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| Meeting | Audit Committee |
| Date and time | Tuesday 13 June 2023 at 8.30 a.m. |
| Location | Virtually – via Microsoft Teams |

Board Secretary
06 June 2023

AGENDA

Welcome and Apologies

Declaration of Interests and/or any Statement of Connections or Transparency Statements.

CREATIVE SESSION – DISCUSSION AND LEARNING FROM SSSC AUDIT

ITEMS FOR DECISION

- 1. MINUTES**
 - a.) Minutes of the Meeting held on 28 April 2023
 - b.) Confidential Note of the Meeting (CN-01-042023) held on 28 April 2023
- 2. a. OUTSTANDING ACTIONS**
b. RECOMMENDATIONS LIST – EXTERNAL AUDIT - FOR YEAR ENDED 31 JULY 2022
c. RECOMMENDATIONS LIST – INTERNAL AUDIT
- 3. INTERNAL AUDIT**
 - a.) Internal Audit – Progress Report 2022-23
 - b.) Internal Audit – Terms of Reference - Follow Up Review 2022-23
 - c.) Student Support Audit
 - d.) Annual Internal Audit Plan – 2023-24

ITEMS FOR DISCUSSION

- 4. EXTERNAL AUDIT**
- 5. RISK MANAGEMENT**
Proposed Updates to Risk Register
- 6. KPI MATRIX**
- 7. COMMITTEE EVALUATION**
Report by Governance Officer

ITEMS FOR NOTING

- 8. AOCB – Private Meeting with Internal Auditors to follow this meeting.**
- 9. DATE OF NEXT MEETING – 05 September at TBC.**

If any member wishes to add an item of business to the Agenda, please inform the Chair and the Governance Officer as soon as possible. Additional items of business will be considered for inclusion in the agenda in advance of and at the start of the meeting.



MINUTES of the AUDIT COMMITTEE held via Microsoft Teams on Friday 28 April 2023

PRESENT: Sally Blyth, Chris O'Neil, James Millar, Amy Goodbrand, Michael Beveridge, Tina Stones, and Gillian Galloway

CHAIR: Tina Stones

APOLOGIES: Innis Montgomery, Information Systems Manager, Claire Robertson, BDO and Gregory Odour, Deloitte

IN ATTENDANCE: Joint Finance and Audit Director
Vice Principal – Student Experience and Quality
Chloe Main, BDO

The Chair welcomed everyone to the meeting. The Committee noted that to ensure all items for approval were discussed with an appropriate quorum, the creative space session would be held at the end of the meeting, time permitting.

The Chair welcomed the Joint Finance and Audit Director to the Committee.

There were no declarations of interests, statements of connections or transparency statements noted.

1. MINUTES FOR APPROVAL

Minutes of the Meeting of the Joint Audit and Finance and General Purposes Committee held on 24 January 2023

Decision: The Minutes of the Meeting of the Joint Audit and Finance and General Purposes Committee held on 24 January 2023 were **AGREED** as a correct record and were **APPROVED**.

2. OUTSTANDING ACTIONS

a.) COMMITTEE OUTSTANDING ACTIONS

- Staff Recruitment – Internal Audit: The Governance Officer advised that an update on these recommendations is now included within the HR Quarterly Report to the HR Committee. As these actions are also included within our Outstanding Internal Audit Recommendation List, the Governance Officer recommended that this item is removed to avoid duplication.

Decision: It was **AGREED** that this item could be removed from the list.

- Committee and Chair Evaluations: The Governance Officer confirmed that all evaluations had been carried out and outcomes from these were reported to the Board of Management in October 2022.

Decision: It was **AGREED** that this item could be removed from the list.

- Internal Audit – Closed Session: The Governance Officer advised that it had been confirmed that all audits were discussed within EMT meetings. The Principal highlighted that the EMT forums are not minuted.

Decision: It was **AGREED** that this item could be removed from the list.

- Committee and Chair Evaluations: The Governance Officer advised that a recruitment exercise has been carried out and that following interviews we have appointed a Non-Executive Member and two co-opted members.

Decision: It was **AGREED** that this item could be removed from the list.

- Internal Audit – Follow Up Report: The Governance Officer advised that this action had been superseded by the events surrounding the Shared Finance Service and instead she and the Principal had met to discuss the outstanding recommendations. The Committee noted that a report from these discussions is included within the agenda and that all Internal Audit Recommendations will be monitored as a separate item at future meetings.

Decision: It was **AGREED** that this item could be removed from the list.

- AOCB: The Governance Officer highlighted that the Joint Audit & F&GP Committee Meeting had taken place.

Decision: It was **AGREED** that this item could be removed from the list.

b.) EXTERNAL AUDIT – OUTSTANDING RECOMMENDATIONS

The Joint Finance and Audit Director spoke to his report which provided the Committee with an update on the following external audit recommendations:

- Service Concession Arrangements – The Committee noted that this will be discussed with our new External Auditors, Deloitte for their view; after which we will make any necessary updates.
- Review of Financial Regulations – the Joint Finance and Audit Director advised that our Financial Regulations have not been reviewed for several years and that our review of these regulations will be combined and updated in association with the newly formed UHI North, West & Hebrides.
- NFI Governance Arrangements – The Joint Finance and Audit Director advised that we require to complete a self-appraisal checklist in line with Audit Scotland Guidance. The Committee noted that this is partially completed.
- Outstanding Internal Audit Recommendations – The Committee noted that this would form a separate item on the agenda.
- Monitoring of Financial Sustainability – The Joint Finance and Audit Director advised that this is ongoing and embedded within College processes and recommended that this be marked as actioned.

Decision: The Committee **AGREED** that this item could be marked as actioned.

- External Effectiveness Review and Action Plan – The Joint Finance and Audit Director advised that this is due to be completed by the end of this Academic Year. The Governance Officer advised the Committee that a

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further review of the External Effectiveness Action Plan is scheduled to be carried out in June 2023.

The Principal provided an additional update in respect of the Financial Regulations and highlighted that we are currently going through the procurement process to move to a joint HR and payroll system. The Committee discussed potential risks around this move and noted that the business case and implementation of this move will be closely monitored.

Action: An update on the procurement and subsequent move to a joint HR and payroll system to be provided at the next meeting.

c.) RECOMMENDATIONS LIST – INTERNAL AUDIT

The Governance Officer spoke to her report. The Committee noted that all recommendations and comments had been reviewed to ensure that they had been appropriately dealt with.

In respect of the recommendations which have been marked as complete, the Committee noted that these had previously been agreed by the Audit Committee for removal. The Committee noted that the updated tracker highlights the rationale which was provided to the Committee in respect of removal and notes the comments from the Committee at the time of discussion. As part of the review the Committee noted that the Principal is content that where actions are marked as complete that all work has been carried out.

Action: The Committee advised that, in respect of recommendation 21 which is currently marked as complete, they would require clarification around the amounts which were claimed in error from HMRC and confirmation that these were within the margin HMRC allow before approval for removal from the list can be given.

Decision: In respect of Recommendations 1, 2, 3, 4, 5, 11 and 22 – the Committee **AGREED** that these recommendations could be marked as complete.

Decision: In respect of recommendation 21 the Committee **AGREED** that this would be changed to “remains active” until the above confirmation can be provided to them.

The Committee was provided with the rationale for the actions which remain active, noting that a number of these are linked to each other. The Committee agreed that by leaving these active we would be able to monitor and test our processes going forward.

Action: The Governance Officer will update the Internal Audit Tracker with the rationale which was provided by management in respect of recommendations 20 and 28.

Decision: In respect of recommendations 10, 12, 13, 14, 15, 20 and 28 – the Committee **AGREED** that these recommendations could be marked as complete.

The Committee gave their thanks to the Principal and Governance Officer for this thorough piece of work.

Tina Stones left the meeting.

3. INTERNAL AUDIT

a.) FINANCIAL PLANNING AUDIT

BDO spoke to this audit advising that two low risk recommendations had been highlighted in respect of Financial Regulations and KPI's, both of which management agreed with.

The Principal welcomed this report and the recommendations within it and advised the Committee that the KPI Matrix will be presented at all future F&GP Committee meetings.

Decision: The Committee **ACCEPTED** the recommendations within this audit.

b.) INTERNAL AUDIT PROGRESS REPORT 22/23

BDO spoke to their progress report advising that due to a miscommunication the Student Support Audit had not been presented to the Committee and would instead come to the June meeting.

BDO advised that in respect of this year's audit plan– two audits have been presented to the Committee and two audits are currently in progress.

The Committee was advised that as part of an audit we had discovered that comments made via the Microsoft Teams chat function were deleted periodically as per our GDPR and data management policies and procedures. The Committee noted that as a result some evidence of discussions had been deleted. BDO advised that this issue has been identified within other organisations who exhibit good data management procedures and that reports will highlight where they have not been able to confirm evidence due to data protection compliance. The Committee noted that now we are aware of this issue, steps will be taken to ensure that salient points made via the chat function in Microsoft Teams are recorded in a different way to ensure that we can provide appropriate evidence of these discussions.

The Committee welcomed the progress being made in respect of our Audit Planning for this Academic Year.

c) BDO REPORTING TEMPLATES

BDO advised that they have updated their reporting templates for Terms of Reference and Audit Reports. The Committee noted that examples of these had been provided to them within the papers.

In respect of the Terms of Reference, BDO advised that the new templates provide additional clarity with regards what they are going to test against. In respect of the Audit Report, BDO advised that a background section can be included as an appendix for all audits if required.

The Committee welcomed these new templates and their simplified approach.

Decisions:

The Committee **AGREED** to the adoption of both the new Terms of Reference and Audit Report Templates. The Committee **REQUESTED** that background information be included as an appendix within all future Audit Reports

d) COMPLAINTS MANAGEMENT AUDIT REPORT

BDO spoke to this report highlighting that they had been able to provide a moderate level of assurance with two medium level and 4 low level recommendations being identified. BDO advised that similar findings in respect of Complaints Management were evidenced across the Sector.

The Vice Principal – Student Experience and Quality advised that the audit had identified areas which required further strengthening and welcomed these recommendations.

The Committee welcomed this comprehensive and detailed audit and the clear and supportive management response to the recommendations.

Decision: The Committee **ACCEPTED** the recommendations within this audit.

4. EXTERNAL AUDIT

The Governance Officer advised that an introductory meeting between our new External Audit Representative and the Chair of Audit will be arranged.

The Joint Director of Audit and Finance advised that work has begun to collate and upload pertinent documentation to the External Auditor Portal. The Committee was advised that following this work the External Auditors would produce a planning memo which would normally be discussed at the June meeting, however, the Committee noted that as this is the start of a new contract it is expected that there will be a delay in producing this and that it will likely not be available until the September 2023 meeting. The Committee noted that this delay should not hinder any timescale for completing the External Audit.

The Committee advised that they looked forward to meeting our new External Auditor.

5. RISK MANAGEMENT

The Joint Finance and Audit Director advised that the risk register had been laid out in a different format which sets out each risk per page and provides the risk description, causes, impacts, and actions being taken to mitigate the risk. The Joint Finance and Audit Director provided the Committee with an update and explanation in respect of all risks.

The Committee welcomed the new format and highlighted a small typo within risk 17.

The Committee had a lengthy discussion around climate change, and it was agreed that this risk would require updating.

Actions:

- Updates to the risk register will be made in respect of HE, Financial Failure and Halls of Residence.
- Comments within the register will be updated.

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- The Joint Finance and Audit Director confirmed he would liaise with others and provide an updated entry in respect of climate change ahead of the next Audit Committee meeting.

The Vice Principal – Student Experience and Quality left the meeting.

Tina Stones joined the meeting.

6. BUSINESS CONTINUITY

The Committee noted that a business continuity plan had been developed over the past few years. The Committee was advised that the newly appointed Health, Safety and Sustainability Manager and the Estates Manager will undertake a review of the plan. The Committee suggested that part of this review should benchmark the College against national standards.

Decision: The Committee **AGREED** that they would discuss the Business Continuity plan annually.

7. AOCB

Update of Inverness College Bank Signatories

The Joint Finance and Audit Director spoke to his report advising that as part of a review of the Shared Finance Service he had noted that our bank signatories list required updating. The Committee noted that as part of this process, Committee approval and a copy of the minutes require to be submitted alongside the application to the bank. The Committee noted the proposed changes within the report.

Decision: The Committee **APPROVED** the revisions to the list of approved bank signatories.

Timings of Future Audit Committee Meetings

The Chair enquired whether the Committee would like to consider any change to the start times of Audit Committee Meetings going forward.

