controls • Internal Audit programme	VPSO
2.5 **F&P**	D&A Foundation refuses/withholds funding for key College priorities	5	3	15	• On-going dialogue with Foundation Trustees • Appropriate bid arrangements in place	3	2	6 ↔	• Monitor and advise Board of Management	Prin & VPSO
2.6 **F&P**	Demands of capital developments / maintenance impacts on financial sustainability or delivery of learning and/or services	3	2	6	• 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 ↔	• Monitoring of capital plans and expenditures • Regular review of capital plans/timescales relative to funds	VPSO

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Risk Number & Committee	POTENTIAL CONTRIBUTING FACTORS				TREATMENT	POST MITIGATION EVALUATION				
	Risks	Impact	Likelihood	Score	Mitigation Actions	Impact	Likelihood	Score	Monitoring	Lead Responsibility
3 People and Performance										
3.1 **LT&Q**	Failure to reach aspirational standards in learning, teaching and service delivery	4	3	12	• 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 ↔	• Comprehensive monitoring of key PIs and student/staff feedback • Regular Stop and Review events • External review and validation findings	VPCP, VPSO DirC&A
3.2 **LT&Q**	Failure to achieve/maintain compliance arrangements, e.g. contracts; awarding bodies; audit.	4	3	12	• 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 ↔	• Effective internal monitoring/review/verification arrangements • External review findings	VPCP, VPSO
3.3 **A&R**	Legal actions; serious accident; incident or civil/criminal breach	4	5	20	• Adherence to legislative and good practice requirements • Positive Union relations and staff communication • Effective management development programmes	3	2	6 ↔	• Monitoring and reporting in key areas – eg H&S, equalities, employee engagement • Continuous professional development • Internal audit programme • Staff surveys	Prin, VPSO, HoE

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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Risk Number & Committee	POTENTIAL CONTRIBUTING FACTORS: Risks	Impact	Likelihood	Score	TREATMENT: Mitigation Actions	POST MITIGATION EVALUATION: 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	• 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 ↔	• Regular employee engagement monitoring • Open communication with staff • Comprehensive monitoring of key PIs and student/staff feedback • Regular union/management dialogue	VPSO
3.5 **Board**	Reputational Risk – Loss of reputation with key stakeholders	4	3	12	• Marketing strategy • Reputation plan • Positive marketing approaches	4	3	12 ↔	• Stakeholder engagement • Social media monitoring arrangements	VPCP, DirC&A
3.6 **HR&D**	National bargaining outcomes impact adversely on College operations, activity, and flexibility	4	4	16	• Influence within Employers Association • Management of bargaining outcomes and implementation	4	3	12 ↔	• Positive union relations and staff communication • On-going discussions with staff • Innovation in approaches	VPSO, VPC&A

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Risk Number & Committee	POTENTIAL CONTRIBUTING FACTORS: Risks	Impact	Likelihood	Score	TREATMENT: Mitigation Actions	POST MITIGATION EVALUATION: Impact	Likelihood	Score	Monitoring	Lead Responsibility
3 People and Performance (cont.)										
3.7 **HR&D**	Industrial Relations Problems (including industrial action)	4	5	20	• Adherence to legislative and good practice requirements • Positive Union relations and staff communication • Effective management development programmes • Industrial action continuity planning	4	2	8 ↔	• Regular union/management dialogue • Regular employee engagement monitoring • Open communication with staff • Industrial action continuity planning	VPSO
3.8 **A&R**	Breach of data security / data protection	5	4	20	• Effective management of GDPR compliance • Mandatory staff CPD and awareness raising on data protection (relative to role)	4	2	8 ↔	• Active data protection monitoring and auditing • Effective information and data security policies in operation • Regular data security monitoring/testing • GDPR Action Plan • Staff CPD	VPCP, DirInf
3.9 **HR&D**	Failure to meet Prevent and related obligations	5	3	15	• Prevent training • Staff awareness and contingency planning • Engagement/practice sharing with local agencies	5	1	5 ↔	• Business Continuity Plan including scenario testing • Information sharing with local agencies	VPCP, VPSO

Post Holders					Score	Impact	Likelihood
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Risk Number & Committee	POTENTIAL CONTRIBUTING FACTORS				TREATMENT	POST MITIGATION EVALUATION				
	Risks	Impact	Likelihood	Score	Mitigation Actions	Impact	Likelihood	Score	Monitoring	Lead Responsibility
3 People and Performance (cont.)										
3.10 **HR&D**	College arrangements do not minimise risk associated with Modern Slavery	4	3	12	• Clear and compliant procurement arrangements and procedures • Staff identity checking arrangements and use of PVG.	4	1	4 ↔	• Annual procurement monitoring/reporting • Regular employee engagement monitoring • Open communication with staff	VPCP, VPSO
3.11 **Board**	Failure to plan or respond adequately to future pandemic illness.	5	4	20	• 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 ↔	• 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

Post Holders					Score	Impact	Likelihood
	ELT	Executive Leadership Team	Prin	Principal			
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Risk Number & Committee	POTENTIAL CONTRIBUTING FACTORS: Risks	Impact	Likelihood	Score	TREATMENT: Mitigation Actions	POST MITIGATION EVALUATION: Impact	Likelihood	Score	Monitoring	Responsibility
4 Infrastructure										
4.1 A&R	Major Disasters – eg Fire, MIS Failure, Failure of Emergency Procedures, RAAC or similar infrastructure failure **Updated Text to reference RAAC**	5	4	20	• Sound systems of administration • Clear fire and disaster recovery arrangements • Staff CPD	5	1	5 ↔	• Business Continuity Plan including scenario testing	Principal, VPSO, DirInf
4.2 F&P	Failure to achieve ambitions of Digital strategy; strategy and development is ineffective	4	3	12	• Planning, careful phasing of changes to processes and systems • Effective management of ICT arrangements • Clear investment plan	4	2	8 ↔	• Regular review/reporting on milestones, systems effectiveness etc • Regular CPD	VPSO, DirInf
4.3 A&R	Significant breach of ICT/Cyber security resulting in loss of service sufficient to impact College student / staff outcomes	4	3	12	• Effective management of ICT arrangements • Active ICT/data security monitoring and cyber security policy	4	2	8 ↔	• Staff CPD on cyber security issues • Regular security monitoring/testing • Cyber resilience plan	VPSO, DirInf
4.4 A&R	ICT infrastructure fails to support effective data security / data protection	5	3	15	• Effective infrastructure and systems design and implementation • Effective management of ICT arrangements and GDPR compliance	4	2	8 ↔	• Active data protection monitoring and auditing • Effective information and data security policies in operation • Regular data security monitoring/testing	VPSO, DirInf

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

Agenda Item 10.0

JOINT AUDIT & RISK, FINANCE & PROPERTY COMMITTEE

Tuesday 5 December 2023

Date of Next Meeting- 5th March 2024, A625, Kingsway Campus

Agenda Item 15.0

JOINT AUDIT & RISK, FINANCE & PROPERTY COMMITTEE

Tuesday 5 December 2023

Minutes of Previous Finance & Property Committee Meeting -5 September 2023

PAPER M

BOARD OF MANAGEMENT

Finance & Property Committee

Tuesday 5 September 2023 at 5.00pm in Room A625 Kingsway Campus and on Microsoft Teams

Draft

PRESENT:	D Fordyce (Chair)	S Hewitt
	L O'Donnell	S Stirling
	B Lawrie	D Smith
	D Rosie	C Cusick
	D Mackenzie	
IN ATTENDANCE:	J Grace (Vice Principal)	A Ross (Head of IT)
	S Taylor (Vice Principal)	B Ferguson (Head of Finance)
	P Muir (Board Administrator)	

1. WELCOME

D Fordyce welcomed everyone to the meeting.

2. APOLOGIES

Apologies were received from R McLellan, J Carnegie, and B Grace.

3. DECLARATIONS OF INTEREST OR CONNECTION

No declarations were noted.

4. MINUTES OF PREVIOUS MEETING

The minute of the Finance and Property Committee meeting held on 30 May 2023 was approved as an accurate record.

5. MATTERS ARISING

S Taylor confirmed that all matters arising had been progressed and closed.

6. FINANCE

6.1 Financial Sustainability

S Hewitt summarised progress in respect of the financial sustainability papers, with the College proactively managing the financial situation to seek to provide financial stability and sustainability going forward. S Hewitt stated it remained a challenging time for the College, however it is in a better financial position than before with a solid foundation to work from.

S Hewitt highlighted that work and discussions had progressed significantly in terms of the savings needed, with the total savings achieved sitting at £2.7 million relative to the £2.5 million target through a combination of savings and additional income.
This represented a c10% savings taken out over the two years, without any compulsory

redundancies being required.

S Hewitt noted that engagement with Trade Unions remains positive, with good working relationships to support staff through a difficult and challenging situation.

S Hewitt noted the financial challenges still being faced with no pay awards settled resulting in strike action taking place. In addition, some national funding pots had not yet been agreed, with HN discretionary funds still needing to be allocated. This had the potential to impact significantly on those most in need.

S Hewitt noted that national discussions are on-going, with negotiations taking place with the Scottish Funding Council (SFC) to minimise the risk of financial clawback if credit targets are not met. S Hewitt reassured Board members that they are working proactively with the SFC and Scottish Government to minimise any potential risks and to look for solutions as a sector.

D Mackenzie praised the challenging work of the College community- the communication around this and acknowledging the work needing to be recognised.

S Hewitt noted the recognition of staff members picking up new and existing work, engaging, and working together as a team was important and noted that staff remained concerned about this year's budget and the need for future savings.

B Lawrie highlighted a concern regarding the government stepping in to help those colleges that hadn't been proactive around savings. S Hewitt recognised this risk but noted the significant benefit of being in control of our own destiny, being consistent and managing our way out of this.

D Fordyce stated we should benefit from this in the long term, with C Cusick acknowledging the hard work of everyone involved.

6.2 Management Accounts & Forecast Outturn

B Ferguson summarised the papers stated that the underlying forecast position remains the same with no underlying changes to the figures produced. B Ferguson reiterated that risk remains from both potential clawback of teaching grant and higher pay settlements, with the latter also threatening to have a consequential and adverse impact upon future years.

B Ferguson acknowledged that despite certain adverse movements, the outturn represents a significant improvement, amounting to circa £0.9M despite increasing provisions for both pay award and voluntary severance (VS) costs.

B Ferguson highlighted the pay award for 2022/23 is still unresolved. The provision of the college has increased by £100K for this outturn only to match the cost of the current offer of a flat £2,000 + £1500 which has been rejected by unions.

B Ferguson noted the Voluntary Severance (VS) costs were not completely finalised (and may be impacted by the final pay settlement), with payments spilling over into the current year and decisions still pending on a few applications.

B Ferguson stated the cash position was better than anticipated.

B Lawrie queried when the audit is due for the College, with B Ferguson stating the audit will commence on 25th of September 2023.

The improvement in outturn and details of the report were welcomed.

6.3 Financial Forecast Return

B Ferguson noted the Scottish Funding Council required all colleges to complete a medium-term financial forecast return (FFR) for the period of 2022-23 to 2025-26. This is an established requirement of the SFC's financial planning of institutions. B Ferguson highlighted that this form was completed in July 2023, with approval by the Chair and Chair of Finance & Property through delegated authority from the Board.

B Ferguson noted the budget for 2023/24 forecast a consolidated cash deficit of (£-15K). This deficit is revised within the FFR to reduce the pay award to 3.5%, in accordance with the suggested assumption to be used post 22/23, and to allow for VS costs necessary to secure any additional staff reductions for future years.

B Lawrie questioned the element of the Tay City Deal projects and if this was a successful net contributor to the College, or a strain on the resources. B Ferguson noted this was a positive contributor with the College being the lead partner of a small number of projects.

B Ferguson stated that the College will update its Financial Strategy and plans and will continue to model outcomes based upon different scenarios. It should be acknowledged however that the tools available to manage these results are both limited and, in the case of some scenarios, inadequate without additional funding.

The update and paper was welcomed by the Board.

7. INFRASTRUCTURE

7.1 Estates Update

S Taylor highlighted the paper was for information only and noted that it had been an extremely busy summer period for the Estates Team and a considerable number of projects had been completed across all 3 campuses with some work still in progress.

S Taylor highlighted the Scottish Funding Council (SFC) recently contacted the University and College sector in Scotland to raise awareness around the presence of RAAC (Reinforced Autoclave Aerated Concrete) in estate buildings. This was present in the roof structures of the Kingsway construction and Engineering buildings, but had been assessed and was in good condition. A further inspection would be carried out to inform on-going monitoring and maintenance needs and further update provided to the Committee.

S Taylor highlighted that staff and students had been made aware of the presence of RAAC areas within Campus - although not specific areas mentioned to minimise any potential scare or concern. S Taylor noted that there had been some interest within the media, however, this was minimal compared to some other universities and colleges.

S Taylor highlighted the LED lighting replacement project for Gardyne is now progressing with an estimated installation start date of 25th September.

Additional funds of up to £250K had been sought through a SFC fund to support the upgrade of fire alarm systems within the College. S Taylor stated discussions are still ongoing for this matter.

D Mackenzie praised the challenging work from the Estates team during the summer.

D Fordyce highlighted her concern regarding the RAAC and questioned if this should be highlighted on the Risk Register S Taylor reassured the board, this matter was being dealt

with as part of the maintenance and backlog maintenance arrangements and would not be considered as a strategic risk.

B Lawrie highlighted the Isla building window price differ within the report and that noted within the procurement paper. B Ferguson stated that this was likely to be a difference from estimated cost to the actual tender price. S Taylor will investigate this and confirm with the board. **S Taylor to progress**

D Fordyce noted that it would be beneficial to see the Estates list in order of what work has been completed, and what is still to be finished/in progress. This change would be made. **B Grace to progress.**

8. PROCUREMENT

B Ferguson provided an update on procurement, confirming recent awards made and highlighting awards requiring Committee approval. Approval is needed for 8 contracts exceeding £100k. This was welcomed from the committee and the awards approved.

B Ferguson discussed changing the reporting date on on-going awards to align with the annual procurement report and the Committee noted that they were happy with this approach.

9. STRATEGIC RISK REGISTER

S Taylor summarised the risk register for consideration. The wider Risk Register was noted, with this being discussed at the next Audit & Risk Committee meeting.

The paper was approved.

10. CORPORATE SERVICES REPORT

S Taylor summarised for information only and key developments since last meeting.

Recruitment continues to be the focus, with all areas actively recruiting candidates- over 90% of full-time students completed registration. Although recruitment has been initially challenging, the student numbers have steadily increased.

S Taylor highlighted and updated the Service Design Academy, various progress has been made with the secondment of additional staffing to support their work.

S Taylor highlighted the decision to continue with the Audit of GTL. He noted the Theatres hire fees had been raised to match the rise in Real Living Wage for casual staff- this was met with no resistance from regular or new clients.

The Corporate Services report was noted.

