BOARD OF MANAGEMENT

Audit and Risk Committee

Tuesday 17 September 2024 at 5.00pm **Room K-TO-624, Kingsway Campus** (MS Teams option available)

AGENDA

1. **WELCOME**

2. **APOLOGIES**

3. **DECLARATIONS OF CONNECTION & INTEREST**

4. **MINUTE OF THE PREVIOUS MEETING** – 5 March 2024   Paper A for approval

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

6. **INTERNAL AUDIT**

6.1. Sports Centre Business Process Review	Verbal update	HL
6.2. Internal Audit Follow-Up Report	Paper C for approval	HL
6.3. Progress Report – Procurement & Creditors / Purchasing Audit	Paper D for information	NA
6.4. 2023/24 Progress Report	Paper E for approval	HL
6.5. 2024/25 Draft Audit Plan	Paper F for approval	HL
6.6. Follow Up Summary	Paper G for information	NA/ST

7. **ANNUAL DATA PROTECTION COMPLIANCE REPORT**   Paper H for information   ST

8. **RISK MANAGEMENT POLICY UPDATE**   Paper I for approval   ST

9. **STRATEGIC RISK REGISTER**

(i) Risk Register Update	Paper J for approval	ST
(ii) Strategic Risk Register		

10. **EXTERNAL AUDIT**   Verbal update   MS

11. **DATE OF NEXT MEETING** – Tuesday 3 December 2024 (Joint meeting with Finance & Property Committee) at 4.00pm in Room K-TO-604, Kingsway Campus

12. **INTERNAL AUDIT SERVICES PROCUREMENT**   Paper K for approval   ST
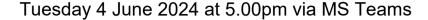
    (Item for consideration without auditors present)

BOARD OF MANAGEMENT

Audit & Risk Committee

Tuesday 17 September 2024

MINUTE OF THE PREVIOUS MEETING   **PAPER A**

BOARD OF MANAGEMENT

Audit and Risk Committee

Tuesday 4 June 2024 at 5.00pm via MS Teams

Minute of the Audit & Risk Committee meeting held on Tuesday 4 June 2024 at 5.00pm via Microsoft Teams.

PRESENT:	Helen Honeyman (Chair)		Margo Williamson
	Derek Smith		Matthew Beattie

IN ATTENDANCE:	Steve Taylor (Vice Principal Support Service and Operations)	
	Stuart Inglis (Henderson Loggie)	Michael Speight (Mazars)
	Nicky Anderson (Director of Finance)	Bridget Mauro (Mazars)
	Penny Muir (Board Administrator)	

1. WELCOME

H Honeyman welcomed D Smith and M Beattie as new members of the Committee and B Mauro (Audit Manager) from Mazars to her first Audit & Risk Committee.

2. APOLOGIES

Apologies were received from Roy McLellan, Sally Middleton, and Jackie Buchanan.

3. DECLARATIONS OF CONNECTION & INTEREST

There were no declarations or interest.

4. MINUTE OF THE PREVIOUS MEETING – 5 March 2024

The meeting held on the 5th of March 2024 has been approved as an accurate minute.

5. MATTERS ARISING

The matters arising are now closed.

6. INTERNAL AUDIT

6.1. Procurement and Creditors / Purchasing

S Inglis presented the Procurement and Creditors/Purchasing report.

He summarised the background in the report noting that the Head of Procurement requested funding for an additional full-time staff member. However, the Senior Leadership Team noted that this request could not be supported due to the financial constraints and necessary cuts across all services to maintain the College's financial sustainability.

S Inglis highlighted internal controls and the payment of invoices, emphasising the importance of adhering to the procurement strategy to ensure best value and overall assurance. While some areas showed improvement, he highlighted the procurement strategy's strengths and areas for attention. S Inglis noted the latest Procurement and Commercial Improvement Programme (PCIP) assessment completed for the College in January 2024 scored 77%, placing the College in the highest possible performance band of 'Gold.' This marked a significant improvement over the previous assessment conducted in 2019, reflecting improvement to monitor compliance.

S Inglis noted the strengths from the report which included effective collaborative procurement frameworks. However, weaknesses were identified where it was noted that 35% of the procurement exercises did not fully comply with College procedures.

Training issues were highlighted, with induction or refresher training provided for new budget holders identified as an area for improvement. Standalone testing showed that out of 20 purchases, 8 were not fully compliant with current procedures and purchase orders were not always completed where relevant.

S Inglis highlighted that supplier data procedures required evidence during changes and control checks. Currently, changes could occur without proper checking, creating an area of potential risk.

M Williamson welcomed the report and noted that it was less positive than the usual reports received and asked if this had come as a surprise to the College. S Taylor acknowledged the issues and noted ongoing efforts to address them, including discussions about additional staffing and procurement processes. S Taylor stated that the findings were not a surprise, but were useful in identifying areas and priorities for improvement, he also mentioned challenges with the current procurement approaches and relationships, emphasising the need for a more efficient framework and collegiate working from the College and procurement team.

M Williamson raised concerns about training, questioning whether annual training was required and recorded for procurement staff. N Anderson responded that plans were in place to reintroduce training and to record it, highlighting collaboration was progressing with the senior APUC team to develop a more sustainable procurement strategy that maximises practical impact within current financial constraints. N Anderson stated a meeting with APUC executives was planned to finalise this plan moving forward.

H Honeyman noted that these were the first amber audits seen in a long time, emphasising the importance of making training user-friendly and creative to encourage engagement.

M Williamson enquired about the financial controls action. N Anderson responded that the College is reviewing its current processes, including a simple method to better manage changes to suppliers and the appropriate authorisation levels. Internal controls have been identified and are being worked on, with discussions on how to maintain organisational and individual safety through training.

S Inglis added that the procurement process includes raising purchase orders, approval, and verifying receipt of goods or services at the invoice stage and noted that there was no concern that goods or services were being paid for in error or in an uncontrolled way.

N Anderson stressed the importance of initiating purchase orders from the beginning and supporting managers to ensure compliance. They are considering a "No PO, No Pay" approach to tighten the process. H Honeyman acknowledged the challenges but emphasised the need for action without burdening the College with significant additional bureaucracy. N Anderson agreed, noting the necessity and importance of moving forward with these changes and having practical and pragmatic discussions and outcomes.

H Honeyman thanked everyone involved and stressed the need to improve compliance with purchase orders. S Inglis noted that whilst 10 out of 20 transactions lacked purchase orders, and 35% of expenditures did not fully comply with current procurement procedures, there were good reasons for this in most cases.

H Honeyman asked if the changes planned could be implemented without additional procurement resources or staffing. S Taylor responded that while more resources might be needed, the focus should be on balancing the system's rigor and supporting practical procurement activities in the first instance, ultimately aiming to save through effective procurement without overspending on gold standard 'back of house' services.

M Williamson expressed concern about familiar issues and slippages in the report, suggesting a refocus on procurement practices without needing significant resources. S Inglis acknowledged the need for improvements, especially in procurement processes that did not go through the proper channels. An example of which was a £22K purchase that bypassed the procurement team, highlighting the need for clearer procedures and awareness.

The discussion included the importance of behavioural changes in procurement practices, with S Taylor mentioning ongoing conversations about operational improvements and resource challenges. Ensuring the right arrangements are in place alongside APUC and finding the right balance to address these challenges is crucial.

H Honeyman thanked S Inglis for the report and noted that , given the audit scoring, it would be appropriate for an update on action to be brought to the next Audit & Risk committee. **S Taylor to progress.**

6.2. Environmental Sustainability

S Inglis presented a more positive report on the College's current position concerning strategic plans and relevant legislation, noting progress towards the College's net-zero ambitions and targets. S Inglis stated that all objectives have been met without any recommendations. He highlighted the College's positive commitment to achieving the infrastructure vision and sustainability in line with good practice, as well as compliance with Scottish Government reporting requirements, with significant progress made.

S Inglis also highlighted that sustainability is being embedded in curriculum and the College has met its emissions reduction target. By 2023, the College had achieved a 47% reduction in CO_2 emissions but it is evident that, due to the age of the current estate, significant improvements in energy conservation and carbon reduction will require substantial capital investment. S Inglis noted the reconciliation of these significant future achievements will come down to funding and the amount invested to make necessary changes.

H Honeyman acknowledged the tension between delivering objectives and budget constraints, noting the significant financial issues involved. S Taylor highlighted opportunities available for bidding for funds related to net zero and carbon reduction, such as replacing lighting at the Gardyne campus to reduce electricity use. He emphasised the need for big investments to make substantial changes in the campus infrastructure but noted ongoing efforts to improve energy efficiencies across the College. He praised the team's efforts in embedding sustainability within the curriculum.

H Honeyman expressed gratitude to those involved, noting the importance of the estates' team role and asked that these thanks be shared with the team involved. **S Taylor to progress.**

M Williamson commended the report, acknowledging the College's good work and its sustainable budget management as a great achievement.

S Taylor informed the committee that B Grace, Head of Estates, will present a new climate emergency action plan to the Board of Management in October 2024.

6.3. 2023/24 Progress Report

S Inglis apologised for the outstanding Sports Centre Operations report, which has been delayed. He highlighted that the closure meeting has been held and will present this report at the Audit & Risk Committee in September 2024. All other audit activity was on schedule.

6.4. Follow Up Summary

S Taylor summarised the range of actions from previous audits, noting no actions behind schedule. He highlighted that points arising from the procurement audit will be addressed over the summer and early next academic year.

H Honeyman questioned an audit recommendation dated March 2024 and asked if this should be removed from the list. S Taylor stated any outstanding items marked as 'complete' are removed from the report once reviewed by the members of the Committee.

H Honeyman thanked S Taylor for the report and the Committee noted its progress.

7. STRATEGIC RISK REGISTER

S Taylor summarised the Risk Register paper and Strategic Risk Register for approval.

S Taylor summarised the change proposed to the Strategic Risk Register and inclusion of reference to the capital – revenue issue.

Following previous updates regarding the reduction in full-time student recruitment in 2021/22 and 2022/23, activity levels in 2023/24 have ensured there is no risk of funding clawback, as activity targets will be achieved. This aspect will remain under review, but it is not anticipated that it will need to feature in future Strategic Risk Register updates unless there is a further substantive change in student demand or credit targets.

Financial sustainability remains a red risk and is an item on the agenda of every Board meeting and through underpinning discussions at the Finance & Property and HR & Development Committees.

S Taylor highlighted significant activities were reported regarding the Thrive with D&A project to support students and staff with the challenges posed by the cost-of-living crisis. This work has continued throughout 2023/24, and a decision on arrangements for the 2024/25 academic year will be made before the end of the current academic year.

In respect of the RAAC present within the Kingsway Campus, there is no change in respect of the needs or arrangements associated with the monitoring of condition. The infrastructure vision will be presented to the Board meeting in June.

The Committee approved the changes proposed in the Strategic Risk Register.

8. 2023/24 EXTERNAL AUDIT PLAN

M Speight provided the annual audit plan, highlighting some changes since the last audit; however, the document remains similar to last year's report.

M Speight introduced B Mauro as the Audit Manager.

Audit planning commenced earlier this year within the finance team, allowing for more time to work on the audit. Three main areas were considered significant risks: override controls, revenue recognition, and the local government pension fund. Revenue recognition was identified as a mandatory risk that could potentially be mitigated from one year to the next.