Action: The Governance Officer will seek member opinions outside of the meeting and a decision on timings will be made in line with the view of the majority.

James Millar left the meeting

CONFIDENTIAL UPDATE – FUNDING

A confidential discussion took place which provided the Committee with an update on funding (Note of Session: CN-01-042023)

Sally Blyth left the meeting.

CREATIVE SPACE SESSION

The Chair thanked the Committee for their flexibility and noted that the Creative Session on the learning from the SSSC Audit would take place within the June meeting.

8. DATE OF NEXT MEETING – 13 June 2023 at 8.30 a.m.

Signed by the Chair: _____

Date: _____

Outstanding Actions from Audit Committee Meetings

| Item | Action | Responsibility | Time Line | ACTIONED |
|----------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------|-----------|-------------------------|
| 28 April 2023 | | | | |
| Recommendations List – External Audit | An update on the procurement and subsequent move to a joint HR and payroll system to be provided to the Committee in June. | Principal and Doff&A | June 2023 | |
| Outstanding Internal Audit Recommendations | The Committee advised that, in respect of recommendation 21 – they would require clarification around the amounts which were claimed in error from HMRC and confirmation that these were within the margin HMRC allowed before this recommendation can be removed from the tracker list. | Doff&A | June 2023 | |
| | The Governance Officer will update the Internal Audit Tracker with the rationale which was provided by management in respect of Recommendations 20 and 28. | Gov Off | June 2023 | Actioned on 17 May 2023 |
| Risk Register | Updates will be made to the Risk Register in respect of HE, Financial Failure and Halls of Residence. Comments within the risk register will be updated. The Joint Finance and Audit Director will liaise with the Estates Manager and provide an updated entry in respect of climate change. | Doff&A & Principal | June 2023 | |
| AOCB – Timings of Future Audit Committee Meetings | The Governance Officer will seek members opinions on the timings of future meetings and a decision will be made in line with the view of the majority. | Gov Off | June 2023 | |

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| Subject/Title: | Update of External Audit Recommendations from 31 July 2022 |
| Meeting: | Audit and Risk Committee |
| Meeting Date: | 13 June 2023 |
| Date Paper prepared: | 06 June 2023 |
| Brief Summary of the paper: | External audit recommendations from 31 July 2022. The Joint Finance and Audit Director will provide the Committee with a verbal update on the status of these recommendations. |
| Action requested: [Approval, recommendation, discussion, noting] | Discussion |
| Link to Strategy: Please highlight how the paper links to, or assists with: <input type="checkbox"/> compliance <input type="checkbox"/> partnership services <input type="checkbox"/> risk management <input type="checkbox"/> strategic plan <input type="checkbox"/> new opportunity/change | Complies with Risk Management |
| Resource implications: | None If yes, please specify: |
| Risk implications: | Yes If yes, please specify: Financial Operational Strategic Encompassing all major risks |
| Equality and Diversity implications: | N/A |

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| Student Experience Impact: | None | | |
| Consultation: [staff, students, UHI & Partners, External] and provide detail | None | | |
| Status – [Confidential/Non confidential] | Non-Confidential | | |
| Freedom of Information Can this paper be included in “open” business* [Yes/No] | Yes | | |
| *If a paper should not be included within “open” business, please highlight below the reason. | | | |
| Its disclosure would substantially prejudice a programme of research (S27) | | Its disclosure would substantially prejudice the effective conduct of public affairs (S30) | |
| Its disclosure would substantially prejudice the commercial interests of any person or organisation (s33) | | Its disclosure would constitute a breach of confident actionable in court (s36) | |
| Its disclosure would constitute a breach of the Data Protection Act (s38) | | Other (Please give further details) | |

Further guidance on application of the exclusions from Freedom of Information legislation is available via

<http://www.itspublicknowledge.info/ScottishPublicAuthorities/ScottishPublicAuthorities.asp> and

http://www.itspublicknowledge.info/web/FILES/Public_Interest_Test.pdf

Audit Committee – Audit Recommendations List

| No | EY Finding for the period ended 31 July 2022 | Recommendation | IC Response | Responsible Officer | Timeframe | Update on Actions |
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| 1 | <p>We discussed the recommendation made in our 2016/17 Annual Audit Report with management relating to the College's model for accounting for service concession arrangements, which remained outstanding during previous audits. Management should progress the review of the NPD model at the earliest opportunity in 2022/23.</p> <p>GRADE 1</p> | <p>We recommended management review the current accounting model to consider the assumptions contained therein, whether they remained appropriate and in particular whether the model should incorporate contingent rent with the calculation.</p> <p>Management have advised that this will be progressed in 2022/23 at the beginning of the new audit appointment.</p> | Aim to discuss with new auditors and what their view of this is. Can be discussed in Audit Planning. Sympathetic to address but will need external professional help. | Vice Principal – Finance and Audit | By Mid-August 2023 | 28 April 2023: The Plan is for this to be discussed with our new external auditors Deloitte to get their view of this and to make any changes accordingly. |
| 2. | The College's Financial Regulations are overdue for review, and this should now be progressed to ensure they reflect the most up to date practices in place. | <p>The College's Financial Regulations were last updated in December 2018 and therefore are overdue for review.</p> <p>The annual review process in place has been impacted by pressures caused by Covid-19, but we recommend a refresh of the regulations is</p> | Aiming to combine Financial Regulations update in association with new UHI merged college. This has been commenced. Aim to complete by 31 July 23. | Vice Principal – Finance and Audit. | 31 July 2023 | 28 April 2023: The Plan is to combine the Financial Regulation review and update in association with the new UHI merged College, UHI North, West & Hebrides. |

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| | GRADE 2 | now progressed to reflect the most up to date practices in place, including the shared service structure. | | | | |
| 3 | Governance arrangements around the NFI exercise should be formalised in advance of the 2022/23 exercise. This should include completion of the self-appraisal checklist issued by Audit Scotland. | Audit Scotland recommend completion of the self-appraisal checklist in advance of undertaking NFI work, with oversight from the Audit Committee. This was not completed for the 2020/21 exercise and only a verbal update on progress was given to the Committee. The College should formalise reporting arrangements on NFI matches and ensure the self-appraisal checklist is completed in advance of the 2022/23 exercise. | Self-Appraisal checklist to be reviewed and completed in line with Audit Scotland guidance. | Vice Principal – Finance and Audit | 30 April 2023 | 28 April 2023: The plan is for the Self-Appraisal checklist to be reviewed and completed in line with Audit Scotland Guidance. |
| | GRADE 2 | | | | | |

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| 4 | Limited progress has been made in actioning internal audit recommendations due to a combination of various factors. Management should ensure these are an area of renewed focus in 2022/23. | The college regularly reviews the action tracker capturing internal audit recommendations, the most recent review being undertaken in October 2022. As part of this review, twelve recommendations were deemed to be low risk and removed in order to focus on higher priority areas. As a result, only 27% of recommendations were fully implemented in 2021/22. Management should ensure that a renewed focus is placed on the remaining recommendations during 2022/23. | This was discussed at Audit Committee and work is ongoing to align Internal Auditor Follow-Up with Audit Committee decisions. In progress and due to finalise revised actions by 31 March 2023. | Vice Principal – Finance and Audit | 31 March 2023 | 28 April 2023: This has been discussed at Audit Committee and work is ongoing to align Internal Auditor Follow-Up with Audit Committee decisions. This recommendation is in progress and due to finalised revised actions by 31 March 2023. A separate report is included within the 28 April 2023 Audit Committee agenda. |
| | GRADE 2 | | | | | |
| 5 | The College should continue to regularly monitor it's forecast position, including delivery of its required savings, and its cash position and future forecast. The impact that staff cost reductions and other savings are having on operational and strategic delivery should be subject to ongoing review in conjunction with UHI, as RSB and SFC. | We have outlined our consideration around the College's future financial position and planning in respect of this in more detail in the financial sustainability section of our wider scope reporting. This will continue to be an area of focus for the College going forward. | This work is ongoing with ongoing financial monitoring; FFR production: Curriculum Planning and course numbers. This is embedded and it is felt that this recommendation is being fulfilled and can be taken off. | Vice Principal – Finance and Audit | ACTION COMPLETE | 28 April 2023 – work is ongoing, with regular financial monitoring, FFR production, curriculum planning and FE//HE course numbers. This is embedded in college processes, and it is felt that this recommendation is being fulfilled and can therefore be removed. |
| | GRADE 1 | | | | | |

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| 6 | <p>The College has noted that due to Covid-19 it has not been able to undertake an externally facilitated review in 2020 and planned to address this going forward in early 2021. This has been accordingly disclosed as an area of non-compliance with the Code of Good Governance in the Governance Statement.</p> | <p>The external effectiveness review report was published in January 2021, resulting in a detailed action plan being formulated by the College. This is now very well progressed and there are recommendations stemming from the report which require urgent management action. The Board continue to review the progress of the actions twice yearly in order to ensure completion of all actions. It is anticipated that all remaining actions will have been completed by the end of the Academic Year 2022-23.</p> | | | ACTION COMPLETE | |
| GRADE 2 | | | | | | |

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| Subject/Title: | Internal Tracker of Internal Audit Recommendations |
| Author: | Lisa Ross Governance Officer |
| Meeting: | Audit Committee |
| Meeting Date: | 13 June 2023 |
| Date Paper prepared: | 06 June 2023 |
| Brief Summary of the paper: | To present the reviewed and updated Internal Audit Recommendation Tracker. |
| Action requested: [Approval, recommendation, discussion, noting] | Review and Approval |
| Link to Strategy: Please highlight how the paper links to, or assists with: <input type="checkbox"/> compliance <input type="checkbox"/> partnership services <input type="checkbox"/> risk management <input type="checkbox"/> strategic plan <input type="checkbox"/> new opportunity/change | Ensuring that we continue to comply with Risk Management |
| Resource implications: | None If yes, please specify: |
| Risk implications: | Yes If yes, please specify: Financial Operational Strategic Encompassing all major risks |

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| Equality and Diversity implications: | N/A | | |
| Student Experience Impact: | None | | |
| Consultation: [staff, students, UHI & Partners, External] and provide detail | None | | |
| Status – [Confidential/Non confidential] | Non-Confidential | | |
| Freedom of Information Can this paper be included in “open” business* [Yes/No] | Yes | | |
| *If a paper should not be included within “open” business, please highlight below the reason. | | | |
| Its disclosure would substantially prejudice a programme of research (S27) | | Its disclosure would substantially prejudice the effective conduct of public affairs (S30) | |
| Its disclosure would substantially prejudice the commercial interests of any person or organisation (s33) | | Its disclosure would constitute a breach of confident actionable in court (s36) | |
| Its disclosure would constitute a breach of the Data Protection Act (s38) | | Other (Please give further details) | |

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<http://www.itspublicknowledge.info/ScottishPublicAuthorities/ScottishPublicAuthorities.asp> and
http://www.itspublicknowledge.info/web/FILES/Public_Interest_Test.pdf

Recommendation(s):

That members review the most up to date version of our Internal Audit Recommendation Tracker.

Purpose of Report

To review progress on all outstanding Internal Audit Recommendations.

2020-21 Outstanding Recommendations:

There remain 15 outstanding internal recommendation actions from 2020-21:

Cash Handling – Recommendations 6-9

These remain active with the Shared Finance Team continuing to address these priority actions:

- VAT issues within tills.
- The review and alignment of our Financial Regulations with that of the newly merged UHI North, West and Hebrides.

Work Force Planning – Recommendation 15

This recommendation remains active. The Talent Management Plan continues to be subject to HR Committee scrutiny.

Systems- Recommendations 16-18

These remain active and continue to be critical given the expected changes from the UHI 2024 Revitalisation Programme. A new procurement exercise in respect of ITrent (a combined and shared HR and Payroll system) has been undertaken.

Procurement - Recommendation 19

This recommendation remains active. The Joint Finance and Audit Director is liaising with Procurement to finalise the Procurement Strategy.

Coronavirus Job Retention Scheme Grant Claims – Recommendation 21

The Audit Committee requested that this recommendation remains active until clarification can be given around the amounts claimed in error from HMRC and whether these fall into the margins of HMRC acceptability.

Staff Recruitment – Recommendations 23-27

The HR team are continuing to work through these recommendations with the Staff Recruitment and Selection Procedures going through the Policies and Procedures Review Panel (PPRP) process and currently out for staff consultation. It is expected that this policy will be taken to the June HR Committee and Board of Management

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Meeting for final approval. The HR Committee continues to be provided with an update on how these recommendations are progressing.