11. DATE OF NEXT MEETING – Tuesday 12 December 2023 at 5.00pm – Room A605 Kingsway Campus plus hybrid on Teams

Action Point Summary

Action	Responsibility	Date
Update Committee members on difference in price between Estates and Procurement reports	S Taylor	22 September 2023

Agenda Item 16.0

JOINT AUDIT & RISK, FINANCE & PROPERTY COMMITTEE

Tuesday 5 December 2023

Matters Arising

PAPER N

BOARD OF MANAGEMENT

Finance & Property Committee

Tuesday 5 December 2023

Matters Arising

Paper N for information

The following actions were noted from Tuesday 5 September 2023 Finance & Property Committee Meeting:

Agenda Item No	Action	Current status	Open / Closed
7.1	Update Committee members on difference in price between Estates and Procurement reports **S Taylor**	Information provided via e-mail	Closed

Agenda Item 17.0

JOINT AUDIT & RISK,
FINANCE & PROPERTY COMMITTEE

Tuesday 5 December 2023

Finance

17.1 2023/24 Management Accounts & Forecast Outturn **PAPER O**

17.2 Draft Tuition Fees 2024/25 **PAPER P**

Dundee and Angus College

Income and Expenditure Report

Month 3, October 2023

	2022/23	Month 3, October 2023			Full Year 2023/24		
	Actual	Budget	Actual	Variance from Budget	Budget	Q1 Forecast	Variance from Budget
	£000's	£000's	£000's	£000's	£000's	£000's	£000's
SFC Credit income	30,987	7,843	7,843	0	31,371	31,371	-
SFC ESF Credits	189	-	-	-	-	-	-
Other SFC grants	5,164	756	1,081	325	3,470	3,991	521
SFC Total	**36,340**	**8,599**	**8,924**	**325**	**34,841**	**35,362**	**521**
Tuition Fees	3,242	1,936	2,095	159	3,202	3,411	209
Non-Core income	2,703	474	803	329	3,066	3,710	644
Catering & other income	2,150	448	442	(6)	2,093	2,095	2
Donation from ALF (revenue)	-	-	-	-	700	700	-
Total Income	**44,435**	**11,457**	**12,264**	**807**	**43,902**	**45,278**	**1,376**
Teaching Pay - established	16,749	3,829	3,785	44	15,600	16,141	(541)
Teaching Pay - variable	2,410	477	347	130	2,506	1,835	671
Invoiced Staff Costs	284	24	12	12	229	222	7
Teaching Support Pay	2,414	612	603	9	2,538	2,615	(77)
Support pay	11,416	2,925	3,125	(200)	11,972	12,644	(672)
Apprenticeship Levy	102	27	24	3	108	108	-
VS Scheme	1,501	-	-	-	-	300	(300)
Unfunded pension payments	394	105	103	2	420	420	-
Total Pay Costs	**35,270**	**7,999**	**7,999**	**-**	**33,373**	**34,285**	**(912)**
Staff related costs	289	86	59	27	299	313	(14)
Consumables & Equipment	1,410	341	305	36	1,586	1,566	20
Exam fees	726	106	117	(11)	740	748	(8)
Student related costs	171	36	94	(58)	160	159	1
Property cost	3,602	796	992	(196)	3,935	4,348	(413)
ICT & Telephony	1,683	591	627	(36)	1,793	1,624	169
Insurance	154	42	41	1	171	163	8
Marketing	132	20	30	(10)	134	135	(1)
Professional fees	84	38	5	33	191	191	-
General Overheads	301	78	87	(9)	297	303	(6)
Interest & Charges	107	32	32	-	123	123	-
VAT	1,038	320	355	(35)	1,115	1,189	(74)
Total non-pay costs	**9,697**	**2,486**	**2,744**	**(258)**	**10,544**	**10,862**	**(318)**
Cash-backed surplus/(deficit)	**(532)**	**972**	**1,521**	**549**	**(15)**	**131**	**146**
Add: subsidiary profit/(loss)	**(21)**	**-**	**6**	**6**	**-**	**-**	**-**
Consolidated Cash-backed surplus/(deficit)	**(553)**	**972**	**1,527**	**555**	**(15)**	**131**	**146**

Dundee and Angus College

Latest Forecast for the year to 31 July 2024

Risk Assessment of key volatile areas

Income/Expenditure Category	Latest Forecast	Possible Cash			Adverse Risk Assessment			Comments and mitigations
		Favourable	Adverse	Controllable?	Likelihood	Impact	Overall	
	£000's	£000's	£000's		£000's	£000's	£000's	
SFC Credit income	31,371	300	100	Controllable in terms of activity delivered but not fully in control of demand.	Low	Low	Low	Credit Guidance published by SFC provides additional flexibilities and combined with this year's lower target, substantially reduces exposure to potential clawback. Early modelling using current student data provides further reassurance that credit target will be achieved, although there remains some risk around January recruitment.
Other SFC grants	3,991	200	100	Provision of funding is uncontrollable but College can stimulate demand.	Low	Low	Low	Capital & Maintenance funding, awarded on an FY basis, accounts for 75% and includes an estimate for the final four months. Movement here will however likely be off-set by equivalent cost. Most other streams are confirmed with exception of FWDF which has been downgraded in forecast and activity suspended pending confirmation of this year's allocation.
Tuition Fees	3,411	100	100	Yes, in terms of marketing, recruitment delivery and retention but limited influence over demand.	Low	Low	Low	Student enrolment and retention is encouraging, reflected in an increased forecast, but managing SAAS cut-off for fees remains important.
Non-Core income	3,710	200	100	Partly; varies across such a disparate category ranging from apprentice income to Trust funding.	Low	Low	Low	This category contains a disparate range of activities. The most unpredictable elements in terms of gross movement are funding streams that will attract increased, often equivalent, marginal cost and so these are largely discounted in this assessment. Apprentice income, although increased, and vocational courses are prudently estimated and thus offer relatively more scope for improvement.
Catering & other income	2,095	100	100	Yes	Low	Low	Low	Forecasts tend to be comparatively stable and continued focus upon site based activities suggest that favourable movement is now more likely.
Total Pay (exc. VSS & unfunded pensions)	33,565	200	300	Largely yes but subject to pay and conditions negotiated centrally.	Low	Mid	Low	In most respects we now have more certainty following the restructure. The more detailed approach to pay budget aided by greater visibility of actual curriculum activity should ensure greater accuracy. Whilst there is little contingency imbedded in the forecast, equally there is no allowance for vacancy savings and so favourable movement may be just as likely. Whilst the pay award is not settled there must be risk of higher cost but we believe that this is low. The employer offer is final and the likelihood of this being revised for 22-23 and 23-24 in particular is believed to be remote. The possibility of lower pension contributions for support pay from April offers further potential for savings.
VSS	300	100	500	Yes	Mid	High	High	Whilst a notional provision has been included in this forecast, the possible adverse movement has been retained given costs incurred during each of the previous two years and indicative costings from the recent FFR to secure future savings. Any costs incurred before the end of the year are however likely to yield in-year savings.
Property cost	4,348	100	100	Yes, subject to inherent risks of the usual unpredictable factors exacerbated this year by exceptional price rises.	Low	Low	Low	Property works inherently attract some risk of overspend but this would be managed in-year with careful monitoring and works budgets adjusted accordingly as far as possible so mitigate risk of material over spend. Utility costs account for a large portion of this budget and heating in particular can be unpredictable, but we have price certainty until March 2024.
Non-pay costs excluding property	6,514	100	150	Yes, with limited exceptions, but inflationary pressures have increased risk of over spend.	Low	Low	Low	Departmental budgets are generally well controlled and the prospect of material unfunded over spend is unlikely. Inflationary pressures do increase risk however. Effective budget monitoring and sound procurement practices will provide further mitigations.

Dundee and Angus College
Management Accounts for the year to 31 July 2023
Summary Analysis - Income
Month 3, October 2023

	Prior Year	Month 3, October 2023			Full Year 2023/24		
	Actual	Budget	Actual	Variance from Budget	Budget	Forecast Q1	Variance from Budget
	£000's	£000's	£000's	£000's	£000's	£000's	£000's
Teaching Grant	**30,987**	**7,843**	**7,843**	**0**	**0**	**31,371**	**31,371**
SFC ESF Credits	**189**	**-**	**-**	**-**	**-**	**-**	**-**
SFC YPG 2022-23	190	-	-	-	-	-	-
SFC Capital & Maintenance grants	3,055	650	800	150	2,588	3,038	450
SFC Digital Poverty as capital	182	-	183	183	-	183	183
SFC-Flexible Workforce Dev. Fund	1,109	-	97	97	493	301	(192)
SFC-Reducing Child Poverty	125	-	-	-	-	-	-
SFC-Funding for Counsellors	116	-	-	-	-	80	80
SFC-ESP Funding	350	100	-	(100)	350	350	-
SFC - Access to sanatory products	23	6	-	(6)	23	23	-
SFC: EMA Admin grant	14	-	1	1	16	16	-
Other SFC grants	**5,164**	**756**	**1,081**	**325**	**3,470**	**3,991**	**521**
HE Full-time	1,525	1,421	1,533	112	1,421	1,554	133
HE Associates & collaborations	652	-	24	24	639	741	102
Part-time Fees	268	82	175	93	268	272	4
Commercial and Leisure	635	259	212	(47)	700	686	(14)
International Fees	162	174	150	(24)	174	158	(16)
Other fees	-	-	1	1	-	-	-
Tuition Fees	**3,242**	**1,936**	**2,095**	**159**	**3,202**	**3,411**	**209**
Commercial: Work-Based	255	82	114	32	180	180	-
Managing Agents	646	47	16	(31)	474	481	7
Skills Dev Scotland: MAs	696	45	119	74	450	520	70
SDS Foundation Apprentices L6	164	-	35	35	-	54	54
Other Public Sector contracts	23	6	5	(1)	40	30	(10)
Schools Senior Phase	162	-	-	-	162	162	-
Non-funded tuition	15	1	-	(1)	6	6	-
European Projects	49	-	-	-	-	-	-
Energy Skills Partnership (non-SFC)	282	64	141	77	258	251	(7)
SDS for MSIP	(2)	-	-	-	-	-	-
MSIP Management Fee	15	11	11	-	44	44	-
Northwood Trust	81	28	28	-	110	110	-
Seagreen funding	155	1	-	(1)	8	112	104
Tay City Deals	108	13	13	-	104	268	164
Multiply project (UKSPF)	-	-	159	159	-	417	417
MSIP Improvement Woks (UKSPF)	-	-	31	31	-	50	50
SportScotland - Active Sports	-	-	40	40	-	40	40
Government Energy Efficiency grants	-	100	91	(9)	643	643	-
Misc. grants, funding and sponsorships	26	75	-	(75)	302	57	(245)
Other grants - ESP	7	-	-	-	270	270	-
Other misc. income	21	1	-	(1)	15	15	-
Non-Core income	**2,703**	**474**	**803**	**329**	**3,066**	**3,710**	**644**
Consultancy	40	-	-	-	-	-	-
Catering	903	247	234	(13)	1,033	935	(98)
Training Restaurants	37	5	1	(4)	40	40	-
Nursery	192	37	27	(10)	220	220	-
Retail shops	1	-	-	-	-	-	-
Salon revenues	24	5	4	(1)	40	28	(12)
Gardyne Sport facilities	264	60	64	4	234	268	34
General Lets hire of space	94	23	21	(2)	96	105	9
Staff secondments	21	-	1	1	13	13	-
Support cost grants	132	5	-	(5)	120	120	-
GTL revenue from LTO and SLA	20	5	3	(2)	20	20	-
Library charges	18	2	-	(2)	12	12	-
Photocopy charges	3	1	1	-	4	4	-
Sale of materials, produce, scrap etc.	68	8	14	6	20	20	-
Biomass RHI &EDFE FIT charges	37	10	7	(3)	52	52	-
Wage Subsidy/CJRS	133	20	34	14	115	149	34
Insurance Claims	4	-	-	-	-	-	-
Thrive@D&A Donations	38	-	-	-	-	-	-
Bank Interest	53	10	23	13	25	60	35
Other misc.	68	10	8	(2)	49	49	-
Catering & other income	**2,150**	**448**	**442**	**(6)**	**2,093**	**2,095**	**2**

Dundee and Angus College
Management Accounts for the year to 31 July 2023
Summary Analysis - Expenditure
Month 3, October 2023

	Prior Year	Month 3, October 2023			Full Year 2023/24		
	Actual	Budget	Actual	Variance from Budget	Budget	Forecast Q1	Variance from Budget
	£000's	£000's	£000's	£000's	£000's	£000's	£000's
Mileage	111	19	18	1	111	125	(14)
Travel & Accommodation	29	4	3	1	30	30	-
Overseas Travel	2	-	-	-	-	-	-
Staff welfare and other expenses	21	4	2	2	24	24	-
Recruitment	3	-	-	-	4	4	-
Organisational Development	124	59	36	23	130	130	-
Staff related costs	**290**	**86**	**59**	**27**	**299**	**313**	**(14)**
Course Consumables etc.	378	125	130	(5)	354	359	(5)
Project Materials, Equipment etc.	111	2	-	2	72	143	(71)
Catering supplies	574	129	105	24	575	476	99
Library	29	8	4	4	32	32	-
Stationery & Printing	15	5	3	2	22	21	1
Equipment purchase & maintenance	265	62	53	9	265	269	(4)
Other misc.	38	10	10	-	266	266	-
Consumables and Equipment	**1,410**	**341**	**305**	**36**	**1,586**	**1,566**	**20**
SQA Fees	453	10	9	1	447	447	-
Other fees	168	78	94	(16)	180	180	-
Accred/Regn/Assess/Verification	105	18	14	4	113	121	(8)
Exam Fees	**726**	**106**	**117**	**(11)**	**740**	**748**	**(8)**
Residentials, travel etc.	26	3	3	0	28	29	(1)
Foundation Apprentice travel	-	-	-	-	-	-	-
Student placement costs	6	1	0	1	6	6	-
Student Counselling	23	5	7	(2)	21	21	-
Student Support costs	31	7	7	-	30	30	-
Student Bursary materials	-	-	50	(50)	-	-	-
Miscellaneous costs (inc.PVG)	85	20	27	(7)	75	73	2
Student related costs	**171**	**36**	**94**	**(58)**	**160**	**159**	**1**
Maintenance, high priority works, etc.	1,567	316	517	(201)	1,765	2,176	(411)
Building rentals and rates	324	92	95	(3)	378	378	-
Utilities	1,383	340	330	10	1,575	1,575	-
Cleaning, waste management etc.	204	37	37	-	160	161	(1)
Transport costs	87	6	10	(4)	33	33	-
Health & Safety costs	20	3	1	2	10	10	-
Other	16	2	2	-	14	15	(1)
Property Cost	**3,601**	**796**	**992**	**(196)**	**3,935**	**4,348**	**(413)**
ICT hardware, software, etc.	976	415	427	(12)	1,087	907	180
ICT Maintenance & Licenses	625	153	168	(15)	612	612	-
Web Development	8	2	-	2	15	15	-
Telephony & data line rentals	74	21	32	(11)	79	90	(11)
ICT & Telephony	**1683**	**591**	**627**	**(36)**	**1793**	**1624**	**169**
Consultancy (inc.projects)	26	5	1	4	22	22	-
Audit Services	60	16	-	16	66	66	-
Bad Debts and collection fees	(43)	8	-	8	30	30	-
Legal & other professional fees	41	9	4	5	73	73	-
Professional fees	**84**	**38**	**5**	**33**	**191**	**191**	**-**
Photocopying, copyright & postage	98	38	39	(1)	114	114	-
Sponsorship, subscriptions, Licences	121	32	35	(3)	127	130	(3)
Hospitality and events	57	5	8	(3)	40	42	(2)
Miscellaneous and other	26	3	5	(2)	16	17	(1)
General Overheads	**302**	**78**	**87**	**(9)**	**297**	**303**	**(6)**

Dundee and Angus College

Management Accounts for the year to 31 July 2023

Cash Flow Forecast

Month 3, October 2023

	2022/23	Full Year 2023/24		
	Actual	Actual	Budget - year	Q1 Forecast - year
	£000's	£000's	£000's	£000's
Cash backed surplus/(deficit)	**(553)**	**1,527**	**(15)**	**131**
Loan repayment	(457)	(457)	(457)	(457)
Capital Expenditure	675	-	-	-
Capital funding	(675)	-	-	-
Asset Disposals		-	260	260
Working capital movements	294	(1,814)	(200)	(2,400)
Net Movement in cash balances	**(716)**	**(744)**	**(412)**	**(2,466)**
Opening cash balances	6,248	5,532	2,979	5,532
Closing cash balances	**5,532**	**4,788**	**2,567**	**3,066**

Note

We hold restricted cash funds of £4.4m at 31 October 2023 (£2.9m at 31 July 2023), with an accrued provision for pay award representing a subsantial portion.

BOARD OF MANAGEMENT

Finance and Property Committee
Fees 2024/25

Paper for discussion/approval

1. Introduction

This paper outlines the rationale for the recommended programme fees for academic year 2024/25. It is proposed that in the main we do not increase fees for next academic year, although we are proposing an increase to our commercial hourly rate in-line with current staffing costs.

2. Recommendation

It is recommended that the Finance & Property Committee approve the fees for 2024/25.

3. EU and Rest of UK Fees

Full time fees
These fees are set nationally, the Advanced full-time fees set by Student Awards Agency have not changed for 16 years and do not reflect the true cost of delivery. This has been raised with SFC and the Scottish Government as a significant issue.