The local government pension fund was recognised as a significant factor, with a focus on the liability aspect, particularly early retirement within the liability section of the report. For valuation of land and buildings, the approach this year will require an indexing rather than full revaluation review,

M Speight stated there were no additional issues identified in respect of financial sustainability but it remains a consideration and would include an element of review of procurement given the internal audit finding reported

S Inglis noted that procurement from a financial management perspective involves low-level items, which should not represent significant issues. M Speight also stated the extent of single tenement waivers will be considered to ensure compliance with legislation.

M Speight highlighted that the audit fees are included within the report as per Audit Scotland's directives. He stated the fees have increased slightly.

H Honeyman thanked B Mauro and M Speight for their report.

9.   DATE OF NEXT MEETING

Tuesday 17 September 2024 at 5.00pm in Room A625, Kingsway Campus

Action Point Summary

Action	Responsibility	Date
Update on actions arising from the Procurement and Creditors / Purchasing report.	S Taylor / N Anderson	17 Sept 2024
Committee thanks to be expressed to staff involved in the work underpinning the Environmental Sustainability Audit	S Taylor	14 June 2024

BOARD OF MANAGEMENT

Audit & Risk Committee

Tuesday 17 September 2024

MATTERS ARISING   **PAPER B**

BOARD OF MANAGEMENT
Audit & Risk Committee
Tuesday 17 September 2024

Matters Arising

Paper B for information

The following actions were noted from the Tuesday 4 June 2024 Audit & Risk Committee meeting.

Agenda Item No	Action	Current status	Open / Closed
6.1	Update on actions arising from the Procurement and Creditors / Purchasing report. **S Taylor & N Anderson**	On agenda	Closed
6.2	Committee thanks to be expressed to staff involved in the work underpinning the Environmental Sustainability Audit **S Taylor**	Completed	Closed

Author & Executive Sponsor: Steve Taylor, Vice Principal Support Services and Operations

BOARD OF MANAGEMENT

Audit & Risk Committee

Tuesday 17 September 2024

INTERNAL AUDIT

6.2 - INTERNAL AUDIT FOLLOW-UP REPORT   PAPER C
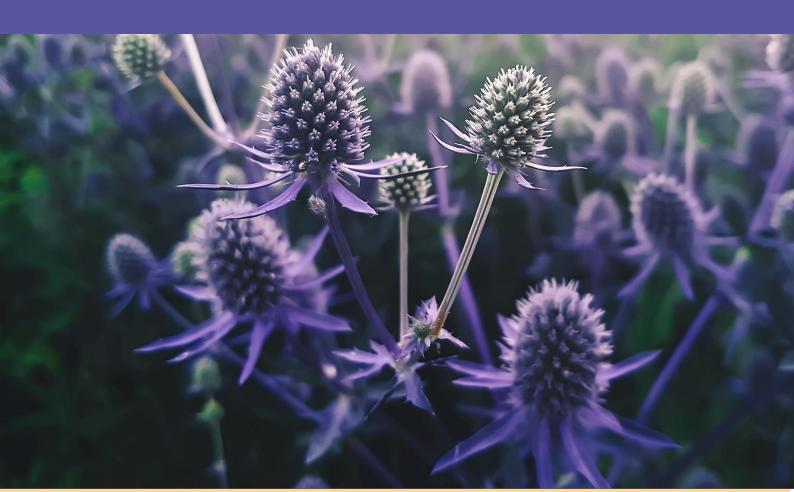
Dundee and Angus College

Follow Up Reviews 2023/24

Internal Audit report No: 2024/05

Draft Issued: 10 September 2024

Final Issued: 10 September 2024

Henderson Loggie

Contents

Management Summary

Introduction and Background

As part of the Internal Audit programme at Dundee and Angus College ('the College') for 2023/24, we carried out a follow-up review of the recommendations made in Internal Audit reports issued during 2022/23 and reports from earlier years where previous follow-up identified recommendations outstanding. These were:

- Internal Audit Report 2023/02 – Cash & Bank;
- Internal Audit Report 2023/04 – Health, Safety & Wellbeing;
- Internal Audit Report 2023/06 – Follow Up Reviews 2022/23;
- Internal Audit Report 2023/07 – 2022/23 Student Activity Data;
- Internal Audit Report 2023/08 – 2022/23 Student Support Funds; and
- Internal Audit Report 2023/09 – Infrastructure Strategy / Capital Projects

Reports 2023/01 – Annual Plan 2022/23, 2023/03 – Partnership Working, 2023/05 - Teaching Staff Utilisation and 2023/10 – Annual Report 2022/23 did not contain an action plan and therefore no follow-up activity was required for these specific reports as part of this review.

Objectives of the Audit

The objective of our follow-up review is to assess whether recommendations made in previous reports have been appropriately implemented and to ensure that, where little or no progress has been made towards implementation, that plans are in place to progress them.

Audit Approach

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

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

Overall Conclusion

The College has made progress in implementing the recommendations followed-up as part of this review, with 13 (72%) of the 18 recommendations followed-up being assessed as 'fully implemented' and three recommendations (17%) categorised as 'partially implemented', which will be subject to further follow-up as part of the equivalent review in the 2024/25 internal audit programme.

Two actions were 'considered but not implemented' by management. One related to Internal Audit Report 2023/02 – Cash & Bank where it was recommended that consideration be given to implementing a reconciliation between the inventories held against those purchased and sold, to track the level of any missing stock in each catering outlet. College management noted that the level of monitoring recommended would require additional staffing across all three campuses for this to be effective.

Overall Conclusion (Continued)

The second action that had been 'considered but not implemented' related to Internal Audit Report 2022/04 – Student Invoicing and Debt Management. We recommended that 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. College management noted that this recommendation had been overtaken by a more significant review of all arrangements surrounding student debt. This review has been conducted with the implementation of the REMS student management and revised payments system project. It was agreed that this action would be removed from future reporting at the Audit & Risk Committee meeting in March 2024.

Our findings from each of the follow-up reviews has been summarised below:

From Original Reports			From Follow-Up Work Performed				
Area	Rec. Priority	Number Agreed	Fully Implem-ented	Partially Implem-ented	Little or No Progress Made	Not Past Agreed Completion Date	Considered But Not Implemented
2023/02 – Cash & Bank	1	-	-	-	-	-	-
	2	-	-	-	-	-	-
	3	5	4	-	-	-	1
Total		**5**	**4**	**-**	**-**	**-**	**1**
2023/04 – Health, Safety & Wellbeing	1	-	-	-	-	-	-
	2	-	-	-	-	-	-
	3	2	2	-	-	-	
Total		**2**	**2**	**-**	**-**	**-**	**-**
2023/06 – Follow Up Reviews 2022/23	1	-	-	-	-	-	-
	2	-	-	-	-	-	-
	3	4	3	-	-	-	1
Total		**4**	**3**	**-**	**-**	**-**	**1**
2023/07 – 2022/23 Student Activity Data	1	-	-	-	-	-	-
	2	1	1	-	-	-	-
	3	2	2	-	-	-	-
Total		**3**	**3**	**-**	**-**	**-**	**-**
2023/08 – 2022/23 Student Support Funds	1	-	-	-	-	-	-
	2	-	-	-	-	-	-
	3	1	1	-	-	-	-
Total		**1**	**1**	**-**	**-**	**-**	**-**
2023/09 – Infrastructure Strategy / Capital Projects	1	-	-	-	-	-	-
	2	-	-	-	-	-	-
	3	3	-	3	-	-	-
Total		**3**	**-**	**3**	**-**	**-**	**-**
Grand Totals		**18**	**13**	**3**	**-**	**-**	**2**

Overall Conclusion (Continued)

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

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

Acknowledgements

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

Appendix I - Updated Action Plan
Internal Audit Report 2023/02 – Cash & Bank

Original Recommendation	Priority	Management Response	Agreed	To Be Actioned By	No Later Than	Progress at August 2024
R1 It is recommended that consideration be given to allocating till operation supervisor responsibility for the review of refunds / voids at the Arbroath site to one nominated member of staff (outwith the Supervisor) to further strengthen controls.	3	Responsibility for till operation supervision will be allocated to one Catering Assistant in Arbroath.	Yes	Catering Manager	31 January 2023	One member of staff (outwith the supervisor) has been allocated responsibility for the cash till operation, with a second member of staff providing cover in their absence. *Fully Implemented*
R2 It is recommended that procedures for processing meal vouchers be recorded within the Cash Register Procedures document to ensure consistent approaches are continuously applied across all sites.	3	The Cash Register Procedures will be updated to reflect the process for meal tickets.	Yes	Catering Manager	31 January 2023	Each school meal voucher is recorded on the cash register and separate from any other transaction. This helps the supervisor to identify vouchers processed that day and match with till report. *Fully Implemented*

Follow Up Reviews 2023/24

Original Recommendation	Priority	Management Response	Agreed	To Be Actioned By	No Later Than	Progress at August 2024
R3 It is recommended that the RESPECT campaign is reinforced. It is also recommended that consideration be given to implementing a reconciliation between the inventories held against those purchased and sold (the information for which is available in the InnoOnDemand system), to track the level of any missing stock in each catering outlet.	3	Consideration will be given to the affordability/return on the additional capacity required to undertake the reconciliation and the cost of additional control systems to determine and take action in relation to any suspected misappropriation. This will be considered in the context of the College's financial sustainability and increasing levels of subsidy required to provide a catering service.	Yes	Catering Manager	31 March 2023	The RESPECT Campaign is always a part of the ethos which also ties in with the Customer Service training that all catering staff undergo. Reconciliation between the inventories held against those purchased and sold is always monitored by all supervisors in each campus and is also available on the InnoOnDemandsystem. The additional level of monitoring recommended would require additional staffing across all three campuses for this to be effective. This is the current practice in the Hospitality department, it is deemed labour intensive and time-consuming, resulting in it being uneconomic to implement. ***Considered But Not Implemented***

Follow Up Reviews 2023/24

Original Recommendation	Priority	Management Response	Agreed	To Be Actioned By	No Later Than	Progress at August 2024
R4 It is recommended that the spot check process be applied at the Kingsway site to ensure that the cash within the tills is adequately monitored, and that the overall culture of control is as robust as possible.	3	Random spot checks will be undertaken at each site	Yes	Supervisor	31 January 2023	Spot checks are being carried out. These include making sure the cash till is closed after each transaction, money is counted and checked against the till receipts to match up. **_Fully Implemented_**
R5 It is recommended that the spare key for the Arbroath site be allocated to another designated member of staff (for use when the Supervisor is absent), to ensure accountability within the security processes.	3	Access to the spare safe key will be restricted	Yes	Arbroath Supervisor	31 January 2023	A designated member of staff has been issued with the spare safe key to ensure accountability within the security processes. **_Fully Implemented_**

Appendix II - Updated Action Plan
Internal Audit Report 2023/04 – Health, Safety and Wellbeing

Original Recommendation	Priority	Management Response	Agreed	To Be Actioned By	No Later Than	Progress at August 2024
R1 To enhance alignment with HSE requirements, the vulnerable groups section of the Risk Assessment Process should be expanded to also consider migrant workers (including staff who may have barriers to understanding the English language or have underlying mental health considerations), staff with disabilities, and young people / children. In the current review of new Risk Assessment Forms, management should detail a key for "who can be harmed" to ensure all vulnerable groups identified are assessed in line with policy.	3	The Risk Assessment Process document will be updated to include consideration of vulnerable groups. Risk Assessment form will be updated to include a 'vulnerable group' option when assessing 'who can be harmed'.	Yes	H&S Officer	31 May 2023	Completed – the Risk Assessment process has been updated to include consideration of Migrant Workers, and a key for 'who can be harmed' has been detailed. *Fully Implemented*