2022-23 Outstanding Recommendations

There remain 12 outstanding internal recommendation actions from 2022-23:

Student Representation (May 2022) – Recommendations 1-4

The Quality Manager has provided the following updates:

1. The Student Partnership and Engagement Strategy 2021/22 – 2025/26 is published on our website and on our internal Quality SharePoint site for staff.
2. QEP progress/tracker is discussed and updated at the monthly Quality Officer/Head/Dept meetings. Updates on progress is regularly discussed within the Student Journey and Enhancement Committee Agenda.
3. Dates for completion and status of action are now incorporated within the tracker.
4. Student Voice Representative recruitment was worked on to try and increase the numbers of Student Voice Reps. Actions were taken at open days and induction along with a greater onsite presence from HISA. Close monitoring was carried out. There has been an improvement, but further work will be required in 2023/24. This is an area of continued focus, but in terms of the actions this can be considered as closed.

Recommendation: It is recommended that items 1-4 are marked as closed.

Financial Planning (December 2022) – Recommendations 5-6

5. As per the outstanding recommendation for 2020-21, the Shared Finance Team will review and align our Financial Regulations with that of the newly merged UHI North, West and Hebrides. This recommendation will remain active.
6. KPI's are now discussed at each Finance and General Purposes Committee as part of the Operations and External Relations Report.

Recommendation: It is recommended that item 6 is marked as closed.

Complaints Management (March 2023) – Recommendations 7-10

The Quality Manager has provided the following updates:

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7. We have implemented immediate changes: all extension requests are to be via email correspondence and stored within the complaint file, a close out meeting has been introduced for all stage 2 complaints which focusses on actions and lessons learned.
8. Remains Active – not due to be closed until 30 September 2023.
9. Remains Active – this recommendation has been discussed with the team and the individual Quality Officer that prepares the quarterly reports and these aspects will be included from the start of quarter 1 of 2023/24.
10. Remains Active – this recommendation has been discussed with the team and the individual Quality Officer that prepares the quarterly reports and these aspects will be included from the start of quarter 1 of 2023/24.
11. The Professional Development Team continue to encourage and monitor completion rates.
12. Has always been on the tracker but the implementation of the Stage 2 close out meetings have placed a greater emphasis on this.

Recommendation: It is recommended that items 7, 11 and 12 are marked as closed.

Internal Audit Recommendations Tracker - Outstanding Audit Recommendations - Updated 17 May 2023

| Finding Reference (per report) | Reporting Year | Audit | Recommendation | Recommendation Significance | Management Response | Implementation Date | Responsible Officer | BDO status at July 2022 | BDO status at October 2022 | | Comment Provided to Audit Committee | Audit Committee Comments | | Status Update (Reviewed by Principal on 09 March 2023) |
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| 1 | 2018/19 | Business Continuity Management | We recommend that the College develops a testing plan/schedule for BCP which should be reviewed on an annual basis to ensure a strategic approach to testing is achieved. This plan should ensure that varying categories of events are scheduled to be tested on an annual basis based upon likelihood and overall risk. A formal testing schedule should also be developed for IT/Disaster recovery. In addition, we recommend that the outcomes, lessons learned and required actions are formally documented within the plan for each test. | Medium | Original - Agreed. Implemented for the next induction in June 2019 October 2021 - BCP Testing. As you are aware the current pandemic and the colleges respond to the unfolding events of the last 18 months had demonstrated our ability to continue our operations , Off site and online to deliver academic studies to our students. Also within this period we have been subject to a cyber incident, once again our current BCP has been enacted to reduce its effect on the running of this facility. Both events has shown our BCP has been robust so all other testing has been suspended until 2022 when we are back to some sort of normality. | Jun-19 | Martin Kerr | Not Implemented - Committee agreed to remove from further follow up: College Management have other actions they want to prioritise and therefore the Audit Committee agreed to remove this recommendation at their meeting on 7th June 2022. This risk was rated medium as it is important that Business Continuity Plans are tested regularly to ensure that they well understood and that actions are taken on any lessons learned in order to ensure that the Plan can be effectively enacted in the event of a business disruption. Although the College was able to continue operations in the face of the recent pandemic, there may be another type of disaster which requires a different response and therefore it would be beneficial to resume regular testing of the Business Continuity Plan | N/A | | March 22 - Director of Finance advised: The College's business Continuity Plan has been stretched to the limit in relation to the Cyber Incident and Covid-19. Any further work or checking or lessons learned are no longer required. It is recommended to close this on the internal tracker and advise Internal Auditors to take this off the Follow Up Review. | 08 March 2022 - the Committee AGREED that this item could be removed from the list. 28 April 2022 - following review of the Internal Audit Recommendations, the Committee AGREED that this item could be marked as COMPLETE. | | COMPLETE |
| 2 | 2018/19 | Business Continuity Management | We recommend that the College reviews the BCP Contact List to ensure that full contact details are provided for external parties. Any external contacts which are not necessary should be removed from the BCP. | low | Original - Agreed. October 2021 - BCP contact review was undertaken 15th September. Review document being drafted. Contact details to be updated by end Oct 2021. | Mar-19 | Martin Kerr | Not Implemented - Committee agreed to remove from further follow up: College Management have other actions they want to prioritise and therefore the Audit Committee agreed to remove this recommendation at their meeting on 7th June 2022. This is a low risk recommendation but it remains important that accurate contact details are included within the BCP in case of an emergency. | N/A | | March 22 - Director of Finance advised: Contact Details have been completed. Recommend to remove from Internal Tracker and Internal Auditor Follow Up Review. | 08 March 2022 - the Committee AGREED that this item could be removed from the list. 28 April 2022 - following review of the Internal Audit Recommendations, the Committee AGREED that this item could be marked as COMPLETE. | | COMPLETE (Changes to contacts have been implemented) |
| 3 | 2018/19 | Curriculum Planning | We recommend that the college produce more regular utilisation reports for its estate and staff, and that these reports are monitored and scrutinised by an appropriate group within the college. | low | Original - Agreed - The college recognises the need to re- establish regular room utilisation audits, and the enhanced functionality of Celcat should improve the information available through these audits. The audits were reported previously via the Academic management Group, which is no longer in existence. The college will ensure that room utilisation audits are re-instated and reported regularly through an appropriate group. October 2021 - Since March 2019, occupancy of the campus has been severely restricted. Student and staff occupancy rates have been monitored regularly, to ensure that we have been operating line with the relevant Covid restrictions that are in place. We have put a KPI monitoring process in place, which is being updated and presented to EMT, the Board and to all staff. This includes a room utilisation measure, which will be reported as soon as Covid measures are lifted. | Academic Year 2019/20 | Depute Principal - Planning and Student Experience | Superseded: College Management have other actions they want to prioritise and therefore the Audit Committee agreed to remove this recommendation at their meeting on 7th June 2022. This is a low risk recommendation and does not pose a significant risk to the College if not implemented. | N/A | March 22 - Director of Finance advised: Room utilisation audits are difficult even using software. Sometimes classrooms can be blocked booked, and not necessarily used. However, prior to Covid 19 the issue Inverness College faced was a challenge on teaching space with extensions into the evenings to cope with teaching pressures. With Covid 19 and its effects, this is making us consider hybrid working, and how much professional staff will be on site, and that they are not likely to go back to the old office routine. There may be consideration given to transferring some office space and converting them into classrooms. As the curriculum side hopefully gets back to a more normal trend, this will be considered. This recommendation is probably superseded by a wider consideration of the estate. The college has established a short life working group to look at our future workspaces. Alongside this, our curriculum reviews have taken place in Feb and March to ascertain any changes in curriculum delivery and modes of study for AI 22/23 going forward. This will enable us to make best use of space whilst maintaining an excellent student experience. The college will re-start analysis of room utilisation in Sept 22 with reports coming to EMT on a quarterly basis from the Central Administration Team Manager. Staff utilisation is monitored closely by schools within the monthly data presentations which were introduced in September 2021 and through the review of curriculum plans in February and March, as above. Staff utilisation is also reported on the KPI matrix monthly. It is recommended that it be removed from Internal Tracker and Internal Audit Follow Up Review. | 08 March 2022 - the Committee AGREED that this item could be removed from the list. 28 April 2022 - following review of the Internal Audit Recommendations, the Committee AGREED that this item could be marked as COMPLETE. | | COMPLETE | |
| 4 | 2019/20 | Business Planning and Performance Management | We recommend that the Board is provided with an annual performance report on the Strategic Plan and associated KPIs covering the preceding academic year. We recommend that progress on departmental enhancement plans is summarised and reported quarterly at SMT meetings, with exceptions highlighted. | Medium | Original: The college will ensure that annual reporting on KPIs is included in the October Board meeting, and will discuss with the board the possibility of introducing interim reporting throughout the year. Quarterly reporting, by summary and exception, on departmental Enhancement Plans will be implemented for the June 2020 SMT meeting. October 2021: The KPI matrix was launched in August 2021, containing a number of KPIs relating to each section of the strategic plan. Relevant measures from the KPI matrix will be presented at Board Committees and the full KPI matrix will form part of the Principal's report to the full Board in October. | Oct-20 | Depute Principal - Planning and Student Experience | Superseded: College Management have other actions they want to prioritise and therefore the Audit Committee agreed to remove this recommendation at their meeting on 7th June 2022. It can be inferred from the Audit Committee's acceptance of the removal of this recommendation that they are satisfied with the level of oversight the Board have over the implementation of the Strategic Plan | N/A | March 22 - Director of Finance advised: The KPI matrix was presented to the Board. This action is complete. It is recommended that it be removed from Internal Tracker and Internal Audit Follow Up Review. | 08 March 2022 - the Committee AGREED that this item could be removed from the list. 28 April 2022 - following review of the Internal Audit Recommendations, the Committee AGREED that this item could be marked as COMPLETE. | | COMPLETE (Strategic Audit is planned and will be carried out in March 2023). | |
| 5 | 2019/20 | Business Planning and Performance Management | We recommend that to align with best practice that the departmental enhancement plans review and approval section is completed, preferably by either a senior College group or a senior member of staff, such as the Depute Principal. | Low | Original: The college will ensure that all departmental enhancement plans are signed off by the relevant senior manager. October 2021: Following the departure of the Depute Principal, the Enhancement Planning process is being led by the Assistant Principal, Student Experience & Quality (APSEQ). The process has been significantly developed, including improved monitoring. The new process is being rolled out, supported by training delivered by the new Interim Quality Manager. Once teams have set departmental goals, these are reviewed, discussed and approved as appropriate by the APSEQ. These are added to the annual quality improvement plan, which is monitored throughout the year by the Quality Team and APSEQ. The new process was presented to LT&R Committee in September 2021. Each year, the main themes will be presented to LT&R. | Jun-20 | Depute Principal - Planning and Student Experience | Superseded: College Management have other actions they want to prioritise and therefore the Audit Committee agreed to remove this recommendation at their meeting on 7th June 2022. This is a low risk recommendation in order to align with best practice and therefore the threat to the College from not implementing the recommendation is minimal. | N/A | March 22 - Director of Finance advised: Annual Enhancement Plans - This action is complete. It is recommended that it be removed from Internal Tracker and External Follow Up Review. | 08 March 2022 - the Committee AGREED that this item could be removed from the list. 28 April 2022 - following review of the Internal Audit Recommendations, the Committee AGREED that this item could be marked as COMPLETE. | | COMPLETE (Weekly reviews are undertaken by Curriculum Teams) | |
| 6 | 2019/20 | Cash Handling | It is our recommendation that Finance staff are reminded of the need to ensure takings sheets are fully completed and signed to evidence that totals have been verified. This should form part of the checks done by the second finance officer who countersigns the banking sheet. A further check could be made by the Finance Team Leader when posting the journal to the finance system. | Medium | Originally Agreed. October 2021 - Finance procedures are still under review with the new Shared Finance Team. The Finance Team Restructure has been delayed and procedures will be reviewed once the new structure is in place. | Within one calendar month of lockdown ending. | Morag Jarvis | Partially Implemented - The College have advised us that there has been problems with the tills with regards to accounting for VAT. Meetings have been held with the software supplier and it is hoped that progress will be made towards a resolution in July 2022. | Progress has been made although hair and beauty takings prints need to disclose cash takings by notes and cash. Expected to be implemented by end of October 2022. | | June 2022 - Director of Finance has undertaken discussions with the Team Leader - Income and Expenditure. The tills set up needs further review. There has been a meeting with the till software supplier. There are issues regarding accounting for VAT and also the file and paperwork regarding the cash takings. This is proving a more difficult issue than expected. If software requires amending, then the College is willing to pay for this to get as smooth and efficient process as possible in terms of accounting for cash. | 07 June 2022 - Audit Committee Agreed that this item would remain on the outstanding actions list. | REMAINS ACTIVE - VAT issues are continuing to be addressed. The Shared Finance Team will action this. Financial Regulations will be reviewed and aligned with the shared service for the newly merged UHI North, West and Hebrides. This will be a priority action for the Shared Service. The Finance Director Designate has been appointed for the merged College. This will form debate between the Principal and the Principal Designate for the newly merged college. | |
| 7 | 2019/20 | Cash Handling | It is our recommendation that the College develops a procedure for monitoring and investigating variances in cash takings. The procedure should detail the variance tolerance level, the arrangements for monitoring variances to highlight any trends, and the remedial action which may be taken to address any identified issues such as re-training or disciplinary action. The existing banking procedures should be updated to include a section which refers to the procedure for monitoring and investigating variances. | Medium | Originally Agreed. October 2021 - Finance procedures are still under review with the new Shared Finance Team. The Finance Team Restructure has been delayed and procedures will be reviewed once the new structure is in place. | Within one calendar month of lockdown ending. | Morag Jarvis | Partially Implemented - The college have advised us that this recommendation will be address once the issues with the tills has been resolved. | Variance Analysis of cash differences will be implemented commencing mid October 2022 | | June 2022 - Director of Finance has undertaken discussions with the Team Leader - Income and Expenditure. The tills set up needs further review. There has been a meeting with the till software supplier. There are issues regarding accounting for VAT and also the file and paperwork regarding the cash takings. This is providing a more difficult issue than expected. If software requires amending, then the College is willing to pay for this to get as smooth and efficient process as possible in terms of accounting for cash. | 07 June 2022 - Audit Committee Agreed that this item would remain on the outstanding actions list. | REMAINS ACTIVE - VAT issues are continuing to be addressed. The Shared Finance Team will action this. Financial Regulations will be reviewed and aligned with the shared service for the newly merged UHI North, West and Hebrides. This will be a priority action for the Shared Service. The Finance Director Designate has been appointed for the merged College. This will form debate between the Principal and the Principal Designate for the newly merged college. | |
| 8 | 2019/20 | Cash Handling | It is our recommendation that there is a daily reconciliation completed for each department; showing zero sums if there are no takings and that this is confirmed by the department. We also recommend that the procedures are updated to reflect this arrangement and that the Hair & Beauty department have a safe which will be used to hold cash from evening appointments overnight. | Low | Originally Agreed. October 2021 - Finance procedures are still under review with the new Shared Finance Team. The Finance Team Restructure has been delayed and procedures will be reviewed once the new structure is in place. Hair and Beauty are only taking card payments at present. | Within one calendar month of lockdown ending. | Morag Jarvis | Partially Implemented - Example daily reconciliations have been provided and the Hair and Beauty Dept have a safe. This recommendation will be fully implemented when procedures are updated and finalised. | Management Recommend to close. Management advised that cash takings are mostly daily but sometimes refectories can be short staffed meaning this is not wholly complied with. Effectively the College is complying with the recommendation, but sometimes unable to deliver 100%. | | June 2022 - Director of Finance has undertaken discussions with the Team Leader - Income and Expenditure. The tills set up needs further review. There has been a meeting with the till software supplier. There are issues regarding accounting for VAT and also the file and paperwork regarding the cash takings. This is providing a more difficult issue than expected. If software requires amending, then the College is willing to pay for this to get as smooth and efficient process as possible in terms of accounting for cash. | 07 June 2022 - Audit Committee Agreed that this item would remain on the outstanding actions list. | REMAINS ACTIVE - VAT issues are continuing to be addressed. The Shared Finance Team will action this. Financial Regulations will be reviewed and aligned with the shared service for the newly merged UHI North, West and Hebrides. This will be a priority action for the Shared Service. The Finance Director Designate has been appointed for the merged College. This will form debate between the Principal and the Principal Designate for the newly merged college. | |