Part Time fees
It is recommended that no specific increase be made for session 2024/25 to this category of fees and it is proposed to remove the student hourly rate fee as this has not been used as a costing model for several years, the single credit or re-assessment fees are used when necessary.

It is challenging to increase our traditional part-time HN fees, when the full-time fees for the same qualification have not increased for such a significant time, we need to keep part-time fees comparable and do not want to make studying part-time unaffordable.

In comparison to neighbouring colleges our part-time fees continue to be at the higher end of the range for Higher & National qualifications, this is also not a growth area of our portfolio therefore to remain competitive the proposal is no change to fees.

4. Commercial Programmes

It is recommended that the standard commercial hourly rate used to cost commercial courses is increased to £80 per hour to reflect the increase in staff costs.

It is noted that the region still faces significant economic challenges, with many areas of delivery showing price sensitivity. Where there are specific opportunities to enhance fees the usual factors that influence any pricing strategy will be taken into account and the final fee charged will be dependent on these factors:

- level of competition
- perceived value of the product
- product development cost
- economic trend
- market demand
- demographics
- socio-economics of targeted customers

5. International Fees

Increases were made to all International Fees in session 2023/24 therefore it is recommended that fees remain the same for 2024/25. This is not a growth area for us due to the challenges candidates face with visa requirements.

6. Conclusion

We are committed to continuing to maximise funding whilst seeking new funding initiatives. Our priority remains to support the region's economic recovery rather than increasing our fees.

Author: Leann Crichton, Director of Student Experience
Executive Sponsor: Julie Grace, Vice Principal Curriculum and Partnerships

Appendix

	2023/2024	NOTES
1 EU & Rest of UK (RUK) Students		
1.1 Full-time (including ESOL)		
Advanced (Degree Equivalent)	£1,820	Eligible students will be entitled to have tuition fees paid by SAAS.
Advanced (Higher National or Equivalent)	£1,285	
Non-Advanced (inclusive of Assessment/Examination Fees)	£1,008	Eligibility for full-time Fee Waiver will be routinely determined via the Application and Registration process.
1.2 Part-time – Traditional (Core)		
HNC/D programmes	£780	This charge will be per academic session for programmes studied over 2 years.
PDA Programmes Up to 3 credits	£250 - £420	Each programme costed individually, variances are on teaching materials required.
4 – 6 credits	£450 - £700	
Over 6 credits	£750 - £1,200	
Higher & National 4/5 programmes	£400	Fee per course inclusive of SQA costs.
All other core part-time programmes – Single credit model.	£140	Students charged for the number of credits they are undertaking.
~~Per student hour~~	~~£3.50~~	~~Inclusive of assessment but subject to examination/presentation costs.~~
1.3 Part-time – Commercial		
Commercial PDA – fee per unit.	£600	Per costing policy. Additional assessment/activity may incur charges.
Commercial Training Hourly Rate (including VQs, MAs & Lets)	£80p/h	

1.4 Re-Assessment Charges		
Fee per Single Credit	£50 ~~£3.50 p/h~~	Additional Assessment (AAA) rates may be added if applicable.
1.5 No Recognised Qualification Programmes		
Credit bearing courses to be costed at hourly rate plus the full cost of any course materials.	£3.50 p/h	
Leisure courses to be costed at hourly rate plus the full cost of any course materials.	£7.00 p/h	
1.6 Overseas Students (Non EU)		
Full-time programmes (including accelerated HNs)	£7,875	
Short full-time FE	£3,940	
Remote Delivery programmes	£525	
All other programmes – per single credit	£735	

Agenda Item 18.1

JOINT AUDIT & RISK, FINANCE & PROPERTY COMMITTEE

Tuesday 5 December 2023

Infrastructure

18.1 Estates Update — PAPER Q

BOARD OF MANAGEMENT

Finance & Property Committee

Tuesday 5 December 2023

Estates Update

Paper for noting

1. Introduction

This paper provides an update on estates related activity since the last report to the committee.

2. Recommendations

Members are asked to note the report.

3. Capital Funding for Maintenance

A reminder that the the SFC 5-year Capital Backlog Maintenance Grant funding project came to an end on the 31st March 2023 and was replaced with Capital Funding for Maintenance.

Previously there were 2 elements for the funding split between

- Backlog maintenance
- Lifecycle maintenance

For the current financial year there is no ringfenced allocation for Backlog maintenance, however we have still been tackling a number of Backlog maintenance projects over recent months.

The level of funding for Capital Funding for Maintenance for the period 1 April 2023 – 31 March 2024 is **£2,587,725.00**

As previously reported we also had an element of underspend on last year's grant allocation and this was carried forward into the new financial year. Projects not completed last year have been included as part of the programme for this year along with a new list of projects.

The Estates Project team has completed the vast majority of the planned projects across all 3 campuses over what has been an extremely busy year. The projects and their current status are listed below by campus -

Arbroath Campus

Project	Campus	Estimated Value (inc VAT)	Current Status	Project Ref. No
CSW Building Refurbishment	Arbroath	£240k	Complete	PW586
CSW Electrical and Data infrastructure Upgrade	Arbroath	£120k	Complete	PW682
Isla/Esk Car Park Phase 2	Arbroath	£84k	Complete	PW635
CSW Replacement Lift	Arbroath	£60k	Complete	PW647
Isla 1st Floor room changes	Arbroath	£12k	Complete	PW638
Create slabbed area outside CSW- wheelchair access	Arbroath	£16k	Complete	PW628
Demolition of Aviary	Arbroath	£5k	Complete	PW645
Replacement Lift Esk Building	Arbroath	£72k	Complete	PW646
Partition Wall between Esk 1.03/1.04	Arbroath	£7k	Complete	PW652
Esk – Big Hair Salon Upgrade – New chairs, stations and scaffold benching, painting	Arbroath	£36k	Complete	PW657
Esk – Small Hair Salon Upgrade - New chairs, stations, scaffold benching, new ceiling, flooring, lighting and painting	Arbroath	£35k	Complete	PW658
Esk – Creation of new Barber Salon – Room 0.01	Arbroath	£24k	Nearing completion	PW659
Create new Learner Engagement Suite	Arbroath	£12k	Complete	PW680
Clova – Create new flexible workshop for Construction and Engineering (Old Catering Outlet)	Arbroath	£30k	Complete	PW666
Clova Roof Repairs	Arbroath	£36k	In progress	PW630
Clova - Existing Barber Salon to General Classroom	Arbroath	£6k	In progress	PW663
Isla Building Replacement Windows	Arbroath	£0k	Deferred	
Replacement Blinds CALC Building	Arbroath	£0k	Deferred	

The Isla Building Window replacement project has been deferred until next year. This is to allow the college to submit a funding application for the project via the Green Public Sector Estates Decarbonisation Scheme.

The project for the replacement window blinds for the CALC building has also been deferred as it will now be part of a larger scale refurbishment of the CALC building planned for next year.

Gardyne Campus

Project	Campus	Estimated Value (inc VAT)	Current Status	Project Ref. No
Swimming Pool Roof Replacement	Gardyne	£60k	Complete	PW 639
Major Chiller 2 Repair	Gardyne	£18k	Complete	PW637
Replace corroded pipework, insulation, and trace heating which feeds Chiller 2	Gardyne	£36k	Complete	PW669
Create Esports Hub	Gardyne	£120k	Complete	PW641
Supported Ed Wheelchair Garden Access	Gardyne	£6k	Complete	PW642
Swimming Pool Toilets refurbishment	Gardyne	£60k	Complete	PW583
Y101 – demolish small rooms to create larger room – new vinyl flooring, lighting and painting	Gardyne	£18k	Complete	PW653
Y102 - Replace gas ovens with fan assisted electric ovens x 8	Gardyne	£3k	Complete	PW654
North Annexe key re-suite	Gardyne	£5k	Complete	PW670
NA31 Classroom refurb	Gardyne	£12k	Complete	PW671
Hardwire Testing	Gardyne	£30k	Contract awarded	

Kingsway Campus

Project	Campus	Estimated Value (inc VAT)	Current Status	Project Ref No.
Engineering Workshop	Kingsway	£39k	Complete	PW576
Create Construction Workshop	Kingsway	£25k	Complete	PW578
Create new offices on Level 6	Kingsway	£50k	Complete	PW624
Create new Locker Space for H&B	Kingsway	£23k	Complete	PW639

Highlander EV Charging Pod	Kingsway	£18k	Complete	PW643
Student Services Window Replacement	Kingsway	£42k	Complete	PW644
Replacement Lift Space Building	Kingsway	£60k	Complete	PW648
Level 4 Refurbishment	Kingsway	£48k	Complete	PW649
Level 5 Refurbishment	Kingsway	£48k	Complete	PW650
Engineering Office refurb – install window, lights, flooring and painting	Kingsway	£7.2k	Complete	PW655
E033 Classroom refurb	Kingsway	£14k	Complete	PW661
Painting and Decoration Workshop – create storage and 3 additional booths	Kingsway	£18k	Complete	PW662
B050a/b – new joinery workshop requiring LEV system installed, new 110v supplies and floor levelling and installation of Mezzanine floor	Kingsway	£60k	Nearing completion	PW664
Create new Marketing Office and new Meeting room	Kingsway	£12k	Complete	PW667
Electrical Booths	Kingsway	£10k	Complete	PW674
E018 – divide classroom	Kingsway	£12k	Complete	PW677
B001 upgrade	Kingsway	£26k	Complete	PW679
New Carpet – ground floor Space building	Kingsway	£15k	Contract awarded	PW668
Space – create IT Space for laptop use - furniture	Kingsway	£6k	In progress	
Install doors for pop-up shop space	Kingsway	£2.9k	In progress	

Other Projects

Project	Campus	Estimated Value (inc VAT)	Current Status
MSIP Improvement Works	MSIP	£50k	In Progress
Equipment/Plant Replacement	All	£72k	In Progress
Building Management System Upgrade	All	£48k	In Progress

4. Update on the Reinforced Autoclave Aerated Concrete – RAAC issues at Kingsway

As previously reported, the presence of RAAC - **Reinforced Autoclave Aerated Concrete** was confirmed to be present in two of our buildings on our Kingsway Campus – the Construction block and Engineering block.

RAAC is a lightweight, aerated form of concrete that was most used in buildings from the 1960s up to 1990, with some instances of it being used earlier and into the 90s. RAAC panels were used **within** the structure of the roofs, walls or floors. Issues with these panels have been known for a number of years and RAAC is no longer manufactured or used as a construction material in Scotland.

The college appointed Structural Engineer – Christie Gillespie - has now concluded their Stage 4 Detailed Assessment of the RAAC panels in the Construction and Engineering Blocks at the Kingsway Campus, and a final report has been shared with the College with advice into the Stage 5 – **Management and Remediation Strategy.**

Both reports were similar in content highlighting in the main that the condition of the RAAC was in the low to medium risk category. However, a number localised areas were identified as being in the medium to high-risk category as defined in "Reinforced Autoclaved Aerated Concrete (RAAC) Estates Guidance".

The report also highlighted some deflection concerns within the Construction Block – Joinery area - and so further survey work has been initiated.

All of the necessary repairs to the areas highlighted as being in the medium to high risk category have been completed and an update on the current status has been shared with staff and students.

The report concludes that all of the RAAC panels should be replaced within a 3-5 year period.

We appointed a Quantity Surveyor to provide a project estimate for all of the works associated with replacement of all of the RAAC panels – the project estimate for these replacement RAAC panel works is £7.2m.

The RAAC survey reports and project estimate to replace the RAAC panels have been shared with the Scottish Funding Council and we have asked for an early meeting with SFC to discuss what can be done to support the College with the challenges that RAAC has now presented.

We will continue to keep the committee fully informed of any further developments in relation to the RAAC issues.

5. Scottish Green Public Sector Estate Decarbonisation Sceme

As previously reported, the College submitted 2 successful bids in March 2023 to the Green Public Sector Estate Decarbonisation Scheme for -

- Pre-capital funding for Energy Audit and Feasibility work to identify potential decarbonisation and energy saving projects across the College estate. Bid value £36k + VAT
- Capital funding for a LED lighting replacement project for the Gardyne campus. Bid value - £500k + VAT

Work on the Gardyne LED Lighting Project Has commenced and is progressing well with over a 1000+ light fitting already replaced. This project will have a significant impact on our electrical energy consumption with a projected reduction of **260,000kwhrs/year**, a carbon reduction of **155tC02/year** and a financial saving of **£60k/year**.

The Energy Audit and Feasibilty project tender process has been completed and award of contract has been made.

6. Link to Strategic Risk Register

Progressing these Estates projects and initiatives will support the mitigation of a range of risks identified within the Strategic Risk Register namely;

3.1 – failure to reach aspirational standards in learning, teaching and service delivery
3.2 – failure to achieve/maintain compliance arrangements
3.3 – serious accident, incident or civil/criminal breach, legal action

Author: Billy Grace, Head of Estates
Executive Sponsor: Steve Taylor, Vice Principal

Agenda Item 20.0

JOINT AUDIT & RISK,
FINANCE & PROPERTY COMMITTEE

Tuesday 5 December 2023

Procurement

20.1 Annual Procurement Report	**PAPER R**
20.2 Procurement Update	**PAPER S**
20.3 Procurement Strategy	**PAPER T**

DUNDEE ANDANGUS COLLEGE

Annual Procurement Report

2022-2023

Dundee & Angus College – Annual Procurement Report (APR) 2022/2023

Executive Summary

The Procurement Reform (Scotland) Act 2014 (PRA) requires any public organisation which has an estimated annual regulated spend[1] of £5 million or more to develop a Procurement Strategy and then review it annually. This requirement took effect from 31 December 2016. Organisations (including HE (Higher Education) and FE (Further Education) institutions) are required to publish a procurement strategy and were also required to publish an Annual Procurement Report (APR), reflecting on the relevant reporting period of the procurement strategy.

This report covers the period of August 2022 to July 2023 and addresses performance and achievements in delivering the objectives laid out in the organisational Procurement Strategy for Dundee & Angus College. A report is prepared on a rolling 12-month basis.

The development of the procurement strategy was the outcome of consultation and discussion with internal and external stakeholders who have an interest in the institutional approach to procurement and its impact. Stakeholder engagement will also feature in the annual assessments of the achievement of regulatory compliance, strategic objectives of the institution, value for money [defined as the best balance of cost, quality and sustainability] and delivery against the institution's broader aims and objectives, in line with Scotland's National Outcomes. This process of review and reporting informs any adjustments to the procurement strategy deemed necessary to secure future performance improvements and to respond to the economic, political, and financial influences on which the institution may need to adjust.,

Dundee and Angus College have analysed third-party expenditure and have identified that over the period covered by this report the following expenditure has occurred:

- UK regulated procurements [goods and services worth more than £189,330; works worth more than £4,733,252] amounted to £14,336,920. There were 12 such procurements completed[2].
- Lower value regulated procurements' [goods and services worth more than £50,000, works worth more than £2 million] amounted to £909,294. There were 12 such procurements completed.

More detailed information on the regulated procurements is provided in Sections 1 and 2 of this report.

Dundee and Angus College had 657 suppliers within the reporting period, and 485 of these suppliers are recorded as SMEs. 12 SMEs featured in the award of regulated procurements during the period.

The total non-pay expenditure was £11,211,989. This was made up of £145,145 capital expenditure, £7,269,549 of regulated expenditure (suppliers where in excess of £50,000 has been spent) and £3,797,295 non-regulated expenditure.

The College optimises the use of national, sectoral, local, or regional collaborative contracts and frameworks. As well as bringing cash and non-cash savings, the burdens of risk, contract and supplier management are shared, and the number of resource-intensive formal local tenders that need to take place is reduced significantly. Approximately 51% of the College's spend went through collaborative agreements during the reporting period.

[1] Regulated procurements are those with an estimated value equal to or greater than £50k (>£12,500 per annum over a four-year contract period excluding VAT) for goods & services (or £2,000,000 excluding VAT for public works contracts)

This report comprises of six sections which address mandatory reporting requirements.