Original Recommendation	Priority	Management Response	Agreed	To Be Actioned By	No Later Than	Progress at August 2024
R2 The Health, Safety and Wellbeing policy should be enhanced to include specific detail on who should complete the mandatory health and safety e-learning and describe the roles that are excluded, in order to provide absolute transparency on arrangements. To ensure compliance, the Health and Safety Officer should ensure that staff mandatory training is completed and up to date as part of the departmental inspection programme. This should incorporate a check to ensure the timely completion of induction training. Line managers should be reminded of the need to ensure the induction process and checklists are completed, in order to reduce the costs (resource, time) for the People Team checking on progress and ensuring enhanced staff awareness of health and safety requirements. Good practice ensures health and safety training is completed within the first month of employment.	3	The Health, Safety and Wellbeing policy will be revised to provide clarity on which roles are excluded. There will be a check on compliance with mandatory Health and Safety Training undertaken by the Estates Team. The People Team will remind line managers of their responsibility to ensure new staff undertake the necessary mandatory induction training.	Yes	Health & Safety Officer, Human Resources Manager, Vice Principal (Corporate Services)	31 August 2023	The Health, Safety and Wellbeing policy has been updated to include training requirements. Policy requires that staff induction training is to be conducted by the line manager in conjunction with the people team. The College uses the third party platform TES Educare global for mandatory induction training courses. The TES Platform allows for monitoring of completion rates for each course. Records held detail the staff member, and whether each course is "completed", "in progress" or "not started". New staff are provided with a link to the portal from the People team on day 1. Progress is monitored at 3 + 6 months of employment, in line with the staff member's probationary period. Additionally, an all-staff refresher is completed on a three year cycle. This ensures staff complete up-to-date versions of all the modules. From Aug-23 to May 24 – Management reviewed the progress of all active staff across all 38 depts, covering 765 staff. 745 had completed all modules – the 20 that had not completed was due to long-term sickness, absence and maternity leave. **(Continued on next page)**

Original Recommendation	Priority	Management Response	Agreed	To Be Actioned By	No Later Than	Progress at August 2024
R2 **(continued)**						Line managers were given notice and were sent reminders by the People team that all modules would need to be completed by end of May 2024. Line managers then sent reminders to staff in their department. *Fully Implemented*

Appendix III - Updated Action Plan
Internal Audit Report 2022/07 – Follow Up Reviews 2021/22

Original Recommendation	Priority	Management Response	Agreed	To Be Actioned By	No Later Than	Progress Previously Reported	Progress at August 2024
2022/04 – Student Invoicing and Debt Management							
R3 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.	3	Accepted: As noted at R1, a review of Student Fees and Debt Management is planned and will include consideration of processes revised in response to COVID-19 prior to finalising new procedures.	Yes	Head of Finance	31 August 2022	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 are constraining progress and the target implementation date has been revised. *Partially Implemented* **Revised Date of Completion:** 31 January 2024	College management noted that this recommendation had been overtaken by a more significant review of all arrangements surrounding student debt. This review has been conducted with the implementation of the REMS student management and revised payments system project. It was agreed that this action would be removed from future reporting at the Audit & Risk Committee meeting in March 2024 *Considered But Not Implemented*

Follow Up Reviews 2023/24

Original Recommendation	Priority	Management Response	Agreed	To Be Actioned By	No Later Than	Progress Previously Reported	Progress at August 2024
2022/05 – Data Protection							
R1 Consider establishing a data privacy network to support the Data Protection Officer, comprising data protection leads within key departments who would be responsible for communicating training to team members and for assisting the DPO with data breaches, subject access requests, supporting the DPO with the maintenance of the Record of Processing Activities (RoPA) and compliance monitoring.	3	We will look to establish this privacy network during session 2022/23. The intention would be to include identified leads in all key departments with a process for best practice to be communicated elsewhere in the organisation.	Yes	Head of ICT	30 September 2022	The Data Management Group is now in place. Agenda to encompass all elements of data privacy network alongside the business intelligence aspects of the Group. Reporting oversight will also be incorporated into the remit of the Group. ***Partially Implemented*** **Revised Date of Completion:** 31 December 2023	Data Protection Network and Monitoring arrangements are complete but it is recognised by management that further work to embed this work is still being progressed.. ***Fully Implemented***

Original Recommendation	Priority	Management Response	Agreed	To Be Actioned By	No Later Than	Progress Previously Reported	Progress at August 2024
2022/05 – Data Protection (continued)							
R3 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.	**3**	This is an agreed key deliverable that will greatly improve the College's data protection posture. The DPO will lead this action supported by the ICT Systems team and Head of ICT.	Yes	DPO	31 December 2022	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 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. **(continued on next page)**	Complete with on-going review by 30 June 2025. ***Fully Implemented***

Original Recommendation	Priority	Management Response	Agreed	To Be Actioned By	No Later Than	Progress Previously Reported	Progress at August 2024
2022/05 – Data Protection (continued)							
R3 **(continued)**						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. ***Partially Implemented*** **Revised Date of Completion:** 31 December 2023	

Original Recommendation	Priority	Management Response	Agreed	To Be Actioned By	No Later Than	Progress Previously Reported	Progress at August 2024
2022/06 – Publicity and Communications							
R2 We recommend that consideration should be given to the development of a bespoke training programme on communication, including contemporary digital communication methodologies, and this training should be made available to management and staff at all levels across the College.	3	The Marketing senior managers will scope the requirements for training staff at management and frontline level, making recommendations to the Senior Leadership Team on the content and method of training. Once agreed, training will be developed and rolled out within the next academic year.	Yes	Abi Mawhirt, Head of People and Organisational Development	31 July 2023	The content of the training has been agreed with the provider and delivery dates in early academic session 2023/24 agreed. ***Partially Implemented*** **Revised Date of Completion:** 31 October 2023	Communications training trialled with senior managers, further developed and rolled out to all Leadership Development Forum members. Training offered to all staff via CPD offering / referral / request. Materials supporting training / guidance published and available to all staff. Media training undertaken by full Senior Leadership Team and Executive Team, including contemporary digital communication methods, developing communications strategy and direct media training (i.e. interviews). Following work undertaken in academic year 2023/24, work under this area will be undertaken through communications projects led by the Head of People and Organisational Development, to ensure sustainability. **(continued on next page)**

Original Recommendation	Priority	Management Response	Agreed	To Be Actioned By	No Later Than	Progress Previously Reported	Progress at August 2024
2022/06 – Publicity and Communications							
R2 **(continued)**							Neville Robertson Communications training completed and undertaken by Executive and Senior Leadership Team and the Academic and Support Managers Group (Sept 23 – March 24) ***Fully Implemented***

Appendix IV - Updated Action Plan
Internal Audit Report 2023/07 – 2022/23 Student Activity Data

Original Recommendation	Priority	Management Response	Agreed	To Be Actioned By	No Later Than	Progress at August 2024
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	A number of tools have been used depending on the curriculum area to track engagement. Current session data and end of year checks will be used to ensure processes are recording this accurately. ***Fully Implemented***

Follow Up Reviews 2023/24

Original Recommendation	Priority	Management Response	Agreed	To Be Actioned By	No Later Than	Progress at August 2024
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	Completed as there were no deferred COVID claims this session, any activity has been included in the main core timetable. ***Fully Implemented***
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	Completed as there were no deferred COVID claims this session, any activity has been included in the main core timetable. ***Fully Implemented***

Appendix V - Updated Action Plan
Internal Audit Report 2023/08 – 2022/23 Student Support Funds

Original Recommendation	Priority	Management Response	Agreed	To Be Actioned By	No Later Than	Progress at August 2024
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	Actioned and evidence provided. *Fully Implemented*

Appendix VI - Updated Action Plan
Internal Audit Report 2023/09 – Infrastructure Strategy / Capital Projects

Original Recommendation	Priority	Management Response	Agreed	To Be Actioned By	No Later Than	Progress at August 2024
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.	3	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.	Yes	Director of Infrastructure	30 June 2024	Draft procedure created. Awaiting final sign off by Executive. ***Partially Implemented*** **Revised Date of Completion:** 30 September 2024
R2 For projects above an appropriate cost threshold ensure that recognised risk management processes such as project risk registers are utilised.	3	College to implement a documented risk register process and mechanism for all infrastructure projects above a defined financial threshold.	Yes	Director of Infrastructure	30 June 2024	Risk Register included in draft infrastructure capital projects procedure and is awaiting final sign off by Executive. ***Partially Implemented*** **Revised Date of Completion:** 30 September 2024

Original Recommendation	Priority	Management Response	Agreed	To Be Actioned By	No Later Than	Progress at August 2024
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.	3	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.	Yes	Director of Infrastructure	30 June 2024	Links into the wider review of procurement thresholds. *Partially Implemented* **Revised Date of Completion:** 31 January 2025

Henderson Loggie

BOARD OF MANAGEMENT

Audit & Risk Committee

Tuesday 17 September 2024

INTERNAL AUDIT

6.3 – PROGRESS REPORT- PROCUREMENT   PAPER D
& CREDITORS/ PURCHASING AUDIT

BOARD OF MANAGEMENT

Audit & Risk Committee
Tuesday 17 September 2024

Progress Report - Procurement and Creditors Internal Audit Recommendations

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Paper for information

1. Introduction

Procurement and Creditors was selected for review in our 2023/24 Internal Audit Plan and Audit and Assurance Committee considered the Auditor's Report on 4 June 2024.

The overall report level of assurance was 'Requires Improvement' meaning the system has weaknesses that could prevent it achieving control objectives.

The auditors made six recommendations which were all accepted by management. The Audit and Assurance Committee requested an update on actions arising from the Procurement and Creditors / Purchasing report at this committee meeting.

2. Recommendations

Members are asked to note the progress below.

3. Progress to 31 August 2024

The following provides a summary of progress in respect of Creditors and Procurement audit recommendations up to 31 August 2024.

Recommendation 1

Priority Action Grade	Report Grade	Recommended Action	Responsible Officer	Deadline
3	Requires improvement	R1 Although the College's Procurement Policy and Procurement Authorisation Process documents are comprehensive, clear, and are in line with extant Act and Regulations, they should be updated in line with the agreed review frequency to ensure that they accurately reflect any changes in relevant legislation, emerging procurement best practice, staff responsibilities, and the College's procurement values, aims, and approach.	Head of Procurement APUC	~~End August 2024~~ **Request approval for revised deadline:** 31 December 2024

Progress

The Procurement Strategy is currently being finalised. It is a joint strategy between Dundee and Angus College and the University of Abertay. We will bring the Draft Procurement Strategy to Finance and Resources Committee in December for consideration. Once the Strategy is approved by both organisations, we will update the Procurement Policy and the Procurement Authorisation Process to reflect the revised Strategy.

We are currently working with APUC to review the procurement service (see R4(i) below) to prioritise their focus on procurements at and above the £50,000 regulated threshold. The next step is to review the remaining procurement thresholds and evidence requirements to ensure they remain fit for purpose.

Revised authorisation thresholds will be presented to the December meeting of Finance and Property Committee for approval and then included in the Procurement Authorisation Process and Procurement Policy. We have requested a revised deadline (Paper H, elsewhere on this agenda) to allow this work to happen.