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| 9 | 2019/20 | Cash Handling | We recommend that the Banking Process and Procedures document is updated to include the following areas: - Which members of staff may operate the till in each department and what the training arrangements are for till operators; and - The procedure for maintaining a float including the arrangements for picking up, counting, storing and dropping off the float. | Low | Originally Agreed. October 2021 - Finance procedures are still under review with the new Shared Finance Team. The Finance Team Restructure has been delayed and procedures will be reviewed once the new structure is in place. | Within one calendar month of lockdown ending. | Morag Jarvis | Partially Implemented - the College have advised us that the procedures are in draft but still to be reviewed. | Finance procedures to be reviewed by Team Leader by end of November 2022. | June 2022 - Because the tills situation needs resolved, procedures cannot be done. | 07 June 2022 - Audit Committee Agreed that this item would remain on the outstanding actions list. | REMAINS ACTIVE - VAT issues are continuing to be addressed. The Shared Finance Team will action this. Financial Regulations will be reviewed and aligned with the shared service for the newly merged UHI North, West and Hebrides. This will be a priority action for the Shared Service. The Finance Director Designate has been appointed for the merged College. This will form debate between the Principal and the Principal Designate for the newly merged College. |
| 10 | 2019/20 | Health & Safety | We recommend staff are required to log DSE Assessments and questionnaires in a way that allows completion to be monitored centrally. We recommend the Health & Safety Manual is updated and clearly documents where completed assessments should be retained. We recommend staff are required to refresh their assessments and questionnaires on a regular basis for example every three years, or whenever they move desks. We recommend new staff are required to complete a DSE Assessment and questionnaire as part of their induction. | Medium | A comprehensive programme of DSE assessments were undertaken during the transition from the Longman building to the Beechwood campus. Unfortunately, for unknown reasons, the record of these records is unavailable. As circumstances have changed due to the COVID-19 pandemic, a new programme of DSE Assessments will take place during the return to working within College buildings, which will consider both office working and, where applicable, home working arrangements. The Health & Safety Manual is in the process of being reviewed and instruction on the administration of records will be included. The requirements for DSE assessments (including reviews will be stipulated in the Health & Safety Manual DSE training and self-assessment will be included in the staff induction process and included in the Health & Safety Manual | Jan-21 | Health and Safety Manager | Partially Implemented - Staff are required to undertake a DSE module and assessment as part of the IHASCO online mandatory training. Not all staff have received the training. Non-compliance is being followed up with management. No update has been provided regarding the update to the Health and Safety Manual | All staff are required to undertake a DSE training module and subsequently undertake a DSE assessment as part of the IHASCO online mandatory training. The status is 'partially implemented' as not all staff have completed the training. Non compliance is being followed up by managers. | October 22 - Director of Finance recommended that this item be closed advising that managers are being asked to follow up re non-compliance and that health and safety learning and training is being followed up by internal processes. | Audit Committee did not make a decision as to whether to close or retain this action. 28 April 2023 - following review of the Internal Audit Recommendations, the Committee AGREED that this item could be marked as COMPLETE. | COMPLETE - Actions have been carried out |
| 11 | 2019/20 | Estates Management | We recommend that the planning timetable is amended so that there is a budget and operational plan in place for the coming year before it begins. | Medium | Original: Building capital grants are released by the funding council in year. Since ONS and reclassification of colleges these grants have been time barred and do not take account of delays or projects that might straddle financial years. This is a particular issue with COVID - 19 which we are still to receive SFC clarification. Given the capital funding mechanism aligned to condition surveys undertaken not long after the completion of the new campus facilities this funding is significantly reduced. The capital expenditure plan, subject to funding, therefore reflects this reduced allocation and is designed to be flexible in response to potential other funding streams. October 2021: Estates strategy in development, awaiting finalisation of overall strategic plan from 2021 | Sep-20 | Estates and Campus Service Manager and Management Accountant | Superseded: College Management have other actions they want to prioritise and therefore the Audit Committee agreed to remove this recommendation at their meeting on 7th June 2022. It would be good practice for the College to have their budget and plan in place before the year begins, but if the College decide not to implement this recommendation the risk is not significant as long as a budget and plan are in place during the year. | N/A | March 22 - Director of Finance advised: There is on-going monitoring of Estates capital and spend. It is not so much the annual capital budget allocation that is the issue. Having the main site and Balloch managed by a third party, GTFM, makes the planning and delivery of estates spend a much more complex issue. It is not so much on the finance side but the actual specification and agreement of work that is the difficult issue. It is recommended that it be removed from Internal Tracker and Internal Audit Follow Up Review | 08 March 2022 - The Committee noted that plans for capital spends for this year were being agreed. It was reiterated to the Committee that delays with regards the allocation of spends is due to a third party managing the site. The Assistant Principal - Finance and Audit advised that a report on capital spend will be discussed at the Finance and General Purposes Committee Meeting being held on 17 March 2022 and that a draft Estates Plan is being agreed with GTFM. The Committee noted that this issue will continue to be monitored. Decision: It was AGREED that this item could be removed from the list. 28 April 2022 - following review of the Internal Audit Recommendations, the Committee AGREED that this item could be marked as COMPLETE | COMPLETE |
| 12 | 2020/21 | Workforce Planning | We recommend the College considers implementing a learning management system, which will allow training records and certifications to be held centrally and will allow skills gaps analysis to be completed which can inform the learning plan. | Medium | Original - We continue to work with staff and managers to ensure that all qualifications and certificates are forwarded to the PD team for accurate imputing to the system. We are currently exploring add-ons to our HR system which would allow skills gaps analysis to be completed on an organisation wide basis. Meanwhile, managers continue to undertake skills gap analysis for their areas as part of their overall management responsibilities. October 2021 - Discussions are ongoing to evaluate the benefits of moving the HR system to the same system as the recently implemented Payroll system. This system incorporates a learning management system which would enable greater functionality than the current CpiHR system. Meanwhile, the college is planning to implement a Talent Management Strategy which will entail a skills gap analysis. | Staff Recruitment and Selection Procedure to be updated by 30 June 22. Implementation to be determined by PPPP dates which yet to be set for AY 22/23 | Professional Development Manager | Partially Implemented - The College have seen an increase in staff updating training records electronically over the lockdown period in which reliance on paper systems decreased. The College have an HR system review scheduled for July 2022 which will allow them to consider the potential for add-ons which will facilitate an organisation wide skills gap analysis. | Most training records are currently held centrally within the HR system. The lockdown periods decreased staff reliance on paper systems and we now see staff more regularly updating training records electronically. Responsibility for skills gap analysis remains within Schools/Professional Services teams. The review of our HR System is ongoing with a refresh scheduled for July 2022. | June 2022 - an update from the Professional Development Manager has been provided to BDO. | 07 June 2022 - Audit Committee Agreed that this item would remain on the outstanding actions list. 28 April 2023 - following review of the Internal Audit Recommendations, the Committee AGREED that this item could be marked as COMPLETE | COMPLETE |
| 13 | 2020/21 | Workforce Planning | We recommend identifying critical roles and preparing a documented succession plan. | Medium | Whilst we do not necessarily have a 'list' of critical roles - I must re-iterate some of the comments made: • We review our staffing in line with our annual curriculum plan and set our annual staffing budget accordingly. Anticipating future skill need / development of skill sets to support future curriculum developments. • Managers continually monitor staff numbers to ensure that sufficient resources are attached to each department to ensure curriculum and support service levels can be met. • Skills gaps are filled either through redeployment of staff from other areas of the College or, where necessary, through external recruitment in line with the budget. • A review and approval process has been established to ensure that appointments, both internal and external, are managed in line with available budgets, curriculum and service demand and strategic objectives. • Development opportunities are made available for staff internally in preparation for promoted posts when vacancies become available. Staff have been provided with learning and development support to help them achieve that. For example, through trainee roles/programmes, CMI training for new line managers and those aspiring to become, and secondment opportunities. • Within the Curriculum teams, Programme Co-ordinators roles were created several years ago which allow lecturers to be appointed on a fixed term basis allowing them to gain experience in reviewing quality of programmes and timetable management. • Academic Management/ Schools Structure - over the past years we have also implemented a number of workforce structural changes including a transformation of our academic middle management structure and moving our curriculum groupings into wider 'schools' structure. For example, appointments to the Deputy Head of School posts were made. • Although recruitment to specialist roles is challenging in the Highlands, the College has implemented a number of initiatives to develop some resilience. Processes are in place which ensure that critical positions are filled to ensure that staff resources are available to meet commitments. Managers continually monitor staff numbers to ensure that sufficient resources are attached to each department to ensure curriculum and support service levels can be met. We continue to use development opportunities to mitigate risk wherever possible. Attraction campaigns are enhanced and reviewed for hard to fill posts. • Variable supply staff are used to address resource gaps in the short term with the pool of variable staff reviewed annually in conjunction with dept mgt's to ensure that skills are available to meet requirements. • Profiling of staff, in terms of age, qualifications and skills, is performed along with access to pension funds, and known retireats. • A personal skills framework is in place which forms part of every staff member's annual PDR process. A documented succession plan procedure as outlined above will be formalised. October 2021: We now wish to move to a Talent Management approach, encompassing workforce planning, human resource management, organisational and staff development. A new Talent Management Strategy will ensure that the College, now and into the future has a constructive, demand led approach to recruiting, developing, recognising and retaining talented individuals and teams, who are Ambitious, Bold and Creative in meeting the needs of our communities. The Talent Management Strategy will be based around the Talent Management Framework (TMF) and will include succession planning. We are currently seeking tenders for HR Consultancy Services for developing this Talent Management Strategy through to initial implementation. The project is due to commence on 01 September 2021 following evaluations of tenders. | 01/04/2021 *Update as at June 2022 - This is planned to commence at the start of the next academic year. | HR Manager | Partially Implemented - The College has advised us that their HR and Professional Development teams are developing a three stage approach to the general principles of Succession Planning: identifying those employees who may have development potential (a) now (b) 1-3 years from now, or (c) 3-5 years from now. They have proposed that the current Performance Review and Development (PRD) process be amended to accommodate succession planning as an outcome, where appropriate, at the conclusion of the PRD process. This is planned to commence at the start of the next academic year. | The succession planning process has been developed and will be launched within semester 1, after staff have been trained in the process. | June 2022 - an update from the HR Manager has been provided to BDO. | 07 June 2022 - Audit Committee Agreed that this item would remain on the outstanding actions list. 28 April 2023 - following review of the Internal Audit Recommendations, the Committee AGREED that this item could be marked as COMPLETE | COMPLETE |
| 14 | 2020/21 | Workforce Planning | We recommend the College adopts UHI's Staff Development Policy and Procedure and these are reviewed on a regular basis. | Low | Original - The UHI Staff Development Policy and Procedures will be adopted and communicated to staff through the Professional Development committee and other channels as soon as it becomes available. 2021 - The UHI Staff Development Policy has not yet been released. Inverness College will adopt this policy when it becomes available. Meanwhile, a new Professional Review and Development Policy is currently being implemented across the whole college. | As soon as UHI release the new policy and procedure, anticipated before the end of 2020/21 academic year. | Professional Development Manager | Not Implemented - The College have advised us that the single UHI Staff Development Policy has not yet been launched. The College stated that if this Policy does not become available by the end of academic year 2021/22, work will commence to review and redevelop the current UHI Inverness Staff Development Policy and Procedure to bring it in line with current best practice. | A common UHI has yet to be progressed. In light of this we are developing our own Professional Development policy and procedure which will be in place by the end of the calendar year. | June 2022 - an update from the Professional Development Manager has been provided to BDO. | 07 June 2022 - Audit Committee Agreed that this item would remain on the outstanding actions list. 28 April 2023 - following review of the Internal Audit Recommendations, the Committee AGREED that this item could be marked as COMPLETE | COMPLETE - UHI Inverness Policy approved by HR Committee and Board of Management - Awaiting further input from UHI Executive Office. |
| 15 | 2020/21 | Workforce Planning | We recommend the Workforce Plan is completed and is reviewed and approved on a timely basis. The document owner, reviewer and approver and when it is next due for review should also be documented, and future reviews timetabled to ensure the plan is refreshed for the beginning of the years to which it relates. | Low | Original - The Workforce Plan 2020-23 is currently a draft version and the outstanding sections to be completed are Section 5, Recruitment and Retention of Workforce and Section 6, Succession Planning. The HR Manager will liaise with SMT to finalise, including documenting its owner and the review process. October 2021 - We now wish to move to a Talent Management approach, encompassing workforce planning, human resource management, organisational and staff development. A new Talent Management Strategy will ensure that the College, now and into the future, has a constructive, demand led approach to recruiting, developing, recognising and retaining talented individuals and teams, who are Ambitious, Bold and Creative in meeting the needs of our communities. The Talent Management Strategy will be based around the Talent Management Framework (TMF) and will include Succession Planning. The College are currently seeking tenders for HR Consultancy Services for developing this Talent Management Strategy through to initial implementation. The project is due to commence on 1st September 2021 following evaluations of tenders. | Jun-21 | HR Manager and SMT | Partially Implemented - The College has advised us that they are moving to a new approach that encompasses workforce planning, human resource management, organisational and staff development which will result in the creation of a Talent Management Strategy. In order for this recommendation to be fully implemented, the Talent Management Strategy which replaces the Workforce Plan should be reviewed on a regular basis. The document owner, reviewer and approver, and when it is next due for review should be documented. | The College has traditionally conducted workforce planning activities on an annual basis. The College are now moving to a Talent Management Approach, encompassing workforce planning, human resource management, organisational and staff development. A new Talent Management Strategy will ensure that the College, now and into the future, has a constructive, demand led approach to recruiting, developing, recognising and retaining talented individuals and teams, who are Ambitious, Bold and Creative in meeting the needs of our communities The Talent Management Strategy will be based around the Talent Management Framework - Workforce Planning, Talent Attraction, Induction and Engagement, Talent Development, Performance Management and Succession Planning. | June 2022 - an update from the HR Manager has been provided to BDO. | 07 June 2022 - Audit Committee Agreed that this item would remain on the outstanding actions list. 28 April 2023 - following review of the Internal Audit Recommendations, the Committee AGREED that this item could be marked as COMPLETE | COMPLETE - Actions have been carried out - |
| 16 | 2020/21 | Systems | We recommend the College prepares a project management framework and that all people responsible for managing projects are trained in the methodology. We recommend the methodology includes and considers the following: • Includes templates for Business Cases, project plans, risk registers, monitoring, project evaluation • Outlines expected approval required of key documents • Change management process • Gateway process • Monitoring timelines, costs and risks through the project • Project evaluation and Lessons learned when the project is completed • Risk Management • Scalability, considers requirements for projects of differing sizes | Medium | Original - It has been discussed with the Quality Manager and her manager which is SMT level. It has been agreed that the Quality team will create a Policy and Procedure for Project Management. This will be drafted and be put to the BOM to approve in June 2021. October 2021 - There may be a larger payroll/HR System project to be progressed, in which case some of this paperwork could be worked on in tandem or slightly before. | Jun-21 | SMT - still to allocate | Not implemented - No update has been provided. | Management recommended that this be closed. | June 22 - From Discussion with senior colleagues, this needs further consideration by EMT. There has been some progress such as capital project matrix being developed and enhancement tracker, but some of this is still ongoing. October 22- From discussion with senior colleagues trying to comply with recommendations may be difficult. Projects can come under the following areas: "Research, "Estates, "One-off Assessments involving the Commercial Manager e.g. Sports Pitch "HR considering transferring from CpiHR & Cintra System. All the above projects are different in scope and type and having a standard methodology may simply not be achievable. | Committee Agreed that these items should be referred to as wider Project Management - rather than Finance System Upgrade. In June 22, the Committee discussed project management methodology, and learning and teaching activity. The Committee discussed the PRINCE2 training methodology which several staff have been trained in and further discussed the potential for this training to be extended to more members of staff. The Committee Agreed that this item would remain on the list. | REMAINS ACTIVE - this continues to be a critical area with structured UHI changes expected. A procurement exercise has begun in respect of a combined and shared HR and Payroll system. Conclusion of this exercise is expected by late Spring 2023. Project Planning will begin with key staff members looking at an implementation deadline of April 2024. |