- Section 1: Summary of Regulated Procurements Completed
- Section 2: Review of Regulated Procurement Compliance
- Section 3: Community Benefit Summary
- Section 4: Supported Businesses Summary
- Section 5: Future Regulated Procurements Summary
- Section 6: Sustainability

Date Report Approved:	5th December 2023
By name of authorising body:	Finance and Property
Committee	

Section 1: Summary of Regulated Procurements Completed

Dundee and Angus College strongly believe in conducting its procurements in an open and inclusive manner, with procurement objectives aligned to the College's Strategic Plan.

The detailed summary of regulated procurements completed is set out in Annex A. That information, coupled with the publication of the institutional Contracts Register and the systematic use of Public Contracts Scotland and Quick Quotes where appropriate, provides complete visibility of the College's procurement activity over the reporting period.

Pages 10 – 11 of this document sets out further information to show lower value regulated procurements completed and UK regulated procurements completed. These are separated into contract categories and distinguish collaborative contracts from institutional ones.

For each completed regulated procurement, the information provided shows:

- the date of award
- the start dates
- the category subject matter
- the name of the supplier
- estimated value of the contract – total over contract period
- collaborative or institution-owned
- the end date provided for in the contract or a description of the circumstances in which the contract will end.
- SME / supported business.

Section 2: Review of Regulated Procurement Compliance

Where appropriate, Dundee and Angus College make use of collaborative contracts to deliver improved contract terms, supported contract and supplier management, sustainable procurement outcomes, and value for money (the best balance of cost, quality, and sustainability).

Care is taken to ensure that the College appoints suppliers who are capable, reliable and can demonstrate that they meet high ethical standards and values in the conduct of their business.

In the period covered by this report, the College has endeavoured to undertake all its regulated procurements in compliance with UK Procurement Principles of equal treatment, non-discrimination, transparency, proportionality, and mutual recognition.

Successful delivery against the procurement strategy objectives is part of a continual improvement process (CIP) that seeks incremental improvements to process and outcomes over time.

The following table identifies the procurement aims, which were established within the procurement strategy and progress towards achievement of those aims.

Procurement Aims and Focus	**Annual Report Commentary on strategy delivery/compliance**
To sustain and further develop partnerships within the sector, with other publicly funded bodies, with professional bodies and appropriately with supply markets that will yield intelligence, innovation and deliver value to users of procurement services.	The engagement with internal and external stakeholders and suppliers provides valuable feedback, which informs the College of possible necessary adjustments and improvements to strategy and process. For each procurement, the College considers the community affected by the resultant contract and ensures that any affected organisations/persons are consulted (e.g., impact on service for students, or a local contract that could be combined with other similar institutions' needs). Such consultation will always be on a scale and approach relevant to the procurement in question. The Tayside Regional Procurement Team, comprising Dundee & Angus College and Abertay University, is utilising a collaborative approach and identifying opportunities for collaboration, e.g., joint tendering activity, sharing best practice, and synergy in process and supplier management. Dundee & Angus College contributes to sector contracting plans and has coordinated procurement efforts on a regional basis with Dundee City Council, Angus Council, Perth & Kinross Council, and Tayside Contracts, to deliver local collaborative contracts. The College actively engages with other bodies through HE and FE specific events and Scottish public-sector events.
To work with internal academic budget holders, professional support service colleagues and suppliers to deliver innovation and best value to the learning and service support communities through the development of an effective and co-ordinated purchasing effort within the College.	Optimal procurement/contract strategies are developed and agreed through consultation with key stakeholders, end users and suppliers. This intelligence gathering approach is also used to improve skills and competencies in securing the most appropriate procurement routes to market that yield best value outcomes consistent with the guidelines set out in the Scottish Procurement Journey. Any contract with an anticipated value in excess of £25,000 will have a specific contract strategy covering spend analysis, market research, available frameworks as well as a recommendation on route to market, proposed evaluation criteria, expected outcomes and benefits and the identification of risk and actions to be taken in mitigation. In adherence to best practices, specific contract strategies are now being integrated for all contract activities, irrespective of whether they meet or exceed the £25,000 threshold. Procurement activities follow the guidelines set out in the Procurement Journey. This helps to manage the expectations of stakeholders, customers and suppliers alike and facilitates best practice and consistency with what other organisations do across the Scottish public sector. For every procurement over £4m, the College will consider how it can improve the economic social or environmental well-being of its area through inclusion of community benefit clauses. Where possible and proportionate these clauses may also be included in procurements below £4m. Care is taken to ensure that procurement operations support the strategic

	objectives detailed in the College's Regional Outcome Agreement.
To promote the delivery of value for money through good procurement practice and optimal use of procurement collaboration opportunities.	The best balance of cost, quality and sustainability is consistently used to assess value for money delivered and to identify sensible aggregation opportunities through collaborative contracting. How goods, services, and works are bought - joint purchasing, the use of local, regional, and national framework agreements, consolidated contracting – is subject to regular review with APUC (Advanced Procurement for Universities & Colleges). Through user consultation, sensible aggregation opportunities are exploited, and category and commodity strategies are developed, recorded, signed off and processed.
To seek out professional development opportunities to enrich and enhance experience and capability of procurement practitioners and to work with the supply chains to ensure continued value, managed performance and minimal risk throughout the life of contracts for the benefit of customers and students.	The defined procurement process is managed through a professional procurement team with access to competency-based training, skills development programmes, and career development opportunities. Devolved procurement competencies are assessed across the College to secure optimum value delivery while managing supply-side risks and opportunities. The existing "Introduction to Procurement" module, designed to help College staff understand legislative background and enhance knowledge of business processes and internal governance, needs a comprehensive review and update. Crucial aspects like content, delivery methods, and interactive components are to be refreshed to ensure continued effectiveness and relevance. The goal is to elevate the learning experience, align the module with recent changes in legislation and industry standards, and maintain a robust resource that empowers College staff with the necessary skills for proficient procurement practices. Post-procurement reviews are carried out to check that tendering outcomes are delivering against business case objectives. These, in turn, are consolidated by contract and supplier management routines based on value and risk to monitor performance and introduce any required improvements.
To develop sound and useful procurement management information to measure and improve procurement and supplier performance in support of corporate planning conducted through fair and transparent process.	Internal governance procedures, policies, and tools such as e-enabled workflow enhancements, are introduced to effect improvements to procurement process and efficiency. Full use is made of expenditure segmentation analysis and data located on Hunter (including Contracts Registers) and Procurement Data Dashboard. Where relevant, use is made of appropriate standards and labels in procurements to take account of fair and ethical trading considerations, with consideration given to equivalent tender offerings from suppliers. Public Contracts Scotland is used to publish procurement opportunities; appropriate use is made of lotting, output-based specifications, and clear evaluation criteria to ensure that procurements are accessible to as many bidders (including SMEs) as possible.

To embed sound ethical, social, and environmental policies within the College's procurement function and to comply with relevant Scottish and other pertinent legislation through compliance with the Sustainable Procurement Duty	Procedures are in place to ensure that consideration of environmental, social and economic issues and benefits is made, where appropriate, on a contract-by-contract basis during the planning stage utilising tools including Prioritisation, Ecovadis, Flexible Framework, APUC's Supply Chain Code of Conduct, and Supply Chain Management Programme. Procedures are also in place to ensure that regulated procurements are only awarded to businesses that are capable, reliable and, where relevant, meet high ethical standards and values in the conduct of their business. The College is committed to contracting only with suppliers that comply with all appropriate and relevant legislation. Where appropriate, and on a contract-by-contract basis, the College will assess the legislation applicable to a procurement and take steps to ensure bidders comply with it e.g., Health and Safety, Environmental, and Late Payment legislation. The introduction of FNT2030 includes clear actions and monitoring for Waste, ICT, Estates, Furniture, and Energy categories. Where relevant and proportionate, the Living Wage and fair work practices of suppliers are promoted in tender documentation. Dundee & Angus College is proud of its accreditation as a Living Wage employer and fully complies with its duties under the Modern Slavery Act. Details of its Modern Slavery policy are available on the College website.

The commentary identified above shows that excellent progress has been made towards achievement of the procurement aims.

The College has procurement processes and sign-off arrangements that are consistent with the guidelines set out in the Procurement Journey and that have met the objectives and obligations set out immediately above. These are detailed within the Schedule of Delegated Authority which has been approved by the Finance and Property Committee of the College's Board of Management.

Section 3: Community Benefit Summary
For every procurement over £4m, Dundee and Angus College will consider how it can improve the economic, social or environmental well-being of its area through the inclusion of community benefit clauses to assist with achieving sustainability in contract activity. This includes targeted recruitment and training, small business and social enterprise development, and community engagement. Where possible, relevant and proportionate, such clauses may be included in regulated procurements valued at below £4m.

Where applicable, as part of the tendering process, suppliers are invited to describe their approach to delivering community benefits or achieving social value through a contract. Relevant community benefits are cited, such as:

- providing 'upskilling' opportunities (e.g., Toolbox talks) with students and staff,
- offering advice and assistance on the best practice methodology,
- employment, student work experience and vocational training opportunities,
- apprenticeships,
- local subcontractor opportunities available to SMEs, 3rd sector, and supported businesses,
- direct involvement in community-based schemes or programmes,
- equality and diversity initiatives,
- supply-chain development activity,
- educational support initiatives,
- minimising negative environmental impacts, for example, impacts associated with vehicle movements and/or associated emissions and impacts on protected areas, buildings, or sites.

Where community benefits are included in a procurement (at or above the £4 million threshold), the award notice would include a statement of the benefits that are expected to be derived from the contract.

In the reporting period, there was no new contract awarded containing community benefits.

Section 4: Supported Business
Dundee and Angus College reviews each appropriate procurements to determine whether subsequent contracts could be fulfilled by a Supported Business, whilst remaining compliant with UK and Scottish Procurement Legislation and ensuring value for money for the institution (using the only Supported Business register currently available and published by Ready for Business).

There were no contracts for supported businesses in the period covered by this report, and presently there are no contracts in place with a supported business. Opportunities will continue to be explored and identified as part of future contract strategies.

Section 5 – Future Regulated Procurements
The College is keen to encourage competition by promoting optimal participation in its procurement process and achieving better value for money in its procurements. One method of achieving this is to give notice to suppliers of tendering opportunities expected to commence over the next two fiscal years after the period covered by this report.

In preparing this forward projection of anticipated regulated procurements, it is difficult to be precise about providing details of actual requirements. Over a forecast period of two years, it is highly probable that circumstances and priorities will change, so the list of projected individual regulated procurement exercises outlined in this document should be viewed with this caveat in mind.

The information provided covers:

- the subject matter of the anticipated regulated procurement,
- whether it is a new, extended, or re-let procurement,
- the expected contract notice publication date,
- expected award date,
- expected start and end date,
- the estimated value of the contract,
- contract category A, B, C or C1.

Section 6 – Sustainability

Dundee and Angus College have a strong commitment to sustainability, and where relevant and proportionate, sustainability criteria are evaluated in procurement exercises for both regulated and non-regulated contracts. From Now Till 2030 (FNT2030) worksheets are embedded within the procurement function and linked to the procurement workstreams, with full support and buy-in from the wider College network.

Appendix 1: List of Regulated Procurements Completed in the Reporting Period August 2022 to July 2023

Compliant

Category Subject	Supplier name	Date of Award	Owner: Cat A/B or C?	Start Date	End Date	Value over contract period	SME status	Supported Business
Networking Supply and Services	Circle IT Solutions	05/09/2022	B	01/11/2022	31/10/2027	£979,000	Medium	N
Natural Gas	Total Energies Gas and Power	01/04/2023	A	01/04/2023	31/03/2025	£860,000	Large	N
Non-Life Insurance & Insurance Related Services	Education Protect Scotland, and Zurich Municpal	22/06/2022	B	01/08/2022	31/07/2024	£551,920	Micro Large	N
Mobile Client Devices	HP Inc UK Limited	15/08/2022	A	15/08/2022	14/08/2025	£500,000	Large	N
Advanced Manufacturing Equipment	Emco Education Laser Lines	17/10/2022	C	17/10/2023	16/10/2027	£6,000,000	Micro Small	N
Robotic Arms and Controllers	SP Technology Ltd (T/As SP Elements)	06/12/2022	C	12/12/2022	11/12/2027	£4,000,000	Micro	N
Azure Cloud Services	Phoenix Software	01/07/2023	B	01/07/2023	30/11/2024	£300,000	Medium	N
Student Information Management System	Civica UK Ltd	05/06/2023	B	12/06/2023	11/06/2028	£261,000	Large	N
Lift Replacement (Clova Building)	Consult Lift Service	22/02/2023	B	10/07/2023	09/10/2023	£250,000	Small	N
Microsoft Campus Licence	Softcat	01/11/2022	B	01/11/2022	31/10/2025	£235,000	Large	N
Periodic Inspection and Testing	Valley Group Limited	31/01/2023	C1	13/02/2023	12/02/2028	£100,000	Small	N
General Stationery and Office Paper	Lyreco	01/07/2023	A	01/07/2023	30/06/2027	£200,000	Large	N

Roof Replacement Works (Gardyne Campus)	Briggs Amasco Ltd	24/05/2023	C	24/05/2023	23/05/2027	£200,000	Large	N
Water and waste Services	Business Stream Ltd	01/04/2023	A	01/04/2023	31/03/2024	£130,000	Large	N
Heliocentris 793-HG HEL Hybrid Energy Lab System	Alvatek Ltd	19/07/2023	C	19/07/2023	18/10/2023	£108,000	Micro	N
Virtual Reality welding Simulator	Techsoft UK Ltd	17/07/2023	C	17/07/2023	16/07/2027	£90,000	Small	N
Road Resurfacing Works Arbroath Campus	J Sives Surfacing	17/03/2023	B	03/04/2023	02/05/2023	£89,160	Small	N
Hydrogen Refuelling Station Virtual Reality	Animmersion UK Ltd	19/07/2023	C	19/07/2023	18/10/2023	£85,000	Micro	N
Truck Train Training Rig	Lucas-Nuelle	19/07/2023	C	19/07/2023	18/10/2023	£60,000	Large	N
Legal Services	Thorntons Law	06/09/2022	B	07/09/2022	06/09/2024	£60,000	Medium	N
Lift Replacement (The Space)	Consult Lift Services	20/04/2023	B	10/07/2023	09/10/2023	£57,172	Small	N
Lift Replacement (Esk Building)	Consult Lift Services	19/04/2023	B	10/07/2023	09/10/2023	£54,962	Small	N
Gardyne Campus Roofing – Backlog Maintenance	Raynor Roofing Limited	16/05/2022	C	01/08/2022	31/08/2022	£50,000	Medium	N
Sun Finance System Licence Maintenance	Castle Computer Services Ltd	01/07/2024	C	01/07/2023	30/06/2024	£25,000	Medium	N

Non-Compliant

There were no procurement activities deemed non-compliant during the reporting period.

List of Regulated Procurements with Community Benefit Requirements Fulfilled

There were no procurements with Community Benefits Requirements fulfilled during in the reporting period.

List of Regulated Procurements placed with Supported Businesses

There were no regulated procurements placed with Supported Businesses during in the reporting period.

List of Regulated Procurements planned to commence in next to two Academic Years 2023/24 & 2024/25

All contracting activity is subject to available budget and may be subject to change should additional funding become available.