Recommendation 2

Priority Action Grade	Report Grade	Recommended Action	Responsible Officer	Deadline
3	Requires improvement	R2 The College should conduct a cost/benefit analysis to assess the impact of changing the approach for ordering of catering supplies and repairs in order to create additional opportunities for smaller, local suppliers to bid for the provision of goods and services related to catering. This could involve establishing the College's own purchasing framework (similar to the Minor Works and Building Maintenance framework currently being worked on) or comparing quotes from local suppliers for select categories of catering spend.	Head of Procurement APUC	~~End August 2024~~ **Request approval for revised deadline:** 31 August 2025

Progress

We have requested a revised deadline (Paper H, elsewhere on this agenda) requested at this work will require significant time and staff resources from both APUC and the catering team.

Recommendation 3

Priority Action Grade	Report Grade	Recommended Action	Responsible Officer	Deadline
2	Requires improvement	R3 The College should improve enforcement of compliance in regard to raising Purchase Orders for relevant transactions. The College should clearly communicate to staff that it is against the College's policy to arrange for the supply of goods or services without an appropriately approved Purchase Order and explain to staff how the process helps maintain value for money and minimise supplier risk. Consideration should be given to establishing a more robust "No PO, No Pay" policy, with exclusions explicitly defined and adequately explained to staff members.	Director of Finance	End September 2024 **On target**

Progress

Estates expenditure represents 36% of purchase spend and 72% of this spend is on individual transactions below £500. The cost of processing and payment of low value individual transactions can exceed actual invoice value. We have identified suppliers where we have high volume/low value spend and we are working with them to consolidate invoices on a weekly/monthly basis. We will then raise purchase orders to these suppliers for the expected spend for the week/month ahead, eliminating a significant amount of processing time. We will replicate this process for other high volume/low value spend suppliers across the College.

SLT will consider a 'no PO, no pay' policy then the updated College Purchasing Policy will be communicated to staff. This work is on target for the end of September.

Recommendation 4

Priority Action Grade	Report Grade	Recommended Action	Responsible Officer	Deadline
2	Requires improvement	R4(i) The College should conduct a review of existing procurement arrangements, to ensure that external procurement support is structured in a way which will effectively contribute to the delivery of value for money and minimisation of risk at the College. This should involve a specific focus on the future role and responsibility of the TRPT given the existing resource constraints.	Director of Finance	End Sept 2024 **Complete**
2	Requires improvement	R4(ii) The College should communicate to all staff the purpose, importance, and added value of appropriately conducted procurement activity. Staff members should be reminded of the Procurement Policy and procedures in place, and of TRPT's strategic and operational role in managing and assisting with procurement activity. The need for compliance with the established procurement arrangements should be emphasised, and any repeated non-adherence by individuals or departments should be monitored and corrective action taken. A rationale should be given by the purchasing department in any instance where procurement activity has not been conducted in line with the College's guidance.	Director of Finance	~~End September 2024~~ **Request approval for revised deadline:** 31 January 2025

Progress

We have reviewed existing procurement arrangements with APUC and we have agreed to increase the procurement shared service from 1.2 FTE to 1.8 FTE (additional annual cost £42k).

We have also agreed to prioritise APUC's focus on procurements at and above the £50,000 regulated procurement threshold. Our next step is to review the remaining procurement thresholds and evidence requirements to ensure they remain fit for purpose. We will present revised thresholds for approval to the December Finance and Property Committee. Our Procurement Authorisation Process and Procurement Policy will then be updated These changes will be communicated to staff and monitoring of compliance will begin. APUC will deliver updated procurement training to staff in the following weeks (see Recommendation 5 below). We have requested a revised deadline (Paper H, elsewhere on this agenda) to allow this work to happen.

Recommendation 5

Priority Action Grade	Report Grade	Recommended Action	Responsible Officer	Deadline
2	Requires improvement	R5 The College should consider re-establishing induction and refresher training for non-procurement staff involved in purchasing and procurement activity. This would help staff to understand the legislative background and enhance their knowledge of business processes and internal governance, as well as familiarising them with TRPT and ensuring that they are aware of the team's strategic and operational role in relation to procurement activity	Head of Procurement APUC	End Sept 2024 **Request approval for revised deadline:** 31 March 2025

Progress

Once recommendation R4(ii) is complete we will deliver updated procurement training. We have requested a revised deadline (Paper H, elsewhere on this agenda) to allow this work to happen.

Recommendation 6

Priority Action Grade	Report Grade	Recommended Action	Responsible Officer	Deadline
2	Requires improvement	R6 The College should examine the following elements of the process to amend standing supplier data: R6 (i) It should be ensured that the process utilised in practice is in line with the documented Bank Account Changes Procedures.	Director of Finance	30 June 2024 **Complete**
2	Requires improvement	R6 (ii) It should be ensured that evidence of processing the changes is appropriately retained in a shared location available to the Finance Team. This should capture all requests received, details of the changes made, how they were verified as bona fide, and evidence of any subsequent independent checks and approvals conducted. The establishment of a central record, available to the Finance Team, containing all amendments made to supplier standing data, such as a spreadsheet, should be considered.	Director of Finance	30 June 2024 **Complete**
2	Requires improvement	R6 (iii) The introduction of built-in system controls in the Sun / P2P systems should be considered, which would require authorisation by an appropriately senior member of the Finance Team prior to any changes to supplier bank details going live and the account being enabled for payment. This would ensure that review and approval is not retrospective, and segregation of duties cannot be circumvented.	Director of Finance	30 June 2024 **Request approval for revised deadline:** 31 December 2024

Progress

R6(i) The documented Supplier Bank Account Changes procedure has been revised and re-issued to finance staff.

R6(ii) Evidence of supplier bank account changes processed, verification and approval is retained in a central location accessible to the finance team.

R6(iii) We are working with our supplier to build authorisation system controls into the P2P system to ensure segregation of duties controls cannot be circumvented. This work is on-going and we hope to resolve this as soon as possible. When this is resolved we will update the Supplier Bank account Changes Procedure and re-issue it to Finance staff. We have requested a revised deadline (Paper H, elsewhere on this agenda) to allow this work to happen and Members are asked to note that this timescale is dependent on our supplier.

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 the relevant risks identified within the Strategic Risk Register.

Author: Nicky Anderson, Director of Finance
Executive Sponsor: Steve Taylor, Vice Principal Support services and Operations

BOARD OF MANAGEMENT

Audit & Risk Committee

Tuesday 17 September 2024

INTERNAL AUDIT

6.4 - 2023/24 PROGRESS REPORT   **PAPER E**

Dundee & Angus College

Internal Audit Progress Report

Audit & Risk Committee – 17 September 2024

Issued: 10 September 2024

Henderson Loggie

Internal Audit Progress Report September 2024

Progress in delivering the annual plan for 2023/24 is shown below.

Audit Area	Planned reporting date	Report status	Report Number	Overall Conclusion	Audit & Risk Committee	Comments
Annual Plan 2023/24	September 2023	Draft: 29/08/23 2nd Draft: 07/09/23 Final: 19/09/23	2024/01	N/A	19/09/23	
Procurement and Creditors / Purchasing – Sustainable Procurement	June 2024	Draft: 23/05/24 Final: 28/05/24	2024/03	**Requires Improvement**	04/06/24	
Sports Centre Operations BPR	December 2023					Fieldwork completed and draft report will be issued in week commencing 10 September 2024, for reporting to the December 2024 meeting.
Risk Management and Business Continuity / Disaster Recovery Planning	March 2024	Draft: 06/02/24 Final: 07/02/24	2024/02	**Satisfactory**	05/03/24	
Environmental Sustainability	June 2024	Draft: 27/05/24 Final: 28/05/24	2024/04	**Good**	04/06/24	
Credits	December 2024					Fieldwork commenced in w/c 19/08/24

Audit Area	Planned reporting date	Report status	Report Number	Overall Conclusion	Audit & Risk Committee	Comments
Bursary, Childcare and Hardship Funds	December 2024					Fieldwork commenced in w/c 12/08/24
EMA	December 2024					Fieldwork commenced in w/c 12/08/24
Follow Up Reviews	September 2024	Draft: 10/09/24 Final: 10/09/24	2024/05	3 actions will require further follow up	17/09/24	

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.

Henderson Loggie

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BOARD OF MANAGEMENT

Audit & Risk Committee

Tuesday 17 September 2024

INTERNAL AUDIT

6.5 - 2024/25 DRAFT AUDIT PLAN　　　　　　　　**PAPER F**

Dundee and Angus College

Internal Audit Annual Plan 2024/25

Internal Audit Report No: 2025/01

Draft issued: **12 July 2024**

2nd draft issued: **15 July 2024**

3rd draft issued: **3 September 2024**

Final issued:

Henderson Loggie

Internal Audit Annual Plan 2024/25 - DRAFT

Page

Introduction

1.1   The purpose of this document is to present for consideration by management and the Audit & Risk Committee the annual operating plan for the year ended 31 July 2025 The plan is based on the proposed allocation of audit days for 2023/24 as set out in the Internal Audit Strategic Plan 2021 to 2024. The preparation of the Strategic Plan involved dialogue with the College Executive Team and review of previous internal and external audit reports. The Audit & Risk Committee discussed and approved the proposed three-year Strategic Plan at its meeting in December 2021.

1.2   Financial year 2023/24 was the final year of the three-year Strategic Plan approved in December 2021. The two-year contract extension for internal audit was invoked in July 2023, which meant that an additional exercise was required to build on the Strategic Plan 2021 to 2024 and to develop a programme of internal audit activity for 2024/25. The annual operating plan for 2024/25 has been developed in conversation with the Vice Principal Support Services & Operations, and following consultation with the Director of Finance.

1.3   A copy of the revised Internal Audit Strategic Plan is included in Section 2 of this report.

1.4   At Section 3 of this report we have set out the outline scope and objectives for each audit assignment to be undertaken during 2024/25, together with the proposed audit approach, which have been discussed with the Vice Principal Support Services and Operations and shared with other College managers. The outline scopes will be refined and finalised after discussion with responsible managers in each audit area prior to each audit.

1.5   Separate reports will be issued for each assignment with recommendations graded to reflect the significance of the issues raised. In addition, audit findings will be assessed and graded on an overall basis to denote the level of assurance for the area reviewed and therefore the priority that should be given to each report.