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| 17 | 2020/21 | Systems | We recommend as part of the College's project management methodology, following a projects completion, there is a requirement to evaluate the project. This should include consideration of whether the objectives of the project have been achieved, and whether there are any lessons to be learned or actions to take forward. | Medium | Original - Evaluation is that the project has delivered an updated Finance System that works in terms of what it was supposed to deliver in that the Finance Service has an updated ledger and Finance reporting is now being modelled so that the College Finance Service can monitor college finances in a much more coherent way. I consider this complete. As far as the wider issue of evaluation - can be included as part of Policy and Procedures. October 2021 - Project is complete and the upgrade is working (the only issues affecting us are arising from the Cyber Incident) and no further action is being considered. | Jun-21 | Director of Finance | Not implemented - No update has been provided. | The response of no further action being undertaken at 31 October 21 was accepted by Committee. If this was not minuted then it can go back to Committee for them to agree to take off follow up. | June 22 - From Discussion with senior colleagues, this needs further consideration by EMT. There has been some progress such as capital project matrix being developed and enhancement tracker, but some of this is still ongoing. October 22: From discussion with senior colleagues trying to comply with recommendations may be difficult. Projects can come under the following areas: "Research, "Estates, "One-off Assessments involving the Commercial Manager e.g. Sports Pitch "HR considering transferring from Ciplir i Cintra System. All the above projects are different in scope and type and having a standard methodology may simply not be achievable. | Committee Agreed that these items should be referred to as wider Project Management - rather than Finance System Upgrade. In June 22, the Committee discussed project management methodology, and learning and teaching activity. The Committee discussed the PRINCE2 training methodology which several staff have been trained in and further discussed the potential for this training to be extended to more members of staff. The Committee Agreed that this item would remain on the list. | REMAINS ACTIVE - this continues to be a critical area with structured UHI changes expected. A procurement exercise has begun in respect of a combined and shared HR and Payroll system. Conclusion of this exercise is expected by late Spring 2023. Project Planning will begin with key staff members looking at an implementation deadline of April 2024. |
| 18 | 2020/21 | Systems | The College's Project Management Methodology should outline the expected process to follow when there are changes to a projected and the required level of approval for a change. It may be useful to create a Change Form template. Project managers should ensure change forms are completed appropriately when necessary. | Medium | Original - I can see this some measure. I don't consider the delay here a large issue. The main thing is that it delivered in time to process the budget for 2020-21. However bigger projects can often get out of control without clear change parameters. See Quality Review re Procedure and time parameters. This should be combined. We also probably need to progress a Project Register. October 2021 - Project is complete and the upgrade is working (the only issues affecting us are arising from the Cyber Incident) and no further action is being considered). | Jun-21 | SMT - still to allocate | Not implemented - No update has been provided. | Management recommended that this be closed. | June 22 - From Discussion with senior colleagues, this needs further consideration by EMT. There has been some progress such as capital project matrix being developed and enhancement tracker, but some of this is still ongoing. October 22: From discussion with senior colleagues trying to comply with recommendations may be difficult. Projects can come under the following areas: "Research, "Estates, "One-off Assessments involving the Commercial Manager e.g. Sports Pitch "HR considering transferring from Ciplir i Cintra System. All the above projects are different in scope and type and having a standard methodology may simply not be achievable. | Committee Agreed that these items should be referred to as wider Project Management - rather than Finance System Upgrade. In June 22, the Committee discussed project management methodology, and learning and teaching activity. The Committee discussed the PRINCE2 training methodology which several staff have been trained in and further discussed the potential for this training to be extended to more members of staff. The Committee Agreed that this item would remain on the list. | REMAINS ACTIVE - this continues to be a critical area with structured UHI changes expected. A procurement exercise has begun in respect of a combined and shared HR and Payroll system. Conclusion of this exercise is expected by late Spring 2023. Project Planning will begin with key staff members looking at an implementation deadline of April 2024. |
| 19 | 2021-22 | Procurement | We recommend the College's project management methodology outlines the requirement for key roles and responsibilities, governance and reporting mechanisms to be documented in project planning documentation. Where there are changes to the project team throughout the project's implementation, it should be decided and clearly documented who will be taking over their responsibilities | Medium | Original - Not accepted per this project - this was a small project. Only if there were problems of the project not being delivered would I advise the Board. I verbally updated the SMT but not recorded dates or anything. The back end of this project was being delivered at the same time budget collation for 2020-21 was taking place. Generally, I have been satisfied with the outcome. This also was being delivered with Finance Recovery and new Finance management. The SMT was dealing with Financial Recovery Plan; a Finance Director resigned; an Interim Finance Director was trying to find her feet; by the time the current Finance Director commenced in May the project was near complete. For larger projects there may be something here, but the reality is that sometimes in organisations other issues take precedence. Project Management Methodology can be combined with the work Quality will be doing on this. October 2021 - Project is complete and the upgrade is working (the only issues affecting us are arising from the Cyber Incident) and no further action is being considered). | Jun-21 | SMT - still to allocate | Not implemented - No update has been provided. | Management recommended that this be closed. | October 22 - Director of Finance advised: sampling review has been done and continues. This can be closed off. There is a first draft of the Procurement Strategy. The APUC Manager has reviewed this but hopes to make further changes by 31 December 22. | Committee did not make a decision in respect of closing this item off. | REMAINS ACTIVE - Procurement Strategy is required to be finalised. |
| 20 | 2020/21 | Cyber Security | We recommend the College documents their policy for expected completion times for medium and low rated vulnerabilities and lowers their target response time to 7 days or lower for critical vulnerabilities. We also recommend IT and management monitor whether vulnerabilities have been addressed within these timescales. | Medium | Original - Cyber Essentials certification and processes in place across UHI recommend addressing critical and high risks within 14 days of a patch being made available. We obviously, work to an asap on these so would address these within the 7 days recommended. These timescales are reviewed and escalated by the UHI ICT Security Officer to the Director of LIS as part of his role. There is also monitoring of risks as they are reviewed and reported to UHI Information Security Group on a weekly basis. In terms of mediums and lows, we have a risk-based approach to information security and due to the initial numbers of high and critical NVTs the focus has been on them. We now have a period where there are no critical or highs, or they are appearing in manageable numbers and are now looking at lowering the score threshold and setting time limits for mediums and lows. | Dec-21 | Director of LIS, ICT Services Manager | Not implemented - The College has advised us that there is a UHI Partnership approach to this to meet Cyber Essentials certification and that there is currently no plan to change this as a result of this audit recommendation. | Cyber Essentials certification and processes in place across UHI recommend addressing critical and high risks within 14 days of a patch being made available. We obviously, work to an asap on these so would address these within the 7 days recommended. These timescales are reviewed and escalated by the UHI ICT Security Officer to the Director of LIS as part of his role. There is also monitoring of risks as they are reviewed and reported to the UHI Information Security Group on a weekly basis. In terms of mediums and lows we have a risk based approach to information security and due to the initial numbers of high and critical NVTs, the focus has been on them. We now have a period where there are no critical or highs, or they are appearing in manageable numbers and are now looking at lowering the score threshold and setting time limits. | October 22 - Director of Finance advised: refer to follow up by Internal Auditor An updated was sought from the ICT Manager in March 2023, who advised that no further action was required and that we look to address critical and high risks within 7 days as recommended by BDO and as per the recommendation of the Scottish Government Security Action Plan. | Committee did not make a decision in respect of closing this item off. 28 April 2023 - following review of the Internal Audit Recommendations, the Committee AGREED that this item could be marked as COMPLETE | COMPLETED |
| 21 | 2020/21 | Coronavirus Job Retention Scheme Grant Claims | We recommend that the College review and re-calculate their CJRS submissions and notify HMRC of the revised calculations. We recommend that when grants are applied for in future, these are reviewed by a second member of staff for accuracy. | High | Not accepted - Internal Audit Sample of 15 showed a net under-claim. Given the financial position of the college and the likely small amounts involved, it is not considered an effective use of staff resources to pursue this. | Sep-21 | Roddy Ferrier | Not Implemented - Committee agreed to remove from further follow up: College Management have other actions they want to prioritise and therefore the Audit Committee agreed to remove this recommendation at their meeting on 7th June 2022. Whilst our sample of 15 showed a net under-claim, it indicates that there is inaccuracy in the CJRS submissions and there could be an overall over-claim which was not reflected in the sample; there is no way to know this without implementing the recommendation. This is a high risk recommendation as the College could be charged if they are found to have over-claimed, and we would therefore recommend that the College reconsider implementing it. | N/A | November 2021 Audit Meeting: The Director of Finance and Audit provided the Committee with the background to these forms being completed and submitted and highlighted that errors were due to resource issues within the Finance Team, out of date systems in use as well as human error. The Committee was advised that improvements have been made to the Finance Team including a payroll system upgrade however it was noted that additional training on the new payroll system is still being rolled out to appropriate staff members. The Committee whilst mindful of the exceptional circumstances surrounding Covid-19 and the additional pressures this has placed on staff felt that this audit has additional risks and that we need to consider how confident we are with regards the information coming from our Finance systems. The Director of Finance and Audit confirmed that the system upgrade remains a priority, that the Finance Team is sufficiently staffed at present and that joint working with North Highland College continues to offer us additional flexibility and robustness. Page 4 of 6 Item 01 The Committee was advised that work is continuing to align the Finance and HR Team systems and processes | RECOMMENDATION: The Committee advised that they would like to see responses and updates with regards this audit recommendation to enable them to track the actions being taken to address the concerns which have been highlighted by BDO. Action: The committee requested that the Principal in conjunction with the HR Dept prioritise the finance department re-structuring and training. March 2022: Corona Virus Job Retention Scheme Grant Audit - The Assistant Principal Finance and Audit advised that a paper would be shared with the Joint Audit and Finance and General Purposes Committee on 17 March 2022 which will address the demands placed upon the Shared Finance Team. The Chair advised that this Page 2 of 6 report provides both Committees with the background to a number of elements which impacted upon the Shared Finance Team and that she was content that this issue had been explored satisfactorily. Decision: It was AGREED that this item can be removed from the list. 28 April 2023 - the Committee advised that they would require clarification of the amounts which were claimed in error from HMRC | REMAINS ACTIVE |
| 22 | 2020/21 | Coronavirus Job Retention Scheme Grant Claims | We recommend that staff are updated in writing when their employment status changes. | Medium | Written procedures are in place; however on occasions regarding this aspect of new work some pieces of paperwork were overlooked. However the staff involved did meet with their line manager and were aware of their employment status. It is not intended to revisit past paperwork and therefore no follow up is required from this. | Sep-21 | Roddy Ferrier | Superseded: College Management have other actions they want to prioritise and therefore the Audit Committee agreed to remove this recommendation at their meeting on 7th June 2022. We recognise that there are procedures in place and, if these are applied consistently, staff should be updated in writing when their employment status changes; therefore the risk associated with not following up on this recommendation is low. | N/A | November 2021 Audit Meeting: The Director of Finance and Audit provided the Committee with the background to these forms being completed and submitted and highlighted that errors were due to resource issues within the Finance Team, out of date systems in use as well as human error. The Committee was advised that improvements have been made to the Finance Team including a payroll system upgrade however it was noted that additional training on the new payroll system is still being rolled out to appropriate staff members. The Committee whilst mindful of the exceptional circumstances surrounding Covid-19 and the additional pressures this has placed on staff felt that this audit has additional risks and that we need to consider how confident we are with regards the information coming from our Finance systems. The Director of Finance and Audit confirmed that the system upgrade remains a priority, that the Finance Team is sufficiently staffed at present and that joint working with North Highland College continues to offer us additional flexibility and robustness. Page 4 of 6 Item 01 The Committee was advised that work is continuing to align the Finance and HR Team systems and processes | RECOMMENDATION: The Committee advised that they would like to see responses and updates with regards this audit recommendation to enable them to track the actions being taken to address the concerns which have been highlighted by BDO. Action: The committee requested that the Principal in conjunction with the HR Dept prioritise the finance department re-structuring and training. March 2022: Corona Virus Job Retention Scheme Grant Audit - The Assistant Principal Finance and Audit advised that a paper would be shared with the Joint Audit and Finance and General Purposes Committee on 17 March 2022 which will address the demands placed upon the Shared Finance Team. The Chair advised that this Page 2 of 6 report provides both Committees with the background to a number of elements which impacted upon the Shared Finance Team and that she was content that this issue had been explored satisfactorily. Decision: It was AGREED that this item can be removed from the list. 28 April 2023 - following review of the Internal Audit Recommendations, the Committee AGREED that this item could be | COMPLETE |
| 23 | 2021/22 | Staff Recruitment | We recommend that recruiting managers are reminded to complete Shortlisting Forms and return completed Forms to HR. The Staff Recruitment and Selection Procedure should be updated to reflect that the shortlisting panel should return the completed shortlisting forms to HR. | Medium | Original - As noted, there is a range of guidance available to recruiting managers on all aspects of the recruitment processes, which includes an extensive set of guidance for managers and interview guidance and assessment templates as well as a recruitment process chart outlining who is responsible for completion of each key stage. This is made available on the HR SharePoint site. The HR team continue to support recruiting managers on all aspects of the process. Management proposes that links to these guidance documents are added to the Staff Recruitment and Selection Procedure. | | HR Manager | Not Implemented - The College has advised us that due to unplanned leave within the team, these updates are now scheduled to be completed by the end of this Academic Year. | This recommendation will be fully implemented when Procedure has been approved and published. To be presented to PPPR in November 2022. | October 22 - Director of Finance advised: HR is seeking to address all outstanding recommendations. It is intended to seek to have the necessary procedures for review by the end of November 2022. | Committee did not make a decision in respect of closing this item off. | REMAINS ACTIVE - An update is to be provided by the HR Manager |
| 24 | 2021/22 | Staff Recruitment | We recommend management require all interview panel members to complete and return an Interview Panel Questions Form following interview assessments. Completed forms should be returned as early as possible from the date interviews were held. We recommend the Staff Recruitment and Selection Procedure is updated to reflect when the interview panel question scoring form is required to be completed and returned to HR | Medium | Original: As noted, there is a range of guidance available to recruiting managers on all aspects of the recruitment processes, which includes an extensive set of guidance for managers and interview guidance and assessment templates. This is made available on the HR SharePoint site. The HR team continue to support recruiting managers on all aspects of the process. Management proposes that links to these guidance documents are added to the Staff Recruitment and Selection Procedure. In addition, HR commit to a completion check of the relevant interview forms and marking and reject/return these to the recruiting manager if no fully completed. | | HR Manager | Not Implemented - The College has advised us that due to unplanned leave within the team, these updates are now scheduled to be completed by the end of this Academic Year. | This recommendation will be fully implemented when Procedure has been approved and published. To be presented to PPPR in November 2022. | October 22 - Director of Finance advised: HR is seeking to address all outstanding recommendations. It is intended to seek to have the necessary procedures for review by the end of November 2022. | Committee did not make a decision in respect of closing this item off. | REMAINS ACTIVE - An update is to be provided by the HR Manager |
| 25 | 2021/22 | Staff Recruitment | We recommend employment contracts are signed and dated by both the College and the employee at the earliest possible opportunity following verbal acceptance of an offer of employment. The original and copies of signed employment contracts should be retained securely and should also be available digitally. | Medium | Original - Following verbal acceptance of an offer of employment, writing confirmation of a conditional offer of employment (including a provisional start date) is issued. Upon completion of all satisfactory pre-employment checks, the conditional offer and start date are confirmed and the employment contracts are signed and dated by both the College and the employee at the earliest possible opportunity. In the event that not all pre-employment checks are completed prior to the provisional date, a risk assessment will be undertaken and if it is recommended to proceed with the provisional start date, the contract of employment will still be issued, conditionally as above. Upon completion of all satisfactory pre-employment checks, a letter will be issued to confirm. As a consequence of remote working, all copies of signed employment contracts are retained securely digitally. Hard copies are not held. The risk assessment provision is to be included within the Staff Recruitment & Selection Procedure. | | HR Manager and HR Business Partners | Not Implemented - The College has advised us that due to unplanned leave within the team, these updates are now scheduled to be completed by the end of this Academic Year. | This recommendation will be fully implemented when Procedure has been approved and published. To be presented to PPPR in November 2022. | October 22 - Director of Finance advised: HR is seeking to address all outstanding recommendations. It is intended to seek to have the necessary procedures for review by the end of November 2022. | Committee did not make a decision in respect of closing this item off. | REMAINS ACTIVE - An update is to be provided by the HR Manager |