*** In cases where it is intended that the contract will be let as a call-off contract under a framework, the "expected contract notice publication date" is not applicable.*

Category Subject	Re-Occurring	Expected contract notice publication date**	Forecast Award Date	Expected Start Date	Expected End Date	Estimated Value over contract period	Category
Teaching Qualification: Further Education (TQFE)	Yes	n/a	01/08/2023	01/08/2023	31/07/2026	£97,500	B
Fleet Maintenance	Yes	n/a	01/09/2023	01/08/2023	31/07/2026	£75,000	C
Supply of LED Lighting Replacement at Gardyne Campus	No	05/07/2023	01/09/2023	10/08/2023	09/02/2024	£373,056	C
Desktop Client Devices	Yes	n/a	11/09/2023	01/09/2023	31/08/2025	£2,400,000	A
Installation of LED Lighting Replacement at Gardyne Campus	No	25/08/2023	11/09/2023	09/10/2023	08/02/2024	£144,471	C
Virtual Reality Headset	No	n/a	11/09/2023	23/10/2023	22/10/2026	£200,000	C
Occupational Health	Yes	TBC	01/12/2023	01/11/2023	31/03/2025	£75,000	C
Life Sciences Equipment	No	TBC	01/12/2023	01/12/2023	30/11/2024	£100,000	C
Electronic Point of Sale (EPOS) Replacement	Yes	n/a	09/01/2024	01/02/2024	31/01/2028	£60,000	B
Student Support – BSL	Yes	TBC	01/02/2024	14/02/2024	13/02/2027	£135,000	C
Taxi Services & Private Hire	Yes	20/11/2023	01/02/2024	14/02/2024	13/02/2027	£440,000	C1

Strategic Communication Support	Yes	01/12/2023	01/03/2024	01/04/2024	31/3/2028	£57,600	C
Electricity (Supply)	Yes	n/a	01/04/2024	01/04/2024	31/03/2025	£3,550,000	A
Water and Wastewater Services	Yes	n/a	01/04/2024	01/04/2024	31/03/2025	£520,000	A
Student Support	Yes	n/a	01/03/2024	01/04/2024	31/03/2027	£428,944	C
Minor Works/Building Maintenance	Yes	20/11/2023	01/03/2024	01/04/2024	31/03/2028	£7,000,000	C1
Virtualisation Solution	Yes	01/12/2023	01/04/2024	01/05/2024	30/04/2028	£58,593	C
Fire & Security	Yes	n/a	01/04/2024	01/05/2024	30/04/2027	£222,929	B
Associate Trainers	Yes	01/12/2023	27/05/2024	27/05/2024	26/05/2028	£150,000	C
Replacement Windows – Isla Building	Yes	01/12/2023	01/06/2024	01/06/2024	31/08/2024	£420,000	C
Replacement Firewall	Yes	n/a	01/05/2024	10/06/2024	09/06/2027	£51,495	A
Sun Finance Systems License Maintenance	Yes	TBC	01/06/2024	01/07/2024	30/06/2028	£100,000	C
Onefile Software Licence/Subscription	Yes	TBC	01/07/2024	01/08/2024	31/07/2028	£145,728	C
Library Books, Textbooks and Multimedia Supplies	Yes	n/a	01/09/2024	26/09/2024	25/09/2028	£150,000	B
First Aid Materials	Yes	n/a	01/09/2024	01/10/2024	30/10/2027	£73,439	B
Waste Management	Yes	n/a	01/09/2024	01/10/2024	30/09/2028	£133,000	B
Telephony	Yes	n/a	01/10/2024	01/11/2024	31/10/2027	£66,308	A
Azure Cloud Services	Yes	n/a	01/11/2024	01/12/2024	30/11/2028	£400,000	A

Trade Materials	Yes	n/a	15/01/2025	01/02/2025	31/01/2028	£3,000,000	B
Swimming Pool Chemicals & Repair	Yes	TBC	01/02/2025	01/03/2025	28/02/2028	£93,556	C
Timber and Associated Products	Yes	n/a	01/03/2025	01/04/2025	31/03/208	£130,000	B
Catering Equipment	Yes	n/a	01/03/2025	01/04/2025	31/03/2028	£92,220	B
Personal Protective Equipment	Yes	n/a	01/03/2025	01/04/2025	31/03/2028	£111,573	B
Plant Hire	Yes	n/a	01/04/2025	01/05/2025	30/04/2028	£105,110	B
HR/Payroll System	Yes	n/a	01/05/2025	10/06/2025	09/06/2029	£141,980	B
Sports Equipment	Yes	TBC	01/06/2025	01/07/2025	30/06/2028	£224,506	C
Marketing, Media & Advertising	Yes	n/a	01/06/2025	01/07/2025	30/06/2028	£150,000	B

Annual Procurement Report - Annex A

[NOTE: reference to contract is also to be construed as meaning a Framework Agreement]

1. Organisation and report details

a) Contracting Authority Name	Dundee and Angus College
b) Period of the annual procurement report	01/08/2022-31/07/2023
c) Required by s18 Procurement Reform (Scotland) Act 2014 to prepare an annual procurement report? *(Yes / No)*	Yes

2. Summary of Regulated Procurements Completed

a) Total number of regulated contracts awarded within the report period	24
b) Total value of regulated contracts awarded within the report period	£15,246,214
c) Total number of unique suppliers awarded a place on a regulated contract awarded during the period	16
i) how many of these unique suppliers are SMEs	9
ii) how many of these unique suppliers how many are Third sector bodies	0

3. Review of Regulated Procurements Compliance

a) Number of regulated contracts awarded within the period that complied with your Procurement Strategy	24
b) Number of regulated contracts awarded within the period that did not comply with your Procurement Strategy	0

4. Community Benefit Requirements Summary

Use of Community Benefit Requirements in Procurement:

a) Total number of regulated contracts awarded with a value of £4 million or greater.	0
b) Total number of regulated contracts awarded with a value of £4 million or greater that contain Community Benefit Requirements.	0
c) Total number of regulated contracts awarded with a value of less than £4 million that contain a Community Benefit Requirements	0

Key Contract Information on community benefit requirements imposed as part of a regulated procurement that were fulfilled during the period:

d) Number of Jobs Filled by Priority Groups *(Each contracting authority sets its own priority groups)*	0
e) Number of Apprenticeships Filled by Priority Groups	0
f) Number of Work Placements for Priority Groups	0
g) Number of Qualifications Achieved Through Training by Priority Groups	0
h) Total Value of contracts sub-contracted to SMEs	0
i) Total Value of contracts sub-contracted to Social Enterprises	0

j) Total Value of contracts sub-contracted to Supported Businesses	0
k) Other community benefit(s) fulfilled	0

5. Fair Work and the real Living Wage

a) Number of regulated contracts awarded during the period that have included a scored Fair Work criterion.	Not Recorded
b) Number of unique suppliers who have committed to pay the real Living Wage in the delivery of a regulated contract awarded during the period.	Not Recorded
c) Number of unique suppliers who are accredited Living Wage employers and were awarded a regulated contract awarded during the period.	Not Recorded
d) Number of unique suppliers who have signed up to the Scottish Business Pledge and were awarded a regulated contract awarded during the period.	Not Recorded

6. Payment performance

a) Number of valid invoices received during the reporting period.	10944
b) Percentage of invoices paid on time during the period ("On time" means within the period set out in the contract terms.)	76.38%
c) Number of regulated contracts awarded during the period containing a contract term requiring the prompt payment of invoices in public contract supply chains.	0
d) Number of concerns raised by sub-contractors about the timely payment of invoices within the supply chain of public contracts.	0

7. Supported Businesses Summary

a) Total number of regulated contracts awarded to supported businesses during the period	0
b) Total spend with supported businesses during the period covered by the report, including:	0
i) spend within the reporting year on regulated contracts	0
ii) spend within the reporting year on non-regulated contracts	0

8. Spend and Savings Summary

a) Total procurement spend for the period covered by the annual procurement report.	£11,211,989
b) Total procurement spend with SMEs during the period covered by the annual procurement report.	£4,795,267
c) Total procurement spend with Third sector bodies during the period covered by the report.	Not recorded
d) Percentage of total procurement spend through collaborative contracts.	51%
e) Total targeted cash savings for the period covered by the annual procurement report	Local target not set
i) targeted cash savings for Cat A contracts	-

ii) targeted cash savings for Cat B contracts	-
iii) targeted cash savings for Cat C contracts	-
f) Total delivered cash savings for the period covered by the annual procurement report	
i) delivered cash savings for Cat A & B contracts	£61,110
ii) delivered cash savings for Cat C contracts	£17,000
g) Total non-cash savings value for the period covered by the annual procurement report	£708,642

9. Future regulated procurements

a) Total number of regulated procurements expected to commence in the next two fiscal years	36
b) Total estimated value of regulated procurements expected to commence in the next two fiscal years	£21,577,008

Payment Performance

Through the Public Contract Regulations 2015, public sector buyers must include 30-day payment terms in new public sector contracts; and require that this payment term be passed down the supply chain. Dundee and Angus College recognise the importance of prompt payment and impacts of late payment on supply chains and SMEs and therefore operate immediate payment for all correctly rendered invoices.

Glossary of Terms

A, B, C and C1 Contracts (Who buys what?)

Category A	Collaborative Contracts available to all public bodies • Scottish Procurement
Category B	Collaborative Contracts available to public bodies within a specific sector • Scottish Procurement • APUC • Scotland Excel • NHS National Procurement
Category C	Local Contracts for use by individual public bodies
Category C1	Local or regional collaborations between public bodies

APUC's Code of Conduct - APUC and its client community of colleges and universities is committed to carrying out procurement activities in an environmentally, socially, ethically, and economically responsible manner and to entering into agreements and contracts with suppliers that share and adhere to its vision. To demonstrate this commitment, current and potential suppliers are asked to acknowledge their compliance with the principles of the APUC Supply Chain Code of Conduct with respect to their organisation and their supply chain.

BT14 – Sustainability Based Benefits - sustainability benefits where costs are not normally relevant can be reported but will normally be described in narrative including but not limited to the following areas:

- Reduction in waste – packaging and / or further use of residue from processes etc.
- Reduction in consumption - use of raw materials (consumables, utilities etc.)
- Recycling and/or reuse of products
- Enhanced Reputation and/or marketing opportunities
- Community Benefits delivery
- Carbon Reduction
- Social, equality and / or environmental improvements

Category Subject is a collection of commodities or services sourced from the same or similar supply base, which meet a similar consumer need, or which are inter-related or substitutable.

Community Benefits are requirements which deliver wider benefits in addition to the core purpose of a contract. These can relate to social- economic and or environmental benefits. Community Benefits clauses are requirements which deliver wider benefits in addition to the core purpose of a contract. These clauses can be used to build a range of economic, social or environmental conditions into the delivery of institutional contracts.

Contracts Registers these typically provide details of the procurement exercise to capture key information about the **contract** (the goods and services, values, date started, expiry date, procurement category etc).

Cost Avoidance The act of eliminating costs or preventing their occurrence in the first place. It tends not to show up on, but materially impacts, the bottom-line cost and is normally referred to as a "soft" cost saving i.e., negating supplier requests to increase costs, procuring services/goods/ works under budget, obtaining prices lower than the market average/median.

Contract management or contract administration is the management of contracts made with customers, suppliers, partners, or employees. Contract management activities can be divided into three areas: service delivery management; relationship management; and contract administration.
Flexible Framework Self-Assessment Tool (FFSAT) enables measurement against various aspects of sustainable procurement.

Hub (Spikes Cavell) - The Scottish Procurement Information Hub is provided by Spikes Cavell as a spend analysis tool allowing organisations to: -

- Identify non-pay spend on external goods and services,
- Identify key suppliers and how many transactions are made with each,
- Highlight common spend across suppliers and categories,
- Identify spend with SMEs and/or local suppliers.

This information means that individual organisations and Centres of Expertise can identify where collaborative opportunities might exist and where transactional efficiencies could be made.
For more information, visit the Scottish Government's **Hub** page.

Hunter - Hunter has been developed by the eSolutions team. It is a database solution which uses standard Microsoft packages (Access and SQL Server) enabling organisations to effectively monitor and report on collaborative contracting activities.

As a solution, it is operational within the HE/FE sector in Scotland and is also being utilised by the HE consortia in England and Wales that also provide collaborative contracting services to the sector. Hunter has a multi-level structure which allows consortia to share collaborative agreements, make them visible to their member organisations, and in turn enabling them to record their own contracts.

Institutional Dashboard - is the area within the APUC Buyers Portal being developed by the APUC eSolutions team providing easy access to key management reporting data being recorded centrally through Hunter. The dashboard currently hosts key regulatory procurement information on Contracts Registers, forward contracting plans, expenditure reporting and APR Data. The list of reports is planned to expand to cover savings and PCIP dashboard data.

Lotting - the Public Contracts (Scotland) Regulations 2015 encourage the use of lots (regulation 47), to promote competitiveness and to facilitate the involvement of SMEs in the public procurement market, by considering the appropriateness of dividing contracts into lots to smaller contracts.

Output Specification requirements are set out in terms of what you want to achieve, leaving the tenderers to decide on how they will deliver those requirements. This can lead to innovation by the tenderers. The services detailed in the output specification should be capable of objective assessment so that the performance of the supplier can be accurately monitored.

Prioritisation - the Sustainable Public Procurement Prioritisation Tool which is a tool to aid all procuring organisations across the Scottish Public Sector designed to bring a standard structured approach to the assessment of spend categories.

Procurement Journey is public procurement toolkit with guidance and templates on the procurement process to facilitate a standardised approach to the market and contract and supplier management.

Procurement & Commercial Improvement Programme (PCIP) replaced the previous Procurement Capability Assessment (PCA) and focuses on the policies and procedures driving procurement performance and more importantly, the results they deliver.
PCS (Public Contracts Scotland) is the national advertising portal used to advertise all public sector goods, services or works contract opportunities.

PCS-Tender is the national e-Tendering system and is centrally funded by the Scottish Government. The system is a secure and efficient means for buyers and suppliers to manage tender exercises online. The

standard templates enable buyers to create consistent tender documentation.

Segmentation the division and grouping of suppliers or contracts in relation to spend and its criticality to business.

Small and Medium Sized Enterprises (SMEs) encompass:

- Micro enterprises: enterprises which employ fewer than 10 persons and whose annual turnover and/or annual balance sheet total does not exceed £1.57 million.

- Small enterprises: enterprises which employ fewer than 50 persons and whose annual turnover and/or annual balance sheet total does not exceed £7.86 million.

- Medium enterprises: enterprises which are neither micro nor small, which employ fewer than 250 persons and which have an annual turnover not exceeding £39.28 million, and/or an annual balance sheet total not exceeding £33.78 million.

Social Enterprises are revenue-generating businesses with primarily social objectives whose surpluses are reinvested for that purpose in the business or in the community, rather than being driven by the need to deliver profit to shareholders and owners.

Supply Chain encompasses all activities, resources, products etc. involved in creating and moving a product or service from the supplier to the procurer.

Supply Chain Management Programme (Sustain) is the APUC supply chain sustainability web portal, a central hub where sector suppliers can complete and store sustainability compliance data. The portal is the core supply chain sustainability tool supporting HE and FE institutions and their suppliers in delivering a transparent, environmentally positive, ethical and socially responsible supply chain.

Supported business means an economic operator whose main aim is the social and professional integration of disabled or disadvantaged persons, and where at least 30% of the employees of the economic operator are disabled or disadvantaged persons.

Supported employment programme means an employment programme operated by an economic operator, the main aim of which is the social and professional integration of disabled or disadvantaged persons, and where at least 30% of those engaged in the programme are disabled or disadvantaged persons.

Sustainable Procurement A process whereby organisations meet their needs for goods, services, works and utilities in a way that achieves value for money on a whole life basis and generates benefits, not only for the organisation but also to society, the economy and the environment.

Third-Party Expenditure is calculated based upon the total value of invoices paid per annum, excluding VAT, to all suppliers for the purchase of goods and services.

It is defined as including:

- goods – tangible products such as stationery, which are often also known as supplies.

- services – provision of an intangible product such as refuse collection, elderly home care, whether carried out internally or externally.

- works – including construction works and utilities – energy costs.

It excludes employee costs, non-cash expenditure (e.g., depreciation), grants, trust payments and other non-controllable payments to other publicly funded bodies but should include spending on agency staff, capital expenditure and programme spend on commodities and services.

UK regulated procurements are those whose values require that they are conducted in compliance with the Public Contracts (Scotland) Regulations 2015 and the Procurement Reform (Scotland) Act 2014.

UK thresholds the present thresholds are (net of VAT): - for Supply and Services Contracts, £177,897, for Works Contracts £4,447,447. Public contracts (UK) thresholds are revised every 2 years – this is next due on 01/01/2024.

BOARD OF MANAGEMENT

Finance & Property Committee

December 2023

Procurement Update

Paper S for both noting and approval

1. Introduction

The information included in this paper details the planned and recurring contracts and renewals which exceed or are very close to the regulated authority threshold of £50k (exclusive of non-recoverable VAT) covering the period to December 2023. In all cases, Planned Procurement Activity remains dependent on appropriate budget allocation as part of the annual budget approval process.

Section A - Procurement Update / Contract Awards, **for Noting** provides information on the contracts that have been awarded during the period from October 2023 to December 2023.