Revised Strategic Plan 2021 to 2024

Proposed Allocation of Audit Days

	Category	Priority	Actual 21/22 Days	Actual 22/23 Days	Actual 23/24 Days	Planned 24/25 Days
Reputation						
Publicity and Communications	Gov	H	4			
Health and Safety / Wellbeing	Gov	M		4		
Student Experience						
Curriculum	Perf	L				
Quality	Perf	M				
Student support	Perf	M				
Student recruitment and retention	Fin/Perf	L				
Student welfare – Duty of Care	Perf	L				
Students Association	Gov	L				
Staffing						
Staff recruitment and retention	Perf	L				
Staff development	Perf	M				4
Payroll	Fin	M				5
Teaching staff utilisation	Perf / Fin	M		5		
Estates and Facilities						
Building maintenance	Fin/Perf	L				
Estates strategy / capital projects	Fin/Perf	H		5		
Space management / room utilisation	Perf	L				
Asset / fleet management	Perf	L				
Financial						
Budgetary control	Fin	M				5
Student invoicing and debt management	Fin	M	5			
General ledger	Fin	L				
Procurement and creditors / purchasing – Sustainable procurement	Fin	M			5	
Debtors/ Income	Fin	M				
Cash & Bank / Treasury management	Fin	L		3		
Fraud Prevention, Detection and Response	Fin	L				
Financial sustainability	Fin	M				

Revised Strategic Plan 2021 to 2024

Proposed Allocation of Audit Days (Continued)

	Category	Priority	Actual 21/22 Days	Actual 22/23 Days	Actual 23/24 Days	Planned 24/25 Days
Commercial						
Business Development	Fin/Perf	L				
External Activities	Gov/Fin/Perf	M				
Sports Centre Operations BPR	Fin/Perf	H			5	
Organisational						
Risk Management)	Perf	L				
Business Continuity / Disaster Recovery)	Perf	M			4	
Corporate Governance	Gov	L				
Corporate Planning	Perf	L				
Performance reporting / KPIs	Perf	L				
Partnership Working (incl. Regional Engagement) – Tay Cities Deal	Gov/Perf	L		5		
Equalities	Gov	L				
Environmental Sustainability	Gov/Perf	H			5	
Future ways of working	Perf	L				
Information and IT						
Cyber security	Perf	M	5			
Data protection	Gov	M	5			
FOI	Gov	L				
Digital Strategy implementation	Perf	M				5
Licencing	Perf	L				
Other Audit Activities						
Credits Audit	Required	N/A	8	8	8	8
Bursary, Childcare and Hardship Funds Audit	Required	N/A	6	6	6	6
EMA Audit	Required	N/A	2	2	2	2
Management and Planning)			3	3	3	3
External audit / SFC)						
Attendance at Audit Committee)						
Follow-up reviews		N/A	2	2	2	2
Audit Needs Assessment			2			
			_____	_____	_____	_____
Total			42	43	40	40
			====	====	====	====

Key

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

BPR = Business process review

Outline Scope and Objectives

Audit Assignment:	Payroll
Priority:	Medium
Fieldwork Timing	January 2025
Audit & Risk Committee Meeting:	March 2025
Days:	5

Scope

This audit will consider the key internal controls in place over the College's spend on staff costs of approximately £35m (12 months ending 31 July 2023). Our audit will cover the procedures in place within both the Human Resources and Payroll teams.

Objectives

The objective of our audit will be to obtain reasonable assurance that systems are sufficient to ensure:

- correct calculation of gross pay and deductions;
- correct calculation of employer national insurance and superannuation contributions;
- part-time lecturers, overtime, and staff expenses payments are properly authorised;
- approval and checking of changes to employee standing data;
- starters and leavers are properly treated and enter and leave the system at the correct dates; and
- proper authorisation, processing and recording of payments.

Our audit approach will be:

From discussion with Human Resources and Payroll staff, and review of procedures documentation, we will identify the key internal controls in place within the College's human resources / payroll system and compare these with expected controls. We will report on any areas where expected controls are found to be absent or where controls could be further strengthened.

Compliance testing will then be carried out to ensure that the controls in place are operating effectively, concentrating on starters, leavers, variations to pay and staff expenses payments.

Internal Audit Annual Plan 2024/25 - DRAFT

Audit Assignment:	Budgetary Control
Priority:	Medium
Fieldwork Timing	April/May 2025
Audit & Risk Committee Meeting:	June 2025
Days:	5

Scope

This audit will review the College's financial planning and budgetary control practices and protocols, to consider whether these are in line with good practice. This will include consideration of budget monitoring procedures in place centrally and within a sample of academic and support functions.

Objectives

The objectives of the audit will be to ensure that:

- the College has developed a long-term financial strategy, which includes long-term financial forecasts;
- assumptions used in the financial forecasting returns submitted to the SFC are robust, realistic and are applied consistently. Any departure from the SFC guidance on common sector assumptions is justified to the Board and the SFC;
- the budget setting process is aligned to financial regulations and procedures and is linked to corporate and operational planning processes, and budgets are revisited and revised when spending plans change or income targets are not achieved;
- information is available to management in academic and support functions which is up-to-date and in a format that can be easily understood by budget holders with the necessary skills for managing budgets; and
- senior management and the Board regularly review the College's overall financial position (including the cash flow position) and variations from budget are reported and acted upon.

Our audit approach will be:

The Vice Principal Support Services and Operations, the Director of Finance, Finance staff, and a sample of budget holders in academic and support functions will be interviewed, and financial plans, forecasts and reports reviewed, to determine current working practices in financial planning and budget monitoring, and the information and training provided to budget holders.

The processes used to prepare financial reports for senior management, the Board, and the SFC will be determined through discussion with Finance staff and review of supporting working papers.

We will also establish and review the budget monitoring information provided to the College's Executive Team and to the Board.

Internal Audit Annual Plan 2024/25 - DRAFT

Audit Assignment:	Staff Development
Priority:	Medium
Fieldwork Timing	November / December 2024
Audit & Risk Committee Meeting:	March 2025
Days:	4

Scope

This audit will consider whether the College is making best use of its staff and will incorporate a review of workforce planning; training; the personal development plan system; and succession planning.

Objectives

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

- the College has a systematic approach for ensuring that its staff resources match need in order to deliver planned commitments. Where gaps are identified, timely action is taken to close these;
- the College's approach to training, including induction training, is clearly informed by an assessment of where there are skills / knowledge / performance gaps;
- the College has a systematic approach to the evaluation of its training to ensure that it is achieving the desired impact;
- there is a systematic approach for translating business objectives into actions / tasks for members of staff and a systematic approach is used for communicating objectives and performance expectations to staff;
- a systematic process is used for providing feedback to staff on performance and agreeing action to improve performance; and
- appropriate succession planning strategies, action plans and monitoring arrangements are in place within the College.

Our audit approach will be:

The Head of People and Organisational Development and a sample of senior managers will be interviewed, and the College's policies, procedures and structure will be reviewed, to assess compliance with the above objectives.

Internal Audit Annual Plan 2024/25 - DRAFT

Audit Assignment:	Digital Strategy Implementation
Priority:	Medium
Fieldwork Timing	March 2025
Audit & Risk Committee Meeting:	June 2025
Days:	5

Scope

Digital technology is key to delivering a wide range of College services in a more economic, efficient and effective way.

Having a clearly articulated strategic approach to digital can bring several benefits such as:

- establishing a common vision for use of digital and the intended outcomes for learners, staff and external stakeholders linked to the College's strategic objectives;
- helping to ensure that College's use of digital technology is aligned with its key strategic objectives and other plans and strategies and is informed by a good understanding of current and future trends;
- reducing the risk of duplication of processes and systems within the College;
- consideration of resourcing digital over the short, medium and longer term together; and
- providing a framework against which to monitoring progress over the short, long and medium term.

This audit will review the processes for the development of the Digital Strategy within the College. We will review the adequacy and effectiveness of the governance, processes, and key controls over the definition, maintenance and delivery of the Digital Strategy to help the College meet its business objectives.

Objectives

The objectives of the audit will be to obtain reasonable assurance that:

- the Digital Strategy is aligned with the objectives outlined in the Strategic Plan and other supporting strategies;
- the Digital Strategy is aligned with Scotland Digital, the national digital strategy for the sector developed by Colleges Scotland;
- all internal and external stakeholders have been identified and provided opportunities to provide input and inform the identification of requirements of the IT Digital Strategy;
- the aims set out in the strategy are underpinned by projects which are aligned with an information systems and digital infrastructure development roadmap.
- an appropriate governance structure is in place that ensures that digital related projects, initiatives and requests are aligned to the Digital Strategy;
- the College is using/planning to use digital technology to meet learner and staff needs and deliver better outcomes, and is able to demonstrate this; and
- there is regular reporting to the Executive Team and Board on progress to deliver the Digital Strategy.

Our audit approach will be:
Through discussions with the Director of Infrastructure, Head of Digital Services, and other relevant managers and staff, and review of relevant documentation, we will assess whether the Digital strategic planning process and monitoring controls accord with good practice, and is aligned with sector and national digital objectives.

Internal Audit Annual Plan 2024/25 - DRAFT

Audit Assignment:	Credits Audit
Priority:	Required annual audit
Fieldwork Timing	August / September 2025
Audit & Risk Committee Meeting:	December 2025
Days:	8

Scope

Credits Audit Guidance, issued by SFC, requests that colleges obtain from their auditor's assurances as to the reasonableness of procedures used in the compilation of the Credits related element of the student activity data for the academic year (FES return).

Objectives

To obtain reasonable assurance that:

- the student data returns have been compiled in accordance with all relevant guidance;
- adequate procedures are in place to ensure the accurate collection and recording of the data; and
- the FES return on student activity data is free from material misstatements.

Our audit approach will be:

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

A detailed analytical review will be carried out to obtain explanations for any significant variations from the previous year's activity.

Our testing will be designed to cover the key areas of risk identified at Annex C to the SFC Credits Audit Guidance.

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

Internal Audit Annual Plan 2024/25 - DRAFT

Audit Assignment:	Bursary, Childcare and Hardship Funds Audit
Priority:	Required audit
Fieldwork Timing	August / September 2025
Audit & Risk Committee Meeting:	December 2025
Days:	6

Scope of the Audit

We will carry out an audit on the College's student support funds for the year ended 31 July 2025 and provide an audit certificate.

Objectives of the Audit

The audit objectives will be to obtain reasonable assurance that:

- the College complies with the terms, conditions and guidance notes issued by the SFC and SAAS;
- payments to students are genuine claims for hardship, childcare or bursary, and have been processed and awarded in accordance with College procedures; and
- the information disclosed in each of the returns for the year ended 31 July 2025 is in agreement with underlying records.

Our audit approach will be:

- Reviewing new guidance from the SFC and SAAS and identifying internal procedures through discussion with College staff, and review of relevant documents;

- Agreeing income to letters of award;

- Reconciling expenditure through the financial ledger to returns, investigating reconciling items;

- Reviewing for large or unusual items, obtaining explanations where necessary; and

- Carrying out detailed audit testing, on a sample basis, on expenditure from the funds.

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

Audit Assignment:	EMA Audit
Priority:	Required audit
Fieldwork Timing	August / September 2025
Audit & Risk Committee Meeting:	December 2025
Days:	2

Scope of the Audit

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

Objectives of the audit

To obtain reasonable assurance that:

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

Our audit approach will be:

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

Internal Audit Annual Plan 2024/25 - DRAFT

Audit Assignment:	Follow-Up Reviews
Priority:	Various
Fieldwork Timing	July / August 2025
Audit & Risk Committee Meeting:	September 2025
Days:	2

Scope

This review will cover reports from the 2023/24 internal audit programme and reports from earlier years where previous follow-up identified recommendations outstanding.

Objectives

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

Our audit approach will be:

- for the recommendations made in previous reports ascertain by enquiry or sample testing, as appropriate, whether they have been completed or what stage they have reached in terms of completion and whether the due date needs to be revised; and

- prepare a summary of the current status of the recommendations for the Audit & Risk Committee.

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BOARD OF MANAGEMENT

Audit & Risk Committee

Tuesday 17 September 2024

INTERNAL AUDIT

6.6 - FOLLOW UP SUMMARY   **PAPER G**

BOARD OF MANAGEMENT

Audit & Risk Committee
Tuesday 17 September 2024

Audit Recommendations Follow-up Summary

Paper for approval

1. Introduction

This report provides an update on outstanding internal and external audit recommendations. 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 below and are asked to approve the revised implementation deadlines detailed in section 5 of this report.