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| 26 | 2021/22 | Staff Recruitment | We recommend new staff do not start until completion of satisfactory pre-employment checks. | Medium | Original - Following verbal acceptance of an offer of employment, writing confirmation of a conditional offer of employment (including a provisional start date) is issued. Upon completion of all satisfactory pre-employment checks (including two references, the conditional offer and start date are confirmed and the employment contracts are signed and dated by both the College and the employee at the earliest possible opportunity. In the event that not all pre-employment checks are completed prior to the provisional date, a risk assessment will be undertaken and if it is recommended to proceed with the provisional start date, the contract of employment will still be issued, conditionally as above. Upon completion of all satisfactory pre-employment checks, a letter will be issued to confirm. The risk assessment provision to be included within the Staff Recruitment & Selection Procedure. | Staff Recruitment and Selection Procedure to be updated by 30 June 22. Implementation to be determined by PPRP dates which yet to be set for AY 22/23 Staff | HR Manager and HR Business Partners | Not Implemented - The College has advised us that due to unplanned leave within the team, these updates are now scheduled to be completed by the end of this Academic Year. | This recommendation will be fully implemented when Procedure has been approved and published. To be presented to PPRP in November 2022. | October 22 - Director of Finance advised: HR is seeking to address all outstanding recommendations. It is intended to seek to have the necessary procedures for review by the end of November 2022. | Committee did not make a decision in respect of closing this item off. | REMAINS ACTIVE - An update is to be provided by the HR Manager |
| 27 | 2021/22 | Staff Recruitment | We recommend the Staff Recruitment and Selection procedure is updated: •to clearly outline who is responsible for completion of each key stage within the recruitment process, including the separate responsibilities of HR and recruiting management. •to clearly states the documentation that must be returned to HR by the recruiting manager and shortlisting panel as part of the recruitment process. | Medium | Original - As noted, there is a range of guidance available to recruiting managers on all aspects of the recruitment processes, which includes an extensive set of guidance for managers and interview guidance and assessment templates as well as a recruitment process chart outlining who is responsible for completion of each key stage. This is made available on the HR SharePoint site. Management proposes that links to these guidance documents are added to the Staff Recruitment & Selection Procedure. | Recruitment and Selection Procedure to be updated by 30 June 22. Implementation to be determined by PPRP dates which yet to be set for AY 22/23 | HR Manager | Not Implemented - The College has advised us that due to unplanned leave within the team, these updates are now scheduled to be completed by the end of this Academic Year. | This recommendation will be fully implemented when Procedure has been approved and published. To be presented to PPRP in November 2022. | October 22 - Director of Finance advised: HR is seeking to address all outstanding recommendations. It is intended to seek to have the necessary procedures for review by the end of November 2022. | Committee did not make a decision in respect of closing this item off. | REMAINS ACTIVE - An update is to be provided by the HR Manager |
| 28 | 2021/22 | Student Application, Enrolment & Induction | It is understood that these policies are owned by UHI, however it is recommended that actions are taken to prompt the review of these policies to ensure their adequacy and accuracy. | Low | Original - We have reported this issue to UHI and requested that the policies are reviewed. | Forwarded to UHI Admissions Manager 10/05/22 | Sheree Grant | Partially Implemented - An email was sent by the Admissions and Student Funding Team Leader to UHI on 4th July 2022 requesting information on the plans to review the HE and FE Admissions Policies - the College are still awaiting a response. | The UHI-wide group agreed that the policy would not be reviewed after three years due to covid disruption. There has been a new appointment of a Head of Student Recruitment. Further review and progress awaits this person to take ownership of this. | October 22 - Director of Finance advised: the outstanding action point rests with UHI staff, as the recommendation refers to UHI-wide Policies. An update was sought from the Information Systems Manager in April 2023, who advised that discussions had taken place with the Director of IT and Digital Infrastructure, UHI and the University Archivist and Records Manager, UHI who confirmed that from 24 March 2023, unsuccessful applications (incomplete/withdrawn/rejected/declined) beyond the current Academic Year and the previous Academic Year are to be deleted from SITS as part of the database clean up which is being undertaken by the UHI LIS Team | Committee did not make a decision in respect of closing this item off. 28 April 2023 - following review of the Internal Audit Recommendations, the Committee AGREED that this item could be marked as COMPLETE | COMPLETE |