This section also includes any requests for retrospective **Approval** of Non-Competitive Awards (NCA's). There are no such requests at present.

Section B - Planned Contracting **Requiring Approval**, includes a list of contracts where the aggregated spend over the contract term is likely to exceed £100k (inclusive of non-recoverable VAT) including call-off contracts under Framework Agreements let by other authorities, such as APUC, Scottish Procurement and Crown Commercial Services. This section may include items exceeding £500K requiring further approval from the Board of Management. This report includes one such item.

Section C – Planned Procurement and Recent Awards for **Noting**, provides a list of proposed or awarded contracts that are greater than £50k in value but less than the threshold of £100k (Chairs of Board and Finance & Property Committee) as laid out in the College Financial Regulations. This section will include new contracts together with any contracts not previously included in the report in September.

Section D – Other Procurement Activities for **Noting**, provides a progress update on other procurement activities.

All values exclude VAT unless otherwise stated.

2. Recommendation

Members are asked to:

i) note the recently awarded contracts (Section A)

ii) approve anticipated procurements not already included in the Annual Planned Procurement Report submitted to the Finance & Property Committee in September 2023 (Section B)
iii) note other activity (Section D)

Author: Amanda Walsh, Procurement Manager
Brian Ferguson, Head of Finance
Executive Sponsor: Steve Taylor, Vice Principal - Support Services & Operations

Section A - Procurement Update / Contract Awards / Extensions: Oct 23 – Dec 23

Contract name	**LED Lighting Replacement Garydne Campus (Installation)**
Route to Market	Invitation to Quote (Works)
Successful Bidders	PME Dundee
Contract Value	£144,471
Award Date	2 October 2023
Start Date	9 October 2023
Contract Period	18 Weeks

Contract name	**Virtual Reality Headsets**
Route to Market	Non-Competitive Action (NCA)
Successful Bidders	Animmersion
Contract Value	£200,000
Award Date	10 October 2023
Start Date	23 October 2023
Contract Period	36 Months

Section B - Planned Contracting Requiring Approval

Contract name	**Minor Works**
Incumbent Suppliers	Various
Estimated Contract Value	£7,000,000
Owner	Head of Estates
Route to Market	Open Tender (Framework Agreement)
Intended Contract Start Date	April 2024
Proposed Contract Period	48 Months
Rationale	In collaboration with Abertay University, the establishment of a minor works procurement framework offers a structured, efficient, and cost-effective approach to procuring services for smaller projects. It streamlines the process, enhances quality, and allows the college to work with pre-qualified suppliers, all while complying with regulations and fostering transparency.

	Please take note that the projected contract value over the course of four years is expected to be £6 million, with an additional £1 million reserved for contingency purposes.

Section C – Planned Procurement and Recent Awards

Contract name	**Electronic Point of Sale (EPOS) Replacement**
Incumbent Suppliers	SCRS (Scotland) Ltd
Estimated Contract Value	£60,000
Owner	Director of Infrastructure
Route to Market	Call-Off from Framework (DPS)
Intended Contract Start Date	February 2024
Proposed Contract Period	48 Months
Rationale	Replacement of the college's Electronic Point of Sale system is being driven by a combination of factors, these include not only increasing expenses but also technological obsolescence, feature deficiencies, integration complexities, but the desire to enhance operational efficiency and user experience.

Contract name	**Strategic Communication Support**
Incumbent Suppliers	N/A
Estimated Contract Value	£57,600
Owner	Head of People and Organisational Development
Route to Market	Open Tender
Intended Contract Start Date	April 2024
Proposed Contract Period	48 Months
Rationale	Strategic communication is essential for building and maintaining a positive reputation, engaging stakeholder, attracting students, managing crises, and fostering a supportive and inclusive college environment. Playing a pivotal role in achieving the institution's mission and objectives. It involves various communication channels, including websites, social media, print materials, events, and personal interactions to effectively engage with a wide range of stakeholders, including students, faculty, staff, and the broader community. The appointment of a strategic communication advisory will play a crucial role in enhancing the college's reputation, engagement with stakeholders, and overall effectiveness in achieving its communication goals. The initial appointment will span a 12-month period and is estimated to cost £14,400 per annum. Assuming this will be an ongoing requirement, the estimated contract value has been calculated at four times the annual cost.

Section D – Other Procurement Activities

1. Annual Procurement Report
   The college has produced an Annual Procurement Report to comply with regulations and promote transparency and accountability in its procurement processes. This report underlines the college's dedication to ethical and responsible procurement, ensuring it operates in accordance with legal and regulatory mandates.

   Through the annual procurement report, the college reaffirms its commitment to conducting procurement activities in a lawful and ethical manner. This report fosters transparency, accountability, evidences compliance, illustrating the college's unwavering dedication to responsible and ethical procurement practices.

2. Procurement Strategy
   The college's procurement strategy is a comprehensive plan that outlines its approach to acquiring goods, services, and works, serving as a guiding roadmap for procurement activities. It emphasises alignment with the college's mission, regulatory compliance, sustainability, cost efficiency, and positive supplier relationships.

   In response to regulatory requirements, the college has undertaken a review of its procurement strategy. This review is crucial for aligning procurement practices with legal and ethical standards. By conducting this review, the college ensures compliance with regulations, ethical conduct, and operational efficiency in its procurement operations.

3. PCIP
   The College is currently preparing for an upcoming Procurement & Commercial Improvement Programme (PCIP) assessment scheduled for 30 January 2024.

   There are two distinct options available. Firstly there is a mandatory pulse check, providing an essential evaluation of the College's current status. Secondly, there is a reassessment option utilising the 2019 PCIP questionnaire to assess and benchmark the College's progress and improvement since our last assessment. The College has chosen this more comprehensive evaluation approach, aligning with its commitment to continuous enhancement and excellence in all key areas. It will look at compliance, process improvement, cost reductions, enhancement of supplier relationships, and overall operational optimisation. The outcome of this assessment will be reported to the Committee.

PROCUREMENT STRATEGY

Strategy No	**FINST01**
Approved by	**Finance and Property Committee**
Original Issue Date	**29/11/2021**
Current Issue Date	**05/12/2023**
Review Date	**30/11/2024**

FOREWORD BY PRINCIPAL SIMON HEWITT

This Strategy has been designed to ensure legislative compliance with the Procurement Reform (Scotland) Act 2014 and other relevant legislation and is aligned with the College's and the Scottish Funding Council's key strategic outcomes as detailed in our Regional College Outcome Agreement.

The key elements of the procurement legislation:

- *require us to publish a Procurement Strategy*
- *require us to maintain a public Contracts Register on our external website*
- *increase the scope of our Regulated Contracts*
- *require us to publish an Annual Procurement Report*
- *require us to meet The sustainable procurement duty*

This Strategy sets us challenging but realistic goals for the development of our procurement activities over the next 4 years, which will be subject to regular and transparent review.

The successful implementation of this Strategy can only be achieved by all of us involved in the procurement of goods and services on behalf of the College working in partnership with our Procurement Department and collaboratively with our partners across the wider education and public sector.

Working together we can significantly contribute to the future sustainability of the College through the reinvestment of resulting savings and efficiencies from our procurement activities to enhance our students learning experiences and outcomes and meet our aspirations as set out in our College's 2025 Strategy.

Once Printed/Downloaded, this is an UNCONTROLLED DOCUMENT. Refer to College Documentation Portal for latest version

PROCUREMENT STRATEGY 2021 – 2024 – No FINST01

Prepared by:	Tayside Regional Procurement Team/Finance	Approved By:	Finance and Property Committee

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1 FORMATION AND APPROVAL OF OUR PROCUREMENT STRATEGY

This Strategy has been informed by the Scottish Procurement's Statutory Guidance under the Procurement Reform (Scotland) Act 2014 with the support of Advanced Procurement for Universities and Colleges (APUC), which serves as the procurement centre of expertise for all of Scotland's colleges and universities.

The Strategy underwent approval by the College's Finance and Property Committee in November 2021 and has been subsequently reviewed and approved annually thereafter. The Strategy is publicly available on our external website.

In adherence to the Procurement Reform (Scotland) Act 2014. It is the Senior Leadership Team responsibility to ensure an annual review of this Strategy. This proactive approach ensures that ongoing alignment of our procurement activities with our broader institutional priorities and allows the College to make necessary revisions as required.

For a concise summary of the application of the Procurement Reform Act 2014 and Public Contracts (Scotland) Regulations 2016, as well as the key strategic and operational requirements outlined therein, please refer to Annex A at the end of the document.

2 CONTEXT

This Procurement Strategy provides the framework within which the procurement activities of the College can develop and help support our strategic objectives and outcomes. It can also be understood as a procurement improvements journey based on a clear understanding of where the College is currently, in terms of our procurement practice, and where we want and need to be and how we should get there.

It is imperative to note that the College is now legally mandated to establish and uphold a procurement strategy, as stipulated by the Procurement Reform (Scotland) Act 2014. This legislation establishes a nationwide framework for sustainable public procurement, with the goal of fostering economic growth in Scotland through an enhanced procurement practice.

The Act focuses on a small number of general duties on which a contracting authority must adhere to regarding their procurement activities as well as some specific measures designed to promote transparency, integrity and consistency in procurement practice which are detailed in section 6 below.

In accordance with this Strategy, we recognise that our procurement practices are based on the Scottish Government's Public Sector Procurement Policy. This policy positions procurement as an integral component of policy development and service delivery, with a core focus on achieving the optimal balance between cost, quality, and sustainability.

A key element of this Strategy revolves around shifting the focus of our procurement effort away from the purchasing or tendering phase and towards an enhanced emphasis on planning and post-contract phases of procurement. This shift encompasses an increasingly robust engagement with our stakeholders, both internal and external, underscoring the significance of collaboration throughout the procurement journey.

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3 PROCUREMENT MISSION

At Dundee and Angus College, our mission is to strategically source and procure the highest quality goods, services and works to support our institution's core values and goals. We are dedicated to fostering a culture of transparency, accountability, and sustainability in all our procurement practices. Our primary goal is to maximise value for money in our procurement endeavours, ultimately enhancing the educational experience for our students, employees, and the broader community.

This mission statement reflects the college's commitment to efficient, ethical and sustainable procurement practices that align with our institution's core values and educational vision.

4 PROCUREMENT POLICY

Our Procurement Policy and Procedures sets out our operational framework of how we conduct procurement. The policy and associated procedures ensure the procurement of all goods, services and works are achieved at competitive prices, and are governed by the Public Contracts (Scotland) Regulations 2015 principles of non-discrimination, transparency and procedural fairness. They comply with the Sustainable Procurement Duty and other relevant statutory requirements. In adherence to the regulations the College can demonstrate its accountability for, and good governance of its funds.

In summary, our policy aims to:

- Ensure that procedures adhere to high standards of public accountability;
- Align our practices with the Scottish Government's Procurement Journey;
- Comply with our obligations under the Public Contracts (Scotland) Regulations 2015, the Procurement Reform (Scotland) Act 2014 and the Procurement (Scotland) Regulations 2016; and
- Promote equality, diversity, and sustainability within our procurement initiatives.

5 STRATEGIC PROCUREMENT OBJECTIVES

Our strategic procurement objectives form the core of our Procurement Strategy. Each objective is aligned to the four strategic areas in line with the Scottish Model of Procurement:

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i. Improving Supplier Access to Public Contracts

Our goal is to simplify procurement processes for the College and potential suppliers, with a specific focus on enhancing access for local suppliers and SMEs. We aim to eliminate any non-value-adding elements in the procurement process. Furthermore, we are committed to developing comprehensive procurement management information systems to assess and enhance procurement and supplier performance, as well as to enhance coordinated procurement planning."

ii. Delivering savings and benefits

Our objective is to advance cost-effective practices and leverage procurement collaboration opportunities to deliver value for money. We will therefore collaborate closely with internal stakeholders and suppliers to consistently provide value, ensure performance management, and minimise risks throughout the duration of contracts, all for the benefit of our customers and students.

iii. Maximising efficiency and collaboration

Collaborating with internal academic budget holders, professional support services colleagues, and suppliers we will aim to deliver innovation and optimal value to the teaching, learning, and services support communities. This will be achieved through the continuous enhancement of efficient and well-coordinated procurement processes.

We will aim to maintain and expand partnerships within the sector, including other publicly funded entities, professional bodies and supply markets. These collaborations will provide valuable insights, innovation, and enhancements to deliver value to users of our procurement services.

Additionally, we are committed to providing professional procurement training to our colleagues, ensuring the integration of procurement and contract management skills throughout the College.

iv. Embedding sustainability in all we do

Incorporating robust ethical, social, and environmental policies into procurement practices and adhering to applicable Scottish and other relevant laws by complying with the Sustainable Procurement Duty.

We will assess and reinforce these objectives through three specific methods; via the Dundee and Angus College Outcome Agreements , participating in the Scottish Government's Procurement and Commercial Improvement Programme (PCIP), and through the publication of an Annual Procurement Report.

6 ENSURING COMPLIANCE WITH GENERAL DUTIES AND SPECIFIC MEASURES OF THE PROCUREMENT REFORM (SCOTLAND) ACT 2014

6.1 Introduction

In accordance with the Procurement Reform (Scotland) Act 2014, the College is obligated to adhere to general obligations and specific provision which have been embedded within our Procurement Policy. To provide clarity and to ensure comprehensive compliance with the Act these are outlined below.

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6.2 Contribute to the carrying out of our function and the achievement of our purposes

The College will conduct and analyse its third-party expenditure and identify two categories: 'GPA regulated procurements' (comprising Goods and Services valued at over £213,477, or £177,897 excluding VAT, and Works valued over £5,336,937, or £4,447,447 excluding VAT, in accordance with the GPA Thresholds that apply to the College as an "other public sector contracting authority") and 'lower value regulated procurements' (comprising Goods and Services valued at more than £50,000 and Works valued at over £2 million, as per the Procurement Reform (Scotland) Act 2014).

Additionally, the College will categorise regulated procurements based on Proc-HE Commodity category and give due consideration to appropriate and effective consultation that aligns individual procurement strategies with the College's objectives. This alignment, in turn will contribute to the National Outcomes as detailed in the College's Regional Outcome Agreement.

Lastly, the College will consider, where appropriate, the effective use of proportionate contract and supplier management practices to oversee and enhance the outcomes of regulated procurement contract.

6.3 Deliver value for money

Value for money, as defined by the Scottish Model of Procurement, transcends cost and quality consideration; it encompasses the balance of cost, quality, and sustainability.

The College, through its Procurement Policy and practice is committed to consistently upholding this principle. However, it acknowledges that the balance of cost, quality and sustainability will fluctuate for regulated procurements based on the characteristics of the subject matter and its market.

Furthermore, the College will explore the feasibility of applying whole-life costing to procurement (when appropriate). When applying the value for money principle, the College will ensure clarity, transparency, and proportionality in alignment with the Public Contracts (Scotland) Regulations 2015, encompassing equal treatment, non-discrimination, transparency, proportionality and mutual recognition. This commitment also aligns with Section 8 Procurement Reform (Scotland) Act 2014 as well as Sustainable Procurement (refer to section 6.5 below).

6.4 Treating relevant economic operators equally and without discrimination

The College is committed to conducting all its regulated procurements in accordance with the principles of the Public Contracts (Scotland) Regulations 2015. These principles include the promotion of equal treatment, non-discrimination, transparency, proportionality, and mutual recognition.

As part of this commitment, all regulated procurements will be openly published on accessible platforms such as Public Contracts Scotland (PCS) and Public Contracts Scotland - Tender (PCS-T). Additionally, the College will make every effort to utilise distinct lots, incorporating clear output based specifications and transparent evaluation criteria, to enhance the accessibility of the procurement process and encourage participation from a wide range of potential bidders.

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6.4 Acting in a transparent and proportionate manner

The College is committed to maintaining continuous engagement with its local supply market. Through its Procurement Policy encourage the use of clear and precise language in its specifications. Furthermore, contracts will be awarded based on a holistic evaluation, considering quality, risk, sustainability, as well as cost, in accordance with the predetermined score weightings specific to each contract.