3. Background

The following provides a summary of current progress in respect of audit recommendations up to 31 August 2024.

Audit Area	Rec. priority	Considered, but not agreed	Number agreed	Number fully implemented	Number partially implemented	Behind original implementation date	On target
Credits claimed July 2023	2	-	1	1	-	-	-
July 2023	3	-	1	1	-	-	-
Capital projects Sept 2023	3	-	3	-	3	-	-
Annual accounts – deficiencies in internal control December 2023	2	-	2	-	2	-	-
Risk Management February 2024	3	-	4	1	-	-	3
Sustainability May 2024	-	-	-	-	-	-	-
Procurement & Creditors May 2024	2	-	6	-	2	3	1
Total		**0**	**17**	**3**	**7**	**3**	**4**

The recommendation priorities are detailed below. They denote the level of importance that should be given to each recommendation within the audit reports.

Priority 1	Material risk, requires attention of management and the Audit and Risk Committee
Priority 2	Significant risk, should be addressed by management
Priority 3	Minor risk or enhancement to efficiency and effectiveness

4. Progress to 31 August 2024

Three recommendations are fully implemented, seven partially implemented, four on target and three behind original implementation date.

The current audit recommendations with the respective progress updates are detailed in Appendix 1 below. A report providing more detail on the implementation of the Procurement and Creditors recommendations is provided elsewhere on this agenda (Paper E).

5. Approval of revised deadlines

Appendix 1 details the current position on implementation of audit recommendations. The Committee is asked to approve revised deadlines for the following recommendations:

Audit Report	Audit Recommendation No	Revised deadline requested
Capital projects	R1, R2, R3	31 October 2024
External audit Annual Report	R1, R2	30 September 2024
Procurement & Creditors	R1, R6(iii)	31 December 2024
Procurement & Creditors	R4(ii)	31 January 2025
Procurement & Creditors	R5	31 March 2025
Procurement & Creditors	R2	31 August 2025

6. Link to Strategic Risk Register

Consideration of the outstanding actions is intended to provide Members with reassurance that actions for improvement are being progressed and addressed.

Progressing these Internal Audit and other outstanding actions will support the mitigation of the relevant risks identified within the Strategic Risk Register.

Authors: Steve Taylor, Vice Principal Support Services and Operations
Andy Ross, Director of Infrastructure
Billy Grace, Head of Estates
Nicky Anderson, Director of Finance
Executive Sponsor: Steve Taylor, Vice Principal Support Services and Operations

Outstanding Recommendations Update 31 August 2024

Year	Audit Area Report Title	Priority Action Grade	Report Grade	Action	Responsible Officer	Deadline	Progress (as at 31 August 2024)
2023/07	Credits Claimed	2		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.	Data Management Team Leader	End June 2024	**Complete**
2023/07	Credits Claimed	3		R3 Attendance records should be maintained on CELCAT to support the actual hours completed, and Credits claimed, for infill deferrals.	Data Management Team Leader and Directors of Curriculum & Attainment	End June 2024	**Complete**
2023/09	Capital projects	3	Satisfactory	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.	Director of Infrastructure	~~End June 2024~~ **Request approval for revised deadline:** 30 September 2024	**Partially Complete** Procedure is complete. Awaiting final sign off by Executive.
2023/09	Capital projects	3	Satisfactory	R2 – For projects above an appropriate cost threshold ensure that recognised risk management processes such as project risk registers are utilised.	Director of Infrastructure	~~End June 2024~~ **Request approval for revised deadline:** 30 September 2024	**Partially Complete** Risk Register is included in infrastructure capital projects procedure. Awaiting final sign off by Executive.

Year	Audit Area Report Title	Priority Action Grade	Report Grade	Action	Responsible Officer	Deadline	Progress (as at 31 August 2024)
2023/09	Capital projects	3	Satisfactory	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	Director of Infrastructure	~~End June 2024~~ **Request approval for revised deadline:** 30 September 2024	**Partially Complete** Risk Register is included in infrastructure capital projects procedure. Awaiting final sign off by Executive.
2023/12	External Audit Annual Report – deficiencies in internal control	Level 2 (medium)	--	R1 - It is recommended an asset revaluation or at least an indexation estimate from an appropriately qualified property valuation expert is carried out annually	Director of Finance	~~31 July 2024~~ **Request approval for revised deadline:** 30 September 2024	**Partially Complete** This work is in progress and will be finalised as part of the Annual Report and Accounts process.
2023/12	External Audit Annual Report – deficiencies in internal control	Level 2 (medium)	--	R2 - It is recommended that management perform an annual review of the fixed asset register and ensure all assets being reported still exist and are in use. Any assets which are no longer in use or cannot be located should be accounted for as disposals.	Director of Finance	~~31 July 2024~~ **Request approval for revised deadline:** 30 September 2024	**Partially Complete** This work is in progress and will be finalised as part of the Annual Report and Accounts process.

Year	Audit Area Report Title	Priority Action Grade	Report Grade	Action	Responsible Officer	Deadline	Progress (as at 31 August 2024)
2024/02	Risk Management	3	Satisfactory	R1 - The following amendments to the SRR should be considered: • adding monitoring of activity targets to the list of monitoring reports on the SRR for risk 2.2 'Failure to achieve institutional sustainability'; and • adding a further strategic risk in relation to attracting, engaging, retaining and developing appropriately qualified staff.	Vice Principal Support Services & Operations	End March 2024	**Complete**
2024/02	Risk Management	3	Satisfactory	R2 - The College should develop a framework to provide further guidance on how to assess the impact and likelihood of identified risks, ensuring a consistent approach for risk assessment.	Vice Principal Support Services & Operations	End Sept 2024	**On target**
2024/02	Risk Management	3	Satisfactory	R3 - The Board should consider and establish what the College's high-level risk appetite is for each defined risk category, and residual risks on the SRR should be formally considered for compatibility with this stated risk appetite. The UK Government Orange Book guidance note on risk appetite can be used for reference, particularly in relation to documenting the risk appetite.	Board of Management	**Request approval for revised deadline:** 31 October 2024	**Revised deadline requested due to change of date for board development workshop**
2024/02	Risk Management	3	Satisfactory	R4 - A plan should be implemented to ensure that periodic risk management training is provided for Board members, senior managers and other relevant College managers and staff.	Vice Principal Support Services & Operations and Board of Management	End Sept 2024	**On target**

Year	Audit Area Report Title	Priority Action Grade	Report Grade	Action	Responsible Officer	Deadline	Progress (as at 31 August 2024)
2024/03	Procurement & Creditors	3	Requires Improvement	R1 Although the College's Procurement Policy and Procurement Authorisation Process documents are comprehensive, clear, and are in line with extant Act and Regulations, they should be updated in line with the agreed review frequency to ensure that they accurately reflect any changes in relevant legislation, emerging procurement best practice, staff responsibilities, and the College's procurement values, aims, and approach.	Head of Procurement APUC	~~End August 2024~~ **Request approval for revised deadline:** 31 December 2024	**Revised deadline requested**
2024/03	Procurement & Creditors	3	Requires Improvement	R2 The College should conduct a cost/benefit analysis to assess the impact of changing the approach for ordering of catering supplies and repairs in order to create additional opportunities for smaller, local suppliers to bid for the provision of goods and services related to catering. This could involve establishing the College's own purchasing framework (similar to the Minor Works and Building Maintenance framework currently being worked on) or comparing quotes from local suppliers for select categories of catering spend.	Head of Procurement APUC	~~End Nov 2024~~ **Request approval for revised deadline:** 31 August 2025	**Revised deadline requested**

Year	Audit Area Report Title	Priority Action Grade	Report Grade	Action	Responsible Officer	Deadline	Progress (as at 31 August 2024)
2024/03	Procurement & Creditors	2	Requires Improvement	R3 The College should improve enforcement of compliance in regard to raising POs for relevant transactions. The College should clearly communicate to staff that it is against the College's policy to arrange for the supply of goods or services without an appropriately approved PO and explain to staff how the process helps maintain value for money and minimise supplier risk. Consideration should be given to establishing a more robust "No PO, No Pay" policy, with exclusions explicitly defined and adequately explained to staff members.	Director of Finance	End Sept 2024	**On target**
2024/03	Procurement & Creditors	2	Requires Improvement	R4(i) The College should conduct a review of existing procurement arrangements, to ensure that external procurement support is structured in a way which will effectively contribute to the delivery of value for money and minimisation of risk at the College. This should involve a specific focus on the future role and responsibility of the TRPT given the existing resource constraints.	Director of Finance	R4(i) End Sept 2024	**R4(i) Complete**

Year	Audit Area Report Title	Priority Action Grade	Report Grade	Action	Responsible Officer	Deadline	Progress (as at 31 August 2024)
2024/03	Procurement & Creditors	2	Requires Improvement	R4(ii) The College should communicate to all staff the purpose, importance, and added value of appropriately conducted procurement activity. Staff members should be reminded of the Procurement Policy and procedures in place, and of TRPT's strategic and operational role in managing and assisting with procurement activity. The need for compliance with the established procurement arrangements should be emphasised, and any repeated non-adherence by individuals or departments should be monitored and corrective action taken. A rationale should be given by the purchasing department in any instance where procurement activity has not been conducted in line with the College's guidance.		R4(ii) **Request approval for revised deadline:** 31 January 2025	**Revised deadline requested** R4(ii) An update on progress is provided in Paper E, Procurement & Creditors Audit Recommendations Update Report, elsewhere on this agenda
2024/03	Procurement & Creditors	2	Requires Improvement	R5　The College should consider re-establishing induction and refresher training for non-procurement staff involved in purchasing and procurement activity. This would help staff to understand the legislative background and enhance their knowledge of business processes and internal governance, as well as familiarising them with TRPT and ensuring that they are aware of the team's strategic and operational role in relation to procurement activity	Head of Procurement APUC	End Sept 2024 **Request approval for revised deadline:** 31 March 2025	**Revised deadline requested** An update on progress is provided in Paper E, Procurement & Creditors Audit Recommendations Update Report, elsewhere on this agenda
2024/03	Procurement & Creditors	2	Requires Improvement	R6　The College should examine the following elements of the process to amend standing supplier data: 　R6(i) It should be ensured that the process utilised in practice is in line with the documented Bank Account Changes Procedures.	Director of Finance	End June 2024	**R6(i) Complete**

Year	Audit Area Report Title	Priority Action Grade	Report Grade	Action	Responsible Officer	Deadline	Progress (as at 31 August 2024)
2024/03	Procurement & Creditors	2	Requires Improvement	R6 (ii) It should be ensured that evidence of processing the changes is appropriately retained in a shared location available to the Finance Team. This should capture all requests received, details of the changes made, how they were verified as bona fide, and evidence of any subsequent independent checks and approvals conducted. The establishment of a central record, available to the Finance Team, containing all amendments made to supplier standing data, such as a spreadsheet, should be considered.	Director of Finance	End June 2024	**R6(ii) Complete**
2024/03	Procurement & Creditors	2	Requires Improvement	R6(iii) The introduction of built-in system controls in the Sun / P2P systems should be considered, which would require authorisation by an appropriately senior member of the Finance Team prior to any changes to supplier bank details going live and the account being enabled for payment. This would ensure that review and approval is not retrospective, and segregation of duties cannot be circumvented.	Director of Finance	~~End June 2024~~ **Request approval for revised deadline:** 31 December 2024	**Revised deadline requested** An update on progress is provided in Paper E, Procurement & Creditors Audit Recommendations Update Report, elsewhere on this agenda

BOARD OF MANAGEMENT

Audit & Risk Committee

Tuesday 17 September 2024

ANNUAL DATA PROTECTION COMPLIANCE REPORT   **PAPER H**

BOARD OF MANAGEMENT
Audit and Risk Committee
Tuesday 17 September 2024

Annual Data Protection Update

Paper for information

1. Audit

The most recent audit of the Data Protection function was conducted in 2022. The aims of the audit were to obtain reasonable assurance that the College had taken appropriate action to ensure compliance with data protection legislation. It focused on the controls in place to mitigate the following risks on the College's Strategic Risk Register:

- 3.8 – breach of data security / data protection (risk rating: low)
- 4.4 – ICT infrastructure fails to support effective data security / data protection (risk rating: low)

The overall level of assurance identified by the audit was "Good" in each of these areas.