Internal Audit Recommendations Tracker - Current Audits - 2022/23 Updated 06 June 2023

| Audit | Ref No | Risk | Recommendation | Recommendation Significance | Management Response | Implementation Date | Responsible Officer | Comment Provided to Audit Committee | Audit Committee Comments | Status Update |
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| Student Representation May 2022 | 1 | Student Representation Strategy: there may not be appropriate governance arrangements in place to allow for an effective contribution from the student body to the running of the College | We recommend that the Strategic Plan for Student Representation is reviewed and updated as soon as practicable. | Low | The review and update of the Strategic Plan for Student Representation has been delayed due to disruption caused by the pandemic and overall strategic plan. The overall strategic plan for UHI Inverness has now been drafted allowing the Student Representation one to now be drafted. | 31-Oct-22 | Vice Principal - Student Experience and Quality | | | The Quality Manager confirmed that the Student Partnership and Engagement Strategy 2021/22 - 2025/26 is published on our website and on our Internal Quality SharePoint site for Staff. It is recommended that this action be marked as closed. |
| | 2 | QEP Action Tracker: the College may not gather feedback from students consistently and analyse results. | We recommend that QEP action owners ensure each action included within the QEP tracker is appropriate and achievable within the Academic Year, and then monitored to completion. Process logs are recorded for action deliverables in the QEP action tracker. In addition to updating the QEP tracker at Course Committee Meetings, the Quality Team should send monthly reminders to action owners to provide information on the status of each action. | Low | The College implemented the QEP tracker this current academic year and lessons have been learnt. A focus group has been set up for May 2022 to identify improvements that can be implemented for 2022-23. This review will include discussion around updating the tracker to include additional details on the overall result from each goal, a named person being responsible for each deliverable and streamlining the paperwork that sits alongside the tracker. The status of QEP goals will be included on the agenda for the monthly meetings between Quality Officers and Heads/Deputes to discuss the possibility of extending the deadline dates where there is a valid reason why it has not been achieved, or to close off the deliverable. Monthly reporting to SJEC will continue, and will include identification of deliverables that have passed their deadline dates. The overall responsibility of completing actions within the agreed deadlines will remain with each individual team, and in particular, that team's manager. | 30-Sep-22 | Quality Manager | | | The Quality Manager confirmed that QEP progress/tracker is discussed and updated at the monthly Quality Officer/Head/Dept Meetings. Updates on progress is regularly discussed within the student Journey and Enhancement Committee Agenda. It is recommended that this action be marked as closed. |
| | 3 | Student Partnership Action Tracker: the College may not have appropriate arrangements in place to ensure collaborative working with HISA Inverness and support continuous improvement. | We recommend that expected completion dates are recorded for each Student Partnership action within the tracker and that the progress of actions is assessed against the expected completion date. | Low | There have been challenges over the past year with changes to staffing and the pandemic. Going forward we anticipate a closer working relationship between the Quality Team and HISA. A team event in July is planned for staff in both teams to come together and plan for next Academic Year. A new tracker will be created and will include target completion dates. Monitoring will be carried out by the Quality Manager and reported to SJEC on an ongoing basis. | 30-Sep-22 | Quality Manager | BDO advised the Committee that they were able to give a moderate level of assurance following this audit, with 4 recommendations being highlighted. | The Committee welcomed the good practice which has come through within this audit. It was noted that Board approval would be sought in respect of this Audit. | The Quality Manager confirmed that dates for completion and status of action are now incorporated within the tracker. It is recommended that this action be marked as closed. |
| | 4 | Student Voice Representatives: there may not be appropriate governance arrangements in place to allow for an effective contribution from the student body to the running of the College. | We recommend that the College ensures that there is at least one Student Voice Representative in each of the College's classes. The College should consider expanding the student benefits of becoming a Student Voice Representative, such as qualifications or group experiences, to attract potential student applicants. | Low | We hope that Open Days and Induction Days will have a greater presence from HISA in 2022/23 as we return to being on campus which will promote the opportunity of being a Student Voice Rep. There will also be a gap analysis completed over the summer to identify areas/courses where there was a difficulty in recruiting to identify if we need to support HISA with targeted support in recruiting Student Voice Reps for next year. | 30-Sep-22 | Quality Manager (with input from HISA) | | | Student Voice Representative recruitment was worked on to try and increase the numbers of Student Voice Reps. Actions were taken at open days and induction along with a greater onsite presence from HISA. Close monitoring was carried out. There has been an improvement but further work will be required in 2023/24. This is an area of continued focus but in terms of the actions this can be considered as closed. It is recommended that this action be marked as closed. |
| Financial Planning - December 2022 | 5 | Financial Regulations - the financial planning process may not be carried out in a timely manner in accordance with a clearly defined timetable. | We recommend the Financial Regulations are updated and reviewed on a regular basis. | Low | The key issues facing the Finance Service the last 36 months were improving a) budget and financial preparation, monitoring and report; b) improve the speed of year-end accounts and c) improve the input functions. All have improved although the latter still has some further work to be done. Hence other work was less prioritised. However, the Financial Regulations are now a priority. We will be working with the Merged College and Inverness College to produce a set of updated Finance Regulations with a date of 31 July 23 for this. | 31-Jul-23 | Joint Director of Finance and Audit | BDO spoke to this audit advising that two low risk recommendations were highlighted in respect of Financial Regulations and KPI's, both of which management agreed with. | The Principal welcomed this report and the Committee that the KPI Matrix will be presented to each FtGP Committee meeting. The Committee accepted the recommendations within this audit. | As per the outstanding recommendation for 2020-21, the Shared Finance Team will review and align our Financial Regulations with that of the newly merged UHI North, West and Hebrides. Remains outstanding. |
| | 6 | KPIs - Budget monitoring may not be carried out on a regular basis | We recommend that a suite of financial KPIs are put in place by the College and they are monitored and reported on, as part of the College's quarterly performance reporting | Low | Work has been done by the Operations and Commercial Manager. His recommendations have been discussed at UHI Finance Directors Group in early winter, and the Group have agreed some revised KPIs. The key issue for an incorporated College centres around monitoring liquidity. However, the Scottish Funding Council insists that incorporated colleges with healthy bank balances should not draw down FE funding in advance of need. Hence for months out with March and July, Inverness College's Bank and Current Assets is deliberately under trend. The Finance Committee is advised of this. New KPIs should be introduced for next Finance Committee monitoring. | 16-Mar-23 | Joint Director of Finance and Audit | | | KPIs are now discussed at each Finance and General Purposes Committee as part of the Operations and External Relations Report. It is recommended that this action be marked as closed. |
| Complaints Management - March 2023 | 7 | Consistency of Procedure Application - the College may not have appropriate systems in place to allow for complaints to be recorded and monitored. | We recommend that staff are reminded of the importance of consistently applying the complaints handling procedures and that random spot checks are completed on a sample of complaints to ensure that there is sufficient evidence that the procedure has been adhered to. Where timescales or extensions are communicated verbally, a record should be maintained of this. We also recommend that the College considers implementing a Lessons Learned Form which can be completed by complaint investigators to evidence that consideration has been given to lessons learned. Completion of the form should be optional for stage 1 complaints and mandatory for stage 2 complaints. | Medium | Following this audit, I agree that we need greater rigour to be implemented in terms of the extension to timescales, as at present this is being done verbally and via MS Teams chat which makes it difficult to evidence. Therefore, with immediate effect we will introduce that all extension requests must be via email and stored within the complaints folder. It is worth noting though that I am satisfied that all extensions were authorised, but just not all documented. As discussed at the initial stages of audit, following a self evaluation meeting that the Quality Team held at the end of February 2023, focussing on complaints, we are introducing a close out meeting for stage 2 complaints where we will discuss actions and lessons learned. These are already on our tracker but will help place greater emphasis on this. It is worth noting that not all complaints will have a lessons learned as not all complaints are upheld/partially upheld and even when they are there may not be a required change to process - it may just have been a genuine mistake due to human error. | 30-Jun-23 | Quality Manager | | | The Quality Manager advised that we have implemented changes; all extension requests are to be via email correspondence and stored within the complaint file, a close out meeting has been introduced for all stage 2 complaints which focuses on actions and lessons learned. It is recommended that this action be marked as closed |
| | 8 | Annual Complaints Performance Report - monitoring and reporting of complaints may not be reported internally and to management. | We recommend that Inverness College commences the practice of publishing an annual complaints performance report on their website which builds on the quarterly reports and includes performance statistics, complaints trends and actions taken to improve services. | Medium | We currently publish quarterly complaints handling reports on our website. Following this audit, it has been highlighted that we need to publish an annual complaints performance report which includes performance statistics and complaint trends and the actions that have been taken or will be taken to improve services as a result. Whilst we complete a report for our EMT and Board of Management, we do not publish this and do not make the outputs accessible to members of the public. I agree that, in line with our complaints procedure, this needs to be implemented for 2022/23 | 30-Sep-23 | Quality Manager | | | Not due to be closed until 30 Sept 23 - remains active |
| | 9 | KPI Reporting - monitoring and reporting of complaints may not be reported internally and to management | We recommend that Inverness College adds the following metrics to their quarterly reporting to Senior Management: * the average number of working days to resolve a complaint after escalation * the outcomes of complaints after escalation; and * the percentage of complaints upheld, partially upheld, not upheld and resolved at stage 1, stage 2 and after escalation. | Low | A very detailed and thorough report is completed each quarter for EMT and the Board but agree that we will include the areas above going forward. | 30-Jun-23 | Quality Manager | BDO spoke to this report highlighting that they had been able to provide a moderate level of assurance with two medium level and 4 low level recommendations being identified. BDO advised that similar findings in respect of Complaints Management were being seen across the Sector. | The Vice Principal - Student Experience and Quality advised that the audit had raised areas which required tightening up and welcomed these recommendations. The Committee welcomed this very comprehensive and detailed audit and the clear and supportive management response to the recommendations. | The Quality Manager advised that this recommendation has been discussed with the team and the individual Quality Officer that prepares the quarterly reports and these aspects will be included from the start of quarter 1, 23/24 - remains active |
| | 10 | Action Reporting - Monitoring and report of complaints may not be reported internally and to management | We recommend that Inverness College include a section on actions taken to improve services in their published quarterly complaints performance reports. | Low | As above, this detail is provided in the reports for EMT and for the Board but not currently published. This will be implemented. | 30-Jun-23 | Quality Manager | | | The Quality Manager advised that this recommendation has been discussed with the team and the individual Quality Officer that prepares the quarterly reports and these aspects will be included from the start of quarter 1, 23/24 - remains active |
| | 11 | Completion of Staff Training - complaints handling and management policies and procedures may not be in place and are not compliant with SPSO requirements | We recommend that completion rates for complaints management training are monitored and that reminders are sent out to those who have not completed the training. | Low | Staff training falls within the remit of our Professional Development Team. I will arrange to meet with them to discuss how we can try to increase completion rates going forward for this. | 30-Jun-23 | Quality Manager | | | The Professional Development Team continue to encourage and monitor completion rates. It is recommended that this action be marked as closed. |
| | 12 | Identification of Underlying Cause - the College may not undertake evaluation of underlying issues following a complaint. | We recommend that the College adds a field to their complaints database which identifies the underlying cause of complaints and that the database is regularly reviewed for common causes. | Low | The tracker currently has a section for lessons learned and improvements/changes made. With the implementation of the close out meetings for Stage 2 complaints these will be discussed there and will place greater emphasis on these. This information is already reported to the EMT and the Board and discussed there. | 30-Jun-23 | Quality Manager | | | The Quality Manager advised that this has always been on the tracker but the implementation of the Stage 2 close out meetings have placed a greater emphasis on this. It is recommended that this action be marked as closed. |