To facilitate the participation of smaller and local businesses in the bidding process, the College will take proactive steps. These measures include:

- Initiating market engagements;
- Leveraging platforms such as Public Contract Scotland – Tender (PCS-T), Public Contracts Scotland (PCS), and Quick Quotes. Providing information on third party training opportunities such as Supplier Development Programme, to enhance suppliers' capacity in navigating the public tender process; and
- Maintaining a contracts register that showcases contracts of potential interest to local suppliers for bidding purposes.

6.5 Sustainable Procurement

The College is committed to the principles of sustainable procurement. Our procurement endeavours are not merely driven by a pursuit of best value for money; they also aspire to make a substantial, sustainable, and socially responsible impact, both locally and on a global scale.

We acknowledge that the decisions we make in procurement hold significant socio-economic and environmental consequences, not just for the present but also for future generations. Consequently, our commitment extends to the seamless integration of sustainability into our everyday practice and decision-making processes. This approach is designed to minimise our environmental impact and optimise the social and economic outcomes inherent in our operations.

Recognised that our external supply chain partners play a pivotal role in contributing to sustainability in its broadest sense, we are dedicated to ensuring that our staff involved in the procurement process take account of relevant environmental, social and economic factors when making their purchasing decision.

To uphold our commitment to The Sustainable Procurement Duty, the College will leverage various tools and systems, including the Scottish Public Procurement Prioritisation Tool, the Sustainability Test, Life Cycle Impact Mapping, the Scottish Flexible Framework as well as APUC's Supply Chain Code of Conduct, Sustain and Electronics Watch. The usage of these tools will be determined by their relevance and proportionality to the scope of the procurement.

Our sustainable procurement objectives are aligned with the College's Climate Emergency Action Plan, aiming to ensure that:

- Environmental sustainability and social impact are integral to the entire procurement process, encompassing the assessment of needs, evaluation of options, design and specification, supplier selection, tender evaluation, post-contract management and supplier development.
- The College and our supply base remain in compliance with all relevant legislation and regulatory requirements.

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- The College actively promotes sustainable awareness and assessment amongst suppliers and contractors.
- Sustainable products and services are procured wherever feasible.
- Ongoing efforts are made to diminish the negative environmental and sustainability impacts of construction and refurbishment projects.
- Measures are developed to monitor our sustainable practice, with a focus on continual improvement.
- The results of monitored practices are used to benchmark our performance against similar organisations, allowing us to identify areas for improvement.
- Staff are equipped with the necessary skills and tools to make sustainable procurement decisions.

These objectives are further reinforced by the introduction of a Supply Chain Climate & Ecological Emergency Strategy (SCCEES), developed in collaboration with a diverse range of stakeholders from the University and College sectors. This strategy will facilitate the monitoring of activities aimed at reducing climate impact across seven primary commodity categories. Specifically, Estate Operations and Development, Catering, Furniture, Information Technology / Services (IT/S), Laboratories, and Travel and Transport have been recognised as the most significant areas of impact. Effective management of these areas will be essential to our sector's contribution to addressing the Climate and Ecological Emergency

6.6 Modern Slavery & Human Trafficking

The College is committed to measurement and vigilant monitoring of its operation to ensure that there are no occurrences of Modern Slavery and human trafficking.

In compliance with the Modern Slavery Act, the College is committed to preventing modern slavery, human trafficking, forced and bonded labour and labour rights violations in its supply chains. The following fundamental principles will be adhered to:

- Ensuring employment is freely chosen.
- Respecting the freedom of association and the right to engage in collective bargaining.
- Ensuring the provision of safe and hygienic working conditions
- Zero tolerance of child labour
- Living wages are paid
- Regulating working hours, ensuring they are reasonable and not excessive
- Prohibiting any form of discrimination
- Providing regular and secure employment
- Prohibiting harsh or inhumane treatment in any circumstance.

Our unwavering commitment to these principles is not only a reflection of the College's ethical values but also a testament to our dedication to promoting social responsibility, human rights, and fair labour practices in all our endeavours. We diligently uphold these principles to ensure that modern slavery and human trafficking have no place in our operations, and we remain vigilant in our mission to drive positive change and set a high standard for ethical conduct in our industry.

6.7 Policy on the use of community benefits

The College is committed to supporting the economic, social, and environmental well-being of the local communities and regions it serves. The incorporation of Community Benefits outlines our commitment to incorporating Community Benefit Clauses into our procurement activities in alignment with our institutional values and the relevant

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statutory requirements. These clauses aim to promote stronger communities, reduce social exclusion and poverty, and encourage the growth of the local economy.

The College will assess the potential to enhance the economic, social, or environmental wellbeing of the Tayside region, based on proportionality and relevance. This assessment will be consider through the inclusion of Community Benefit Clauses that align with both the College's strategic objectives and several of the Scottish Government's National Outcomes, specifically those for education, the economy, fair work, and the environment.

It is important to note that the legislation mandated the incorporation of Community Benefits for any procurements with an accumulative value exceeding £4 million.

The overarching aim of Community Benefits is to build stronger communities, reduce social exclusion and poverty, and stimulate local economic growth. Examples of community benefits clauses may include the provision of training opportunities or subcontracting opportunities within Tayside, relevant and proportionate to the specific procurement. The College is committed to engaging with internal stakeholders, including students where relevant and to foster engagement with the local and broader supplier community to ensure a clear understanding of the use of community benefits and how to respond where they are included within the procurement process.

6.8 Consulting and engaging with those affected by its procurement

The College will take into account established best practice and engagement principles, including those detailed in the National Standards for Community Engagement. Additionally, we are committed to ensuring procurement staff possess, or will acquire, the necessary communication and engagement skills.

For each procurement, we will assess the potential impact on the community affected by the resulting contract, and we will undertake consultations with any impacted organisations or individuals. This may include assessing the impact on student service or the possibility of combining a local contract with the needs of other similar institutions. This approach to consultation will be tailored to the scale and requirements of the specific procurement. These practices will be fully integrated into the College's procurement practice.

6.9 The Living Wage

The College acknowledges the significance of having a well-motivated and committed workforce both in its own institution and among its suppliers. Dundee and Angus College are dedicated to paying the Living Wage to all its employees and holds accreditation as a Living Wage employer.

In compliance with the Act, the College will assess, prior to commencing a procurement, whether it is pertinent and reasonable to include a question on fair work practices, in conjunction with other relevant criteria. This evaluation will ensure an optional balance between the quality and cost of the contract, taking into consideration to Fair work and Procurement, including the application of the Scottish Living Wage.

Our approach to fair work practices is not just a reflection of our commitment to ethical employment standards but also a testament to our pledge to promote equitable compensation, labour rights, and social responsibility.

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We are dedicated to fostering a work environment where all individuals are treated fairly and equitably, aligning our values with our actions in pursuit of a well-balanced and just approach to our procurement activities.

6.10 Promoting compliance with the Health and Safety at Work Act 1974

The College's commitment extends to engage exclusively with suppliers that adhere with all pertinent and applicable legislation, particularly Health and Safety legislation.

On a contract-specific basis, the college will conduct assessments to ascertain the legislation applicable to a procurement and will take measures to ensure that bidders comply with such legal requirements. Furthermore, the College will endeavour to assess the compliance of subcontractors where this is proportionate and pertinent.

It is mandatory for all suppliers to have completed a Health and Safety Assessment Questionnaire. This requirement our dedication to safeguarding the well-being and security of all stakeholders involved in our procurement processes.

6.11 The procurement of fairly and ethically traded goods and services

The College is an advocate for sourcing goods that adhere to the principles of fairly and ethical trade. In this commitment, we not only strive for products that meet our high standard but that also aim to promote ethical trading practices throughout our procurement processes.

Where directly relevant, the College will actively incorporate applicable standards and labels in our procurements. These standards and labels will be integral in ensuring that our goods are sourced with careful consideration of ethical and fair-trade considerations. Such consideration encompasses various aspects, such as labour conditions, environmental sustainability, and social responsibility.

Furthermore, in the pursuit of ethical and fair trading, we acknowledge that some suppliers may not possess the specific certification but still demonstrate a strong commitment to meeting the criteria. In such cases, we remain open to considering equivalent offerings from these suppliers demonstrating a strong commitment to ethical and fair-trade practices.

Through these principles, we aim to not only acquire goods that meet our ethical standards but also encourage and support ethical and fair-trade practices within our supply chain, thereby contributing to a more just and sustainable market.

6.12 The provision of food and improving the health, wellbeing, and education of communities in the College's area, and the promotion of the highest standards of animal welfare

The College is committed to identifying practical strategies for providing nourishing, fresh, seasonal, and sustainably grown food product that not only offer value for money but also serves to enhance the health, well-being and educational experience of our teaching and learning communities. Additionally, we take great care to promote the highest standards of animal welfare in our food sourcing practices.

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In pursuit of these objectives, the College will actively seek to establish cost-effective contracts that align with the nutritional requirements of all individuals utilising of our catering services.

We are committed to drawing from available best practices practice and guidance such as "Catering for Change – Buying food sustainably in the public sector". This guidance serves as a vital reference for promoting the sustainable procurement of food in the public sector and will inform our approach.

Our aim is to provide not just food, but sustenance that supports overall health and academic success. Furthermore, we are committed to ethical practices that not only extend to well-being but also to the welfare of the animals involved in our food supply chain. By doing so, we not only nourish minds but also foster a commitment to sustainability, health, and ethical responsibility.

6.13 Payment terms

The College recognises the importance of paying suppliers promptly once a service has been performed or goods delivered and that late payment is particularly detrimental to SMEs, third sector bodies and supported businesses.

In accordance with our commitment, the College will adhere to the Late Payment Legislation, ensuring that our supplier receive their payments promptly, enhancing their financial security. Furthermore, we recognise that the adverse effects of late payments can extend beyond our immediate suppliers. As a result, we will systematically review, on a contract-by-contract basis, whether these obligations should be extended and monitored further down our supply chain.

Our objective is not only to maintain a responsible and ethical approach to payment practices but also to create a financial ecosystem that supports the sustainability and growth of our suppliers, especially those that may be more vulnerable to the effects of delayed payments. This approach underscores our dedication to fostering fairness and integrity within our procurement processes.

7 ANNUAL PROCUREMENT REPORT

7.1 Statutory Requirement

In accordance with the Procurement Reform (Scotland) Act 2014, the College is committed to the timely publication of an Annual Procurement Report. This report will be made available promptly following the conclusion of the College's financial year. Within this report, the College will fulfil its statutory obligations, as stipulated by the Act, by detailing the actions taken to conform with our responsibilities under the Act.

The report comprehensively outlines how the College has exercised discretion and exercised sound judgement, all within the bounds of the public procurement regulations. These measures have been strategically deployed to advance the College's overarching objectives, ensuring full compliance with the requirements of the Act.

This report, in addition to its legal obligations, offers valuable insights into the College's procurement activities and the strategic direction of its pursuits. Additionally, it presents an avenue for a comprehensive analysis of the advancements achieved under the scope of this Strategy.

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The report not only underscores our dedication to transparency but also serves as a medium for evaluating and conveying the concrete results and accomplishments stemming from our procurement initiatives.

7.2 Contents of our Annual Procurement Report

The Annual Procurement Report, as mandated by the Act, will contain as a minimum the following essential components:

- An overview of the regulated procurements that have been successfully completed during the reporting year.
- A review of the extent to which these procurements adhered to the principles outlined in this Strategy.
- In cases where regulated procurements did not fully align with the Strategy, a declaration specifying the measures that the College intends to implement in order to ensure future regulated procurements are in compliance.
- A summary of any community benefit requirements integrated into regulated procurement that were successfully fulfilled during the reporting year. This may include details on completed apprenticeships, contributions to curriculum support activities, engagement in business support activities, support to communities and resource efficiencies achievements related to materials, waste or water.
- A summary of the initiatives undertaken to facilitate the involvement / participation of supported businesses in regulated procurements during the reporting period.
- A summary of the regulated procurements the College anticipates initiating within the next two financial years.
- Any additional information as may be specified by the Scottish Ministers through order, as well as demonstration of compliance with other legislation governing the College's procurement activities.

Additionally, the College may also consider the following elements:

- Insights obtained from consultation and engagement with stakeholders and those impacted by our procurements, along with a description of the measure being taken to address and respond to their feedback.
- A presentation of ongoing efforts to enhance our performance and impact, utilising pertinent information such as spend analysis, and reporting on improvement achieved since the previous report.
- An account of collaborative efforts with other organisations, such as procurement centres of expertise, aimed at optimising efficiency and effectiveness.

In the interest of transparency and accessibility, the College will endeavour to publish its annual procurement report in an inclusive manner, taking into consideration equality and accessibility issues. This approach will ensure that stakeholders have the opportunity to gain a comprehensive understanding of the College's procurement performance.

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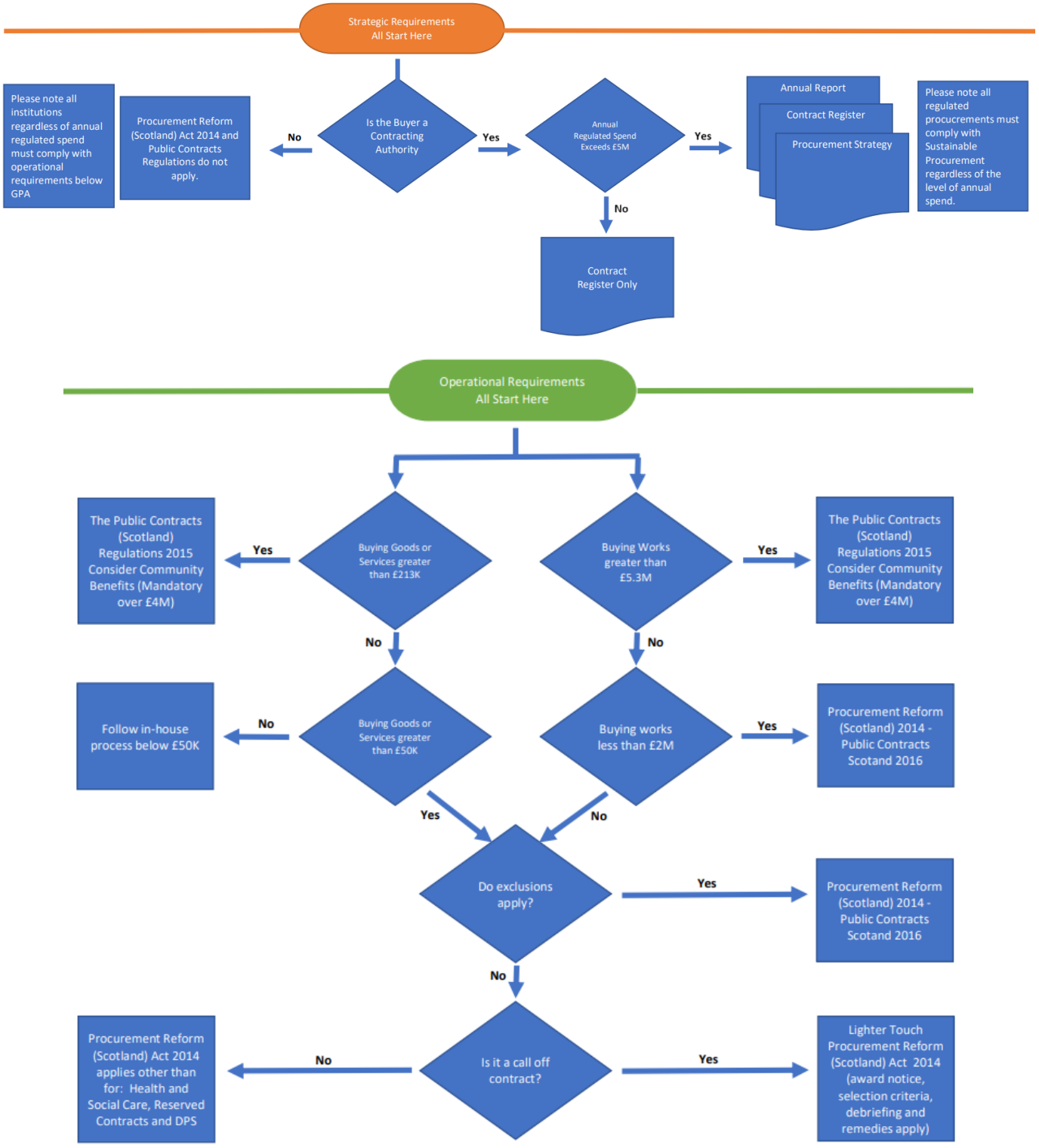
Annex A.