Data security also features as part of the annual cyber security risk and maturity reporting considered by the Audit & Risk Committee.

2. Breaches of Security or Data Protection breaches

There have been no reportable breaches of security within the last year. Minor security and data protection issues are logged and managed appropriately as they occur, by the Data Protection Officer and the ICT team. This includes amending practical controls and targeting training / awareness raising as necessary.

3. Training

Cybersecurity and UK Data Protection in Education training are standalone training modules within the College rolling 3-year mandatory training cycle. Completion rates are high for this development, with over 92% of staff completing this during 2022/23. Both Cybersecurity and Data Protection training will again form part of the 2024/25 cycle of mandatory training for all staff.

4. ICT

ICT continues to invest in the security of our networks and communications, and continually maintains a strong, current and effective security posture to ensure the security of the College's network, hardware, and software infrastructure. This is reflected in the seamless renewal of our Cyber Essential Plus certification which monitors and tests the College's IT security systems.

Author and Executive Sponsor: Steve Taylor, Vice Principal Support Services and Operations

BOARD OF MANAGEMENT

Audit & Risk Committee

Tuesday 17 September 2024

RISK MANAGEMENT POLICY UPDATE   **PAPER I**

Audit & Risk Committee
Tuesday 17 September 2024

Review of Risk Management Policy

Paper for approval

1.   Introduction

The College's Risk Management Policy is subject to rolling review to ensure that it remains up to date and reflective of good practice in risk management. This review has been supported by the recommendations arising from the Risk Management and Business Continuity Audit reported in March 2024.

2.   Recommendation

The Audit & Risk Committee is asked to review and approve the revised Risk Management Policy as outlined as Appendix A.

3.   Summary of amendments

Risk Management and Business Continuity Audit included the following recommendation:

R2 - The College should develop a framework to provide further guidance on how to assess the impact and likelihood of identified risks, ensuring a consistent approach for risk assessment.

This recommendation was accepted and the updated policy includes additional detail to address this recommendation.

Alongside this recommendation, the policy has been updated to reflect changes in job titles/structures and changes in respect of the Outcome Agreement and Assurance arrangements and terminology used by the Scottish Funding Council. Changes made to the policy are highlighted in yellow in the document.

4.   Link to Strategic Risk Register

Consideration of the options suggested in this report will support the identification and mitigation of risk across all College activities

Author & Executive Sponsor: Steve Taylor, Vice Principal Support Services and Operations

Appendix A

RISK MANAGEMENT POLICY

College Policy No   **PP06**

Approved by   **Audit & Risk Committee**

Original Issue Date   **30/09/2015**

Current Issue Date   **18/09/2024**

Review Date   **01/10/2027**

CONTENTS

RISK MANAGEMENT POLICY – No PP06

Prepared by:	Vice Principal (Support Services & Operations)	Approved By:	Audit & Risk Committee

1   PURPOSE

The purpose of this policy and related arrangements is to:

- outline approaches and arrangements in respect of the management, oversight, control, mitigation, evaluation and reporting of risks associated with College operations and activities;
- ensure that significant risks are monitored and managed more closely; and
- confirm the roles and responsibilities of the Board of Management, Senior Leadership team and others in the effective management of risks.

2   SCOPE

This policy covers the management of financial, strategic, operational, reputational and project-based risks related to all aspects of College activities and operations, including those where the College is operating in partnership with others.

This policy is approved by the Audit & Risk Committee of the Board of Management and will be subject to regular review by the Committee in line with College document control and review procedures.

It should be noted that this policy is does not cover arrangements in respect of health and safety risk assessment which is managed under the terms of the College Health and Safety Policy.

3   IDENTIFICATION AND MANAGEMENT OF RISKS

The development of effective risk management arrangements are essential to control and manage the risks that may otherwise threaten the ability of the College to meet its objectives.

Risk management is bound inextricably within the system of internal control that operates across the College. This system encompasses a number of elements that together ensure that effective and efficient outcomes are achieved, allowing the College to respond to strategic and operational risks. These elements include the following.

3.1   Strategic Risk Framework

High level strategic risks are outlined within a clear risk register that links directly to the College Strategy and key outcomes as outlined through Outcome Agreements and strategic priorities. These risks are discussed and approved by the full Board of Management two times per year. This framework is integrated with strategic planning arrangements and relates directly to strategic developments and detailed analysis of the regional operating context for the College.

Within these arrangements, the Executive Leadership Team undertake the ongoing monitoring and mitigation of risks significant to the College. The strategic risk register is formally reviewed and updated quarterly through the Board of Management Audit & Risk Committee.

Risks are managed based on a series of risk factors determined by assessment of the likelihood multiplied by the impact of each specific risk using a scale of 1 (low) to 5 (high).

Guidance on the scoring of risks is as follows and is indicative rather than prescriptive, with judgement required in respect of the assessment of differing types of risk (operational, financial, reputational etc):

Score	Likelihood Description (assessed likelihood over a rolling 5 year period)	Impact Description
1	Highly Unlikely. The likelihood of the risk arising is minimal (<5% likelihood of arising).	Minimal: If the risk does arise the impact of this is not felt to be significant in respect of the operation of the College and would be managed through normal arrangements.
2	Unlikely. Risks at this level are unlikely to arise, but are possible (>5% but <25% likelihood of arising).	Minor: If the risk does arise it would cause slight disruption or impact on College operations requiring management input to resolve but not impacting on significant whole services, projects or activities. Impact could be mitigated without significant difficulty and/or would exist for a short period of time. Resolution would be achieved through normal work arrangements and budgets.
3	Possible. The likelihood of the risk arising is possible and instances would not be unexpected. (>26% but <50% likelihood of arising).	Moderate. Risk would have a noticeable impact or disruption to the operation of large scale functions (or multiple smaller functions) of the College and would require specific focused management input to resolve. This may require allocation of specialist input and reallocation or re-prioritisation of budget.
4	Likely. Risks in this category are probably and it is anticipated that these will arise (>50% but <75% likelihood of arising)	Major. Risk would have a substantial impact on the ability of the College to operate, covering multiple large functions or activities for a prolonged period. Major risks are likely to require the enactment of specific remedial measures and/or business continuity responses. It would be expected that this may require allocation of specialist input and additional (unplanned) budget.
5	Almost certain. The likelihood of the risk arising is almost certain. (>75% likelihood of arising).	Critical/Catastrophic. Risk would have a severe impact on the ability of the college to operate covering all operations (or multiple large functions or activities) for a prolonged period. Major risks are likely to require the enactment of specific remedial measures and/or business continuity responses. It would be expected that this would require allocation of specialist input and significant additional (unplanned) budget.

Each risk factor is then colour coded as follows:

Colour Code	Description	Scoring Range
Green	**(Low risk factor - Minor risk)** Risks in this category are considered minor and unlikely to cause significant disruption. They are typically managed through routine procedures and do not require special attention.	1 - 8
Amber	**(Medium risk factor - Significant risk) 9 - 15**: These risks are more significant and could potentially impact operations or objectives. They require active management and monitoring to ensure they do not escalate.	9 - 15
Red	**(High risk factor - Major risk) 16 - 20**: High-risk factors are likely to have a substantial impact on the organisation. They demand immediate and robust mitigation strategies and are closely monitored by senior management and the Audit & Risk Committee.	16 -20
Purple	**(Very High risk factor - Fundamental risk) 21 and above**: Risks in this category are critical and pose a fundamental threat to the organisation's viability. They require urgent and comprehensive action plans and are subject to continuous review at the highest levels of management and through the Board of Management.	21 and above

Each risk is assessed and categorised prior to the actions taken to manage the risk and again following assessment of the mitigating actions in place.

Where a post-mitigation risk is highlighted as red, this will be subject to review at each subsequent meeting of the Board of Management Audit & Risk Committee.

Where a post-mitigation risk is highlighted as purple, this will be subject to review on a daily or weekly basis as appropriate and regular updates and engagement enacted with the Board of Management. Formal updates will be subject to review at each subsequent meeting of the Board of Management Audit & Risk Committee and/or full Board as determined by the Principal and Board Chair.

3.2   Outcome Agreement and Assurance (OA) Planning

The national measurement planning arrangements linked to the Outcome Agreement and Assurance models are used to set outcome targets and objectives, inform budget plans, and identify risks associated with many College activities. Progress towards meeting OA activity plans is reviewed through the use of the National Assurance Model arrangements and is monitored on a rolling basis throughout the year and reported through the annual OA self-evaluation report.

3.3   Quality Management System

The College operates a documented quality management system based around ISO9001 principles. This system provides a clear structure of policies, procedures, quality processes and other documentation that underpin the control and review of key College processes and their related risks.

All sections of the quality management system are approved at Executive Leadership Team level, with reference to the Board of Management where appropriate.

3.4 Operational Risk Framework

Managers ensure that significant risks related to the outcomes, activities and operational objectives of their area of responsibility are identified, assessed and monitored. Operational risks are appraised on a rolling basis through team/service/project meetings and emerging risks are communicated and managed as required. Where necessary, the impact of risks in respect of the achievement of operational outcomes is detailed within operational plans and self-evaluation records.

3.5 Determination and Management of Project-Based Risks

Approval of capital and revenue projects where College contribution is in excess of £500k in value will include the requirement to create and manage a specific risk register in relation to the project or activity. This determination and rating of risk must include the following.

• Risks impacting on project/College objectives.
• Significant financial and other operational risks.
• Reputational or other risks

Project based risk registers may be necessary in other circumstances where the nature of the project or the level of non-financial risk involved warrants this.

3.6 Financial Risks

The quarterly management accounts and outturn forecast reports provided to the Finance & Property Committee highlight the key risks and sensitivities underpinning the financial monitoring and planning being undertaken. These risks are reviewed at each Finance & Property Committee meeting, with this information shared with the full board to enhance awareness of the ongoing financial position and risks associated with this.

3.7 Internal Audit Arrangements

The Board of Management Audit & Risk Committee determines and approves a rolling annual schedule of internal audit activities designed to check and test internal control and risk management arrangements. Analysis and feedback in respect of risk and control issues is used to inform development and prioritisation of this schedule. The schedule includes the internal audit review of risk management approaches, arrangements, and effectiveness.

3.8 External Audit Arrangements

External audit provides feedback to the Audit & Risk Committee on the operation of the internal controls reviewed as part of the annual audit requirements specified by the Scottish Government and Scottish Funding Council.

3.9 Quality and Third-Party Monitoring

Internal and external reviews and reports in respect of the achievement of required outcomes and compliance with systems are used to inform potential risks and to strengthen internal control systems as appropriate.

3.10 Management Reporting Arrangements

Regular reporting through a range of management channels including: Executive and Senior Leadership Team meetings; team and service meetings; Stop and Review activities; and project and system planning groups is designed to monitor key risks and their controls.

Decisions to address changes in the risk profile are made through these regular reporting activities and priorities, impacts or concerns are reported to the Senior Leadership Team and/or the Board as necessary.

To underpin these arrangements extensive use is made of clear and comprehensive data through real-time reporting from College systems and the development and review of a broad range of business intelligence dashboards and reports.

3.11 Annual Report Arrangements

The Board of Management is responsible for reviewing annually the effectiveness of risk management arrangements and outcomes, based on information provided by the independent auditors (internal and external) and the Executive Leadership Team.

To inform this the Audit & Risk Committee will consider annually a report produced by the internal auditors that summarises the outcomes of audit activities and provides a clear opinion in respect of the robustness of the internal controls in place and any other significant factors found.

Detailed evaluation reports in respect of the achievement of key College outcomes and on the quality of learning, teaching and services will be discussed and approved annually by the full Board (or relevant Committee). These will be considered alongside financial performance and other metrics as considered appropriate.

3.12 Business Continuity Planning and Disaster Recovery

The College maintains a business continuity plan providing a framework within which serious incidents or other significant events that may impact on business continuity are managed.

Business continuity and disaster recovery arrangements are scenario tested on a regular basis by the Senior Leadership Team. The outcomes of scenario testing will be used to improve arrangements as appropriate.

Business continuity testing will include testing against unquantifiable 'black swan risks' to ensure that plans and approaches are as resilient as they can be in respect of unexpected and unconsidered high impact risks.

4   RESPONSIBILITIES

4.1   Role of the Board of Management

The Board of Management has responsibility to provide leadership within a framework of effective controls which enable risk to be assessed and managed. The Board of Management has responsibility through the operation of the Board and each Board Committee to monitor, challenge and overseeing risk management within the College as a whole.

Within all of these arrangements it is the responsibility of the Board of Management to:

- Establish the overall culture and ethos in respect of risk and opportunity management within the College.
- Determine the appropriate risk appetite (the level of exposure with which the Board is comfortable) for the College that balances risk with opportunity.
- Approve major decisions affecting the College risk profile or exposure in accordance with appropriate financial strategy and procedures and agreed delegation limits
- Ensure that risk management is integrated in strategic planning activities and outcome agreements.
- Monitor the management of key risks (those rated in excess of the risk appetite) to reduce their probability and impact.
- Satisfy itself that the less significant risks are managed, and that risk controls are in place and working effectively.
- Annually review the College approach to risk management and approve changes or improvements as necessary.

Each Board Committee reviews the strategic risks allocated to its area of responsibility on a quarterly basis, making recommendations on change to the Audit & Risk Committee as appropriate.

4.2 Role of the Audit & Risk Committee

The Board of Management has delegated responsibility for risk management to the Audit & Risk Committee.

The Audit & Risk Committee will monitor and report to the Board on internal controls and alert Board members to any significant emerging issues. In addition, the Committee oversees internal audit, external audit and management as required in its review of internal controls.

The Audit & Risk Committee will report to the Board annually on the effectiveness of the internal control system, including the College system for the management of risk.

4.3 Role of the Senior Leadership Team

As the senior management group of the College, the Senior Leadership Team have overall operational responsibility for the identification, management and mitigation of risk in line with Board objectives and risk appetite.

It is the role of the Senior Leadership Team to provide advice and guidance to the Board in respect of potential and actual risk issues and to implement appropriate risk management and internal controls on an on-going basis. Senior Leadership Team members will also be asked to provide accurate, timely and clear information to the Board of Management and its Committees to support board members in understanding and evaluating the status of risks and controls.

Within these responsibilities, the Vice Principal Support Services and Operations and the Audit & Risk Committee will review annually the effectiveness of the system of internal control and provide a report on this to the Board of Management through the Audit & Risk Committee.

4.4 Role of Managers

All staff with a management or team leadership role are responsible for ensuring that good risk management practices are developed and adopted within their area of responsibility.

5 IMPLEMENTATION

To support implementation of this policy all staff with responsibilities under the terms of the policy will receive appropriate guidance, support and training in relation to these responsibilities.

6 REFERENCES

- Board of Management Articles and Committee Remits
- Code of Good Governance for Scotland's Colleges
- Strategic risk register
- Regional Outcome Agreement
- Quality Manual
- Finance Procedures
- Internal audit schedule and reporting
- Business Continuity Plan

7 REVIEW DETAILS

Next Review Scheduled for: 1 October 2027

Responsibility for Review: Audit Committee and Vice Principal (Support Services & Operations)

Union Consultation Required: No

BOARD OF MANAGEMENT

Audit & Risk Committee

Tuesday 17 September 2024

STRATEGIC RISK REGISTER

(i) RISK REGISTER UPDATE   **PAPER J**
(ii) STRATEGIC RISK REGISTER

BOARD OF MANAGEMENT
Audit and Risk Committee
Tuesday 17 September 2024

Strategic Risk Register Update

Paper for approval

1. Strategic Risk Register

A copy of the September 2024 draft Strategic Risk Register is enclosed.   This is noted for approval.

2. 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 each meeting of the Learning, Teaching and Quality; Human Resource & Development; and Finance & Property Committee over the past year.

The most recent management accounts and budget monitoring reports considered by the Finance and Property committee confirm that the College is on track to achieve a better than break even position for 2023/24 and the draft budget considered at the May 2024 Finance and Property Committee meeting highlighted that a sustainable (but deficit) budget will be possible for 2024/25.

The activities developed to address the funding cuts and financial sustainability risk 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 higher level Financial Sustainability risk measure.

3. 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. This work will continue into 2024/25 supported by a contribution from the College and fundraising efforts from students and staff.

4. Reinforced Autoclaved Aerated Concrete (RAAC) Risk

An update on the most up to date picture regarding the RAAC present within the Kingsway Campus will be provided at the meeting.

Updates have also been shared with the Board on the future infrastructure vision for the whole College estate, including future developments to remove RAAC from our estate. A further update will be provided at the next Board meeting.

5. Evaluating the Impact of Public Audit

Committee members may be interested to note that Audit Scotland has published Public Audit in Scotland 2023-28 which sets out a vision for public audit to ensure that public money is well spent to meet the needs of Scotland's people.

This vision is underpinned by planned shared outcomes for public audit as follows:

- Public services in Scotland work better together to target resources more effectively.
- Financial planning and management are more effective across Scotland's public services.
- Public bodies deliver clearer and more transparent reporting.
- Our recommendations have a positive impact for people in Scotland.

Audit Scotland has published a new impact monitoring and evaluation framework to support this evaluation and are happy to take feedback as appropriate on how this is operating and will also seek feedback through audit activity on how these outcomes are being achieved through audit recommendations and activities.

6. Review of Strategic Risk Register

The draft September 2024 Strategic Risk Register is enclosed with no changes recommended in respect of Strategic risks. It is, however, recommended that a further review of risks be undertaken for the March 2025 meeting to reassess risks using the revised risk descriptions outlined within the Risk Management Policy. This review would also consider the outcomes of the risk training recommended for the Board Development Workshop in October 2024.

7. Approvals

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

- Note the updates provided and approval of the Strategic Risk Register

Author and Executive Sponsor: Steve Taylor, Vice Principal Support Services and Operations

STRATEGIC RISK REGISTER

2023 - 2024

As at August 2024

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		3	Significant	Possible
	VPSO	Vice Principal Support & Operations		DirFin	Director of Finance		4	Major	Probable
	VPCP	Vice Principal Curriculum & Partnerships		HoE	Head of Estates		5	Critical	Very Likely
	DirInf	Director of Infrastructure		Chair	Chair of the Board of Management				

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

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	POTENTIAL CONTRIBUTING FACTORS				**TREATMENT**				**POST MITIGATION EVALUATION**	
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

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	POTENTIAL CONTRIBUTING FACTORS				**TREATMENT**				**POST MITIGATION EVALUATION**	
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

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	POTENTIAL CONTRIBUTING FACTORS				**TREATMENT**				**POST MITIGATION EVALUATION**	
2 Financial										
2.1 F&P	Change in Funding Body and/or Funding Methodology and Allocation – Reduction or restriction in Funding	3	4	12	• Negotiation/influence at national level • Contingency plans for amended funding levels or requirements	3	3	9 ↔	• Advance modelling of new funding requirements, 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 and SG • Input to create sector 'flexibilities' • 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 • Effective use of sector 'flexibilities' to support sustainability • Amendment of strategic priorities and timing to align with funding levels • Review and amendment of activity and budget planning to address over/under performance against activity (credit) target • Detailed monitoring of savings programmes • Detailed monitoring & management of CDEL/RDEL risks	VPSO

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	POTENTIAL CONTRIBUTING FACTORS				**TREATMENT**				**POST MITIGATION EVALUATION**	
2 **Financial (cont)**										
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
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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		POTENTIAL CONTRIBUTING FACTORS			**TREATMENT**				**POST MITIGATION EVALUATION**	
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

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	POTENTIAL CONTRIBUTING FACTORS				**TREATMENT**	**POST MITIGATION EVALUATION**				
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				TREATMENT				POST MITIGATION EVALUATION		
	Risks	Impact	Likelihood	Score	Mitigation Actions	Impact	Likelihood	Score	Monitoring	Lead Responsibility
3 **People and Performance (cont.)**										
3.7 **HR&D**	Industrial Relations Problems (including industrial action)	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

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	POTENTIAL CONTRIBUTING FACTORS				**TREATMENT**				**POST MITIGATION EVALUATION**	
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
3.12 **HR&D**	Failure to attract, engage, retain or develop appropriately qualified staff.	4	3	12	• Clear People Strategy and Workforce Planning in place • Positive Union relations and staff communication • Effective management development & CPD programmes • Positive recruitment approaches and monitoring	4	1	4 ↔	• Absence & turnover monitoring • Exit interviews • Regular staff surveys 7 survey responding • Monitoring and responding to staff concerns, union issues and employee relations concerns	VPSO

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	Risks	Impact	Likelihood	Score	Mitigation Actions	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	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

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		Impact	Likelihood	Score	Mitigation Actions	Impact	Likelihood	Score			Monitoring	
4	**Infrastructure**											
4.5 **F&P**	Lack of investment in ageing / beyond serviceable life infrastructure (inc RAAC, Asbestos and M&E failure concerns) impacts on financial sustainability and/or delivery of learning and/or services	4	4	16	• Creation of long-term infrastructure principles and vision • Multi-year estates strategy and capital planning • Lobbying of SG and SFC on capital and backlog maintenance funding • Identification of alternative funding routes • Planning for D&A Foundation bids	3	4	12 ↔	• Lobbying of SG and SFC on campus vision and needs • Prioritization of capital plans and expenditures • Regular review of capital plans/timescales relative to funds			Principal VPSO

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BOARD OF MANAGEMENT

Audit & Risk Committee

Tuesday 17 September 2024

DATE OF NEXT MEETING

Tuesday 3 December 2024 (Joint meeting with Finance & Property Committee) at 4.00pm in Room K-TO-604, Kingsway Campus