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Agenda Item 21.0

JOINT AUDIT & RISK,
FINANCE & PROPERTY COMMITTEE

Tuesday 5 December 2023

Strategic Risk Register (F&PC Extract Only)

21.1 Strategic Risk Register Cover **PAPER U**
21.2 Strategic Risk Register **PAPER V**

BOARD OF MANAGEMENT

Finance & Property Committee

Tuesday 5 December 2023

Strategic Risk Register - Cover

Paper U for discussion

1. Introduction

This paper presents the Finance & Property related Strategic Risks for review and consideration, with any proposed changes being presented to the Audit & Risk Committee for approval.
The following risks are allocated to the Finance & Property Committee for overview:

2.1 Change in SFC Funding Methodology and Allocation – Reduction in Funding

2.2 Failure to achieve institutional sustainability

2.3 National outcomes on salaries and conditions of service outstrip ability to pay

2.5 D&A Foundation refuses/withholds funding for key College priorities

2.6 Demands of capital developments / maintenance impacts on financial sustainability or delivery of learning and/or services

4.2 Failure to achieve ambitions of Digital strategy; strategy and development is ineffective

This meeting will again consider the following particular risk:

2.2 Failure to achieve institutional sustainability

2. Recommendation

Members are asked to review the risks and ratings and identify if:

a) the pre- and post-mitigation risk ratings remain appropriate

b) there are emerging risks that should be considered

Any proposed changes would be advised to the September 2023 meeting of the Audit & Risk Committee.

3. Risk

Risk 2.2: As outlined within the agenda and papers considered, the College has embarked upon a significant savings plan to deliver a sustainable budget and operating position for 2023/2024 in the light of the 'flat cash' settlement indicated within the indicative funding allocation.

Whilst the risk rating in respect of this remains as major, the savings plan activities have supported development of a close to breakeven budget at this time.

4. Review of Risks Allocated to the Committee within the Strategic Risk Register

The full Strategic Risk Register is subject to rolling review and discussion at the Audit & Risk Committee and Board of Management.

Author and Executive Sponsor: Steve Taylor, Vice Principal

STRATEGIC RISK REGISTER

2023 – 2024

Extract for Finance & Property Committee

As at November 2023

DRAFT

Post Holders					Score	Impact	Likelihood
	ELT	Executive Leadership Team	Prin	Principal	1	Routine	Remote
	SLT	Senior Leadership Team	DirC&A	Directors of Curriculum & Attainment	2	Minor	Unlikely
	Board	Board of Management	HoICT	Head of ICT	3	Significant	Possible
	VPSO	Vice Principal Support & Operations	HoE	Head of Estates	4	Major	Probable
	VPCP	Vice Principal Curriculum & Partnerships	Chair	Chair of the Board of Management	5	Critical	Very Likely

Risk Number & Committee	POTENTIAL CONTRIBUTING FACTORS				TREATMENT	POST MITIGATION EVALUATION				
	Risks	Impact	Likelihood	Score	Mitigation Actions	Impact	Likelihood	Score	Monitoring	Responsibility
2 Financial										
2.1 **F&P**	Change in SFC Funding Methodology and Allocation – Reduction in Funding	3	3	9	• Negotiation/influence at national level • Contingency plans for reduced funding	3	3	9 ↔	• Advance modelling of new funding methodologies and allocations • Monitoring impact of changes • Amendment of strategic or operational direction / plans • Financial strategy sensitivities	VPSO
2.2 **F&P**	Failure to achieve institutional sustainability.	5	4	20	• 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 ↔	• Monthly monitoring of budgets • Regular review of financial strategy and non-core income sensitivity • Detailed monitoring of savings programmes	VPSO
2.3 **F&P**	National outcomes on salaries and conditions of service outstrip ability to pay	4	4	16	• Influence within Employers Association • Management of staffing expenditures	4	3	12 ↔	• Expenditure modelling • On-going discussions with staff • Financial strategy sensitivities • Workforce planning	VPSO

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

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

Risk Number & Committee	POTENTIAL CONTRIBUTING FACTORS: Risks	Impact	Likelihood	Score	TREATMENT: Mitigation Actions	POST MITIGATION EVALUATION: Impact	Likelihood	Score	Monitoring	Lead Responsibility
2 Financial (cont)										
2.5 F&P	D&A Foundation refuses/withholds funding for key College priorities	5	3	15	• On-going dialogue with Foundation Trustees • Appropriate bid arrangements in place	3	2	6 ↔	• Monitor and advise Board of Management	Prin & VPSO
2.6 F&P	Demands of capital developments / maintenance impacts on financial sustainability or delivery of learning and/or services	3	2	6	• 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 ↔	• Monitoring of capital plans and expenditures • Regular review of capital plans/timescales relative to funds	VPSO
4 Infrastructure										
4.2 F&P	Failure to achieve ambitions of Digital strategy; strategy and development is ineffective	4	3	12	• Planning, careful phasing of changes to processes and systems • Effective management of ICT arrangements • Clear investment plan	4	2	8 ↔	• Regular review/reporting on milestones, systems effectiveness etc • Regular CPD	VPSO 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

Agenda Item 22.0

JOINT AUDIT & RISK, FINANCE & PROPERTY COMMITTEE

Tuesday 5 December 2023

Corporate Services Report

PAPER W

BOARD OF MANAGEMENT

Finance & Property Committee

Tuesday 5 December 2023

Corporate Services Report

Paper W for information

1. Introduction

This report brings to the Committee's attention matters, which are not covered by other agenda items.

2. Recommendation

Members are asked to note the contents of this paper.

3. Scottish Funding Council Update

The SFC announced the following in respect of financial and funding requirements

Publication	Topic	Allocation
SFC/GD/23/2023	Education Maintenance Allowance Return 2022-23	
SFC/GD/26/2023	EMA Audit Guidance 2022-23	
SFC/GD/27/2023	FES Return and Audit Guidance 2022-23	
SFC/GD/28/2023	Student Support Funding Audit Guidance AY 2022-23	
SFC/GD/16/2023	Childcare Policy 2023-24	
SFC/GD/31/2023	Education Maintenance Allowance Guidance 2023-24	
SFC/CI/05/2023	In-year management of student support allocations 2023-24	
SFC/CI/06/2023	College Financial Statements and Returns 2022-23	

4. Supporting Our Learners

January recruitment is now open for applications although applications are down by 26% on the same time last year, ongoing promotion with schools and SDS is a priority, and we have scheduled promotion days with our pop-up Help Points in the community and Overgate centre to hopefully boost application numbers.

We are in the process of introducing a new application system for our August 2024 intake, the full course portfolio is available on the website and a soft launch/live test of the system was

offered to a small number of candidates from 21st November, early testing is going well with the plan to do full roll-out/launch w/c 4th December. Training sessions for all stakeholders have been scheduled with targeted sessions for guidance staff in Angus and Dundee schools, SDS and our internal staff taking place over the next 4 weeks.

Retention is still a key priority for all staff, attendance phone arounds continue on a weekly basis to support students back into classes. We are also in the process of developing of our data sharing portal with SDS to easily identify students that have hit an attendance trigger as they are also offering support to aid our students to continue with their studies. Targeted workshops and support are also being delivered by SDS on campus with groups where retention has been identified as an issue. It is also planned to send out our "Keeping Connected" communications during December, similar to last year, highlighting the support workshops, thrive opportunities and also external support that is available over the Christmas period to all our students.

The Student Funding team have communicated our Cost-of-Living support arrangements to over 1,300 students, this is an additional one-off funding payment to students with a household income under £25K of £150 in December, February, and April, to date we have received just short of 600 applications for this fund.

5. Service Design Academy Update

College Structure

Caryn Gibson, Business Partnership Manager has assumed responsibility for the Service Design Academy. With Caryn's extended remit now including
the commercial operation of the Gardyne Sports Centre and The Skills Academy at MSIP, Maralyn, Katie and the team are looking forward to her support and leadership to continue the growth of SDA as a more integrated and connected part of the College.

Professional Development Award (PDA)

Two PDA cohorts for 23/24 are now running with a third planned to start in January 2024. Accessible course content, including a conversion of all course materials to be screen-reader compliant and for learners to evidence their service design practice in video and in-viva has now been completed.

The team were thrilled to see over **50 Professional Development Award delegates graduate** on the 27th October, with a small but very proud group attending in person and coming from as far afield as London.

Robbie Beautyman with PDA graduates

Short course programme

The new Service Design for Data Professionals course has had a new market of engaged learners join for 14 hours in November 2023. 22 places were funded with the support of **Data Skills for Work at The Data Lab through the Tay Cities Deal Digital Skills Project.** A second round of funding has been approved for a course in early 2024 and interest to develop a new data / service design integrated offering with the Data Lab in 2024. We are excited to continue to work with national digital, data & tech community to centrally position service design skills in capability frameworks.

Two prototypes from the Service Design for Data Professionals course

Our popular 5-day Service Design for Innovation and Impact course in October welcomed colleagues from **Marine Management, Registers of Scotland. Changeworks, Education Scotland, Scottish Government, Care Inspectorate, University of Dundee and Strathclyde University**. Three more courses are planned in February, May and June 2024, with overall projected income of £75,000.

Welcome to Service Design online course is running on the 30th November and 7th December with 20 delegates across UK joining. This introductory course has also been offered tactically as an engagement tool for prospective corporate customers with our BPT colleagues to raise awareness of service design.

Partnerships and Projects

Following a programme in March, **Department of Health and Social Care Digital Transformation Policy team** has commissioned us to design a prototyping course to support better communication between policymakers and NHS stakeholders. This 2-day face to face course will run in early February in London.

A five-day training programme ran in October and November for **SoftCat**, a UK wide IT services company looking to build capacity with 16 product and programme managers.

The innovative **Dumfries and Galloway Local Employability Partnership (DGLEP)** project completed by John and Janine in November has seen User research and co-design skills developed to empower DGLEP workers to engage with local families as community consultants. The user research and co-design activities have led to the initial prototypes being presented to the Scottish Government in late November.

North East of Scotland College commissioned the team to design and deliver a service design driven strategy event with their Board and Senior Leadership team in November. John and Janine facilitated participants to develop a strategy timelines and key themes were prototyped to be explored through year-long user research and co-design with all College stakeholder groups.

CanDu Dundee Cancer Network Conference V&A Dundee

Kim, Robbie and Maralyn joined CanDu - Cancer Dundee Support Network – conference with designers Linsey McIntosh and Gary Kennedy at the V&A Dundee. This event brought people living with cancer, clinicians, health and cancer support specialists together learn about the value of lived expertise.

To celebrate the V&A Dundee Tartan Exhibition, a design activity offered participants the chance to weave their thoughts and ideas together as a magical tartan. You can read how service design was central to this event here: https://www.sda.ac.uk/designing-a-cancer-lived-expertise-tartan/

Pipeline

The current pipeline including PDA and 2024 short courses has projected additional income of £400k. Applying a confidence rating of 50% on customised contract bids means that we need to increase the pipeline with customised business by another £200k to ensure contribution is achieved.

Business Development

A significant amount of the Business Manager's time continues to be dedicated to relationship building and setting briefs with customers, partners and incoming enquiries. Although this approach has high conversion rates, to grow we need to target our ideal customers geographically and by sector. With the support of Caryn and the BPT team, we are already making inroads in 2024 with more focussed marketing plans.

- Your Due North marketing agency helped with the development of our marketing strategy in October and November. A strategic asset audit and a strategy workshop have given us a strong grounding to develop our plan and marketing requirements for 2024
- Monthly Newsletters with short course updates and industry news have been issued. You can read our October newsletter here
- Linked is our main social media marketing activity and is driving leads to our website and inbox.
- The full team attended Service Design in Government 3-day conference in September to understand upcoming trends and barriers faced in this sector.

Team

With John's secondment in July, we now have 5.9 consultants FTE including Katie our lead consultant with capacity for design and delivery of courses. In the past quarter:

- Katie attended the Service Design Global Conference in Berlin in October and networked and learned with leading service design industry peers. She attended a co-creation school weekend with leading expert Adam St-John Lawrence
- Kim's final edits are being made to her chapter in Service Design in Higher Education. She has designed the new Service Design for Data Professionals course and with the August PDA cohort, leads development of accessible learning.
- Maralyn gained Service Design Network Practitioner level accreditation.
- Alison is co-ordinating all courses from recruitment to onboarding and supporting 2024/25 marketing planning.
- Robbie, John, Janine, Jo and Connor continue to design and deliver flexibly with online and face to face programmes with consistently positive feedback from learners

Management Accounts

The following shows the draft management accounts for the 3 months to October 2023

Prior Year	**Year to Date Cumulative**	**Full Year**	
Actual	Actual	Budget	Forecast

	£	£	£	£
Income	571,390	195,066	583,000	601,618
Pay Costs	354,083	106,239	361,182	421,010
Total non-pay costs	9,467	1,768	21,818	21,818
Contribution/ (net cost)	207,840	87,059	200,000	158,790

Contribution:

Total of a contract's income is recognised at the start of the contract delivery and the expenditure (staff costs) are expended over the year, so although a contribution of £87,059 is already being reported this will vary depending on when the income/costs are recognised**.**

Rationale for reducing contribution forecast from £200k to £158.8k
SFC budgeted funding has been forecast to reduce by **£41.4k** (£113k vs £71.6k) including a £27k reduction in Flexible Workforce Development Fund. Although FWDF can be replaced by commercial income, but it does help to provide a "viability bedrock" for open courses and uncertainty around FWDF might have a wider impact on securing commercial income for scheduled courses including the PDA**.**

Forecast **commercial fees income** has been increased by **£60k (£470k vs £530k**) to absorb some of the funding decrease and to meet increased staff costs as we invest in building capacity for long term partnerships and more flexible delivery schedules to accommodate short courses programme.

By not absorbing the full budget pressure of FWDF and increased staff costs **(£101k)** into the commercial income forecast, the contribution forecast has been adjusted to £159k. The team continue to be **focused on £200k contribution target** achievement, and this is reflected in the push to increase strategic marketing and business development.

6. Gardyne Theatre

Following discussions at the Audit & Risk Committee and Board, a full audit of GTL is underway and will be reported alongside the College accounts.

The Theatre is again supporting the Thrive with D&A activities this year by showing three free Christmas movies. These movies, Elf, Home Alone 2 and Miracle on 34th Street will show on 18, 19 and 20 December 2023, with tickets for these showings 'selling' out in just 7 minutes. As with last year, GTL staff and some College staff have volunteered to support the showings for free.

7. Angus Shared Apprenticeship Scheme & Company

Dundee and Angus College was a key contributor and founder member of the Angus Shared Apprenticeship Scheme in partnership with Angus Council, Dundee City Council, CITB and

local construction industry employers. This project was championed by Kevin Murphy in his role as Director of Curriculum.

The scheme was established as a limited company (Shared Apprenticeship Limited - SAL), with the College holding one directorship on the board. The company is run and managed on a day to day basis by Angus Council.

Whilst the scheme has operated successfully for a number of years, it has struggled financially since the COVID-19 pandemic and the SAL board has decided to wind up the company over the coming months. Recruitment of new apprentices has stopped, and the final remaining apprentices will be retained until their apprenticeships are completed (around April 2024).

Whilst the winding up of SAL is regrettable, there is no financial risk to the College in respect of this.

The College will continue to host the SAL website after the company has been wound down, providing access to information around the shared apprenticeship model for any others considering a similar project.

8. Regular Updates

The following have previously been agreed as a feature of the regular reporting to the Finance & Property Committees.

Subject	Comment
Bad Debt Reporting and Write- Off	There were no individual bad debt write offs over £3k during the period between September and December 2023.

9. Link to Strategic Risk Register

Consideration of the topics included in this report will support the mitigation of a range of risks identified within the Strategic Risk Register namely;

2.2 – failure to achieve institutional sustainability
3.2 – failure to achieve/maintain compliance arrangements

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Agenda Item 23.0

JOINT AUDIT & RISK, FINANCE & PROPERTY COMMITTEE

Tuesday 5 December 2023

Date of Next Meeting- 27th February 2024, A625, Kingsway Campus