INVERNESS COLLEGE

INTERNAL AUDIT PROGRESS REPORT 2022-23

June 2023



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Restrictions of use

The matters raised in this report are only those which came to our attention during the course of our audit and are not necessarily a comprehensive statement of all the weaknesses that exist or all improvements that might be made. The report has been prepared solely for the management of the organisation and should not be quoted in whole or in part without our prior written consent. BDO LLP neither owes nor accepts any duty to any third party whether in contract or in tort and shall not be liable, in respect of any loss, damage or expense which is caused by their reliance on this report.

EXECUTIVE SUMMARY

Introduction

The purpose of this report is to *advise* the Audit Committee of the progress of the Internal Audit Plan for 2022-23. This paper together with progress and assignment updates are discussed with management and the Audit Committee throughout the year. These reports will form the basis of information to support our Annual Internal Audit Report for 2022-23.

Internal Audit Plan 2022-23




Since the last Audit Committee meeting, the following internal audits have been completed:

- Student Support

Conclusion

The Audit Committee is asked to *note* this report.

WORK COMPLETED

| Reports Issued | Overall Report Conclusions - see appendix I | | | | |
|-----------------------|-----------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------|-------------|---------------------------|
| |  |  |  | Design | Operational Effectiveness |
| Financial Planning | 0 | 0 | 2 | Substantial | Substantial |
| Student Support | 0 | 0 | 1 | Substantial | Substantial |
| Complaints Management | 0 | 2 | 4 | Moderate | Moderate |

PERFORMANCE AGAINST OPERATIONAL PLAN

| Visit | Date of visit | Proposed Audit | Planned Days | Actual Days | Status |
|-------|---------------|-----------------------|--------------|-------------|--------------------------------------|
| 1 | November 2022 | Financial Planning | 5 | 5 | Completed |
| 2 | January 2023 | Student Support | 5 | 5 | Completed |
| 3 | March 2023 | Complaints Management | 5 | 5 | Completed |
| 4 | April 2023 | Strategic Planning | 6 | - | In progress |
| 5 | April 2023 | Curriculum Planning | 5 | - | Draft report issued |
| 6 | | Follow Up | 3 | - | Scheduled w/c 7 th August |





AUDIT PERFORMANCE




| AUDIT | COMPLETION OF FIELDWORK | DRAFT REPORT | FINAL MANAGEMENT RESPONSES | FINAL REPORT |
|-----------------------|-------------------------------|--------------------------------|--------------------------------|--------------------------------|
| Financial Planning | 20 December 2022 | 6 January 2023 | 9 January 2023 | 10 January 2023 |
| Student Support | 24 th January 2023 | 10 th February 2023 | 10 th February 2023 | 13 th February 2023 |
| Complaints Management | 23 rd March 2023 | 6 th April 2023 | 13 th April 2023 | 7 th April 2023 |

On average:

- All reports were issued in draft within 10 working days of completion of our fieldwork and a debrief meeting with management.
- Final reports were issued within 1 working day of final management responses being received.

APPENDIX I - DEFINITIONS

| LEVEL OF ASSURANCE | DESIGN of internal control framework | | OPERATIONAL EFFECTIVENESS of internal controls | |
|---------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------|
| | Findings from review | Design Opinion | Findings from review | Effectiveness Opinion |
| Substantial  | Appropriate procedures and controls in place to mitigate the key risks. | There is a sound system of internal control designed to achieve system objectives. | No, or only minor, exceptions found in testing of the procedures and controls. | The controls that are in place are being consistently applied. |
| Moderate  | In the main there are appropriate procedures and controls in place to mitigate the key risks reviewed albeit with some that are not fully effective. | Generally a sound system of internal control designed to achieve system objectives with some exceptions. | A small number of exceptions found in testing of the procedures and controls. | Evidence of non compliance with some controls, that may put some of the system objectives at risk. |
| Limited  | A number of significant gaps identified in the procedures and controls in key areas. Where practical, efforts should be made to address in-year. | System of internal controls is weakened with system objectives at risk of not being achieved. | A number of reoccurring exceptions found in testing of the procedures and controls. Where practical, efforts should be made to address in-year. | Non-compliance with key procedures and controls places the system objectives at risk. |
| No  | For all risk areas there are significant gaps in the procedures and controls. Failure to address in-year affects the quality of the organisation's overall internal control framework. | Poor system of internal control. | Due to absence of effective controls and procedures, no reliance can be placed on their operation. Failure to address in-year affects the quality of the organisation's overall internal control framework. | Non compliance and/or compliance with inadequate controls. |

| Recommendation Significance | |
|------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| High  | A weakness where there is substantial risk of loss, fraud, impropriety, poor value for money, or failure to achieve organisational objectives. Such risk could lead to an adverse impact on the business. Remedial action must be taken urgently. |
| Medium  | A weakness in control which, although not fundamental, relates to shortcomings which expose individual business systems to a less immediate level of threatening risk or poor value for money. Such a risk could impact on operational objectives and should be of concern to senior management and requires prompt specific action. |
| Low  | Areas that individually have no significant impact, but where management would benefit from improved controls and/or have the opportunity to achieve greater effectiveness and/or efficiency. |

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INVERNESS COLLEGE

INTERNAL AUDIT TERMS OF REFERENCE

FOLLOW UP REVIEW

2022-23

INVERNESS COLLEGE, FOLLOW UP REVIEW

BACKGROUND

As part of the 2022-23 Internal Audit plan for Inverness College, we will follow up on previously agreed recommendations made in Internal Audit reports in previous years, and where relevant during the current year.

PURPOSE OF REVIEW

The purpose of this review is to provide assurance to management and the Audit Committee that previous internal audit recommendations have been implemented effectively and within targeted timescales.

KEY RISKS

Based upon the risk assessment undertaken during the development of the internal audit operational plan, through discussions with management, and our collective audit knowledge and understanding the key risk associated with the area under review are:

- Action is not taken to implement recommendations resulting in weaknesses in control and subsequent loss, fraud or error.

SCOPE OF REVIEW

We will review management's action taken to implement internal audit recommendations. This will involve the review of recommendations made in each of the internal audit reports issued during 2021/22, and a follow up of any outstanding recommendations from previous years. We will also review progress against recommendations made during the current year that are due for implementation.

We assume for the purposes of estimating the number of days of audit work that there is one control environment, and that we will be providing assurance over controls in this environment. If this is not the case, our estimate of audit days may not be accurate.

APPROACH

Our approach will be to:

- Review the recommendations from previous audit reports, and review management updates on progress towards their implementation; and
- Review documentary evidence and conduct interviews to establish the effective completion of actions to implement the recommendations.

INVERNESS COLLEGE, FOLLOW UP REVIEW

MANAGEMENT COMMENTS

No management comments have been raised regarding the areas under review.

LOCATIONS

Fieldwork will be performed remotely.

EXCLUSIONS

The scope of the review is limited to the areas documented under the scope and approach. All other areas are considered outside of the scope of this review.

REQUIREMENTS

Outlined below is an initial information request relating to this audit. Timely receipt of this information is critical to ensure that the objectives of the audit are met and that the work is completed on time. We have provided an overview of what we require from you and when we require each piece of information. We have tried to be specific wherever possible however, please do contact us as soon as possible if you're unsure about any of the information required. Please note that this is an initial request and is not exhaustive - further information requiring your attention (including meetings) will be required at the time of our fieldwork.

| REQUIREMENT | DETAILS | RESPONSIBLE PERSON | REQUIRED BY |
|---------------|---------------------------------------------------------------------------------|--------------------|-------------------------------------------|
| Documentation | - Reports on progress on implementing recommendations / recommendation tracker. | Roddy Ferrier | 31/07/2022 (1 week prior to fieldwork) |

Access to information/staff

Any unreasonable delay in gaining access to required information or key members of staff will place audit timings at risk and may result in additional fees to you. Any such charges would be notified to you and agreed at the time the issue is identified.

Timing changes and cancellation:

In accepting this Terms of Reference document you are agreeing to the timing of this audit (specified on p.4). We will make every effort to accommodate timing changes or cancellation of the audit however any changes within 3 weeks of the start of the fieldwork may result in fees being charged in respect of the audit. Changes with more than 3 weeks' notice will be accommodated at no charge.

INVERNESS COLLEGE, FOLLOW UP REVIEW

KEY CONTACTS

BDO LLP

| | | |
|------------------|------------------------|---------------------------------------------------|
| Claire Robertson | Director | T: 0141 249 5206 E: claire.robertson@bdo.co.uk |
| Chloe Main | Internal Audit Manager | T: 0131 347 0358 E: chloe.main@bdo.co.uk |
| Tom O'hara | Internal Auditor | E: tom.ohara@bdo.co.uk |

INVERNESS COLLEGE

| | | |
|---------------|---------------------|----------------------------|
| Roddy Ferrier | Director of Finance | E: Roddy.Ferrier@uhi.ac.uk |
|---------------|---------------------|----------------------------|

PROPOSED TIMELINE

| AUDIT STAGE | DATE |
|---------------------------------------------------------|------------|
| Commence fieldwork | 08/08/2023 |
| Number of audit days planned | 3 |
| Planned date for issue of the draft report | 01/09/2023 |
| Planned date for receipt of management responses | 15/09/2023 |
| Planned date for issue of proposed final report | 18/09/2022 |
| Planned Audit Committee date for presentation of report | TBC |

SIGN OFF

| ON BEHALF OF BDO LLP: | | ON BEHALF OF INVERNESS COLLEGE: | |
|-----------------------|------------------|---------------------------------|--|
| Signature: | Claire Robertson | Signature: | |
| Title: | Director | Title: | |
| Date: | | Date: | |

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INVERNESS COLLEGE
INTERNAL AUDIT REPORT

STUDENT SUPPORT
JANUARY 2023

| LEVEL OF ASSURANCE | |
|--------------------|---------------------------|
| Design | Operational Effectiveness |
| Substantial | Substantial |

| | |
|----------------------------------------|----|
| EXECUTIVE SUMMARY | 2 |
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DISTRIBUTION


| | |
|-------------------|-------------------------------------------------|
| Lindsay Snodgrass | Vice Principal - Student Experience and Quality |
| Roddy Ferrier | Vice Principal - Finance & Audit |
| Members of the | Audit Committee |

REPORT STATUS LIST

| | |
|-----------------------|---------------------------------------------------------------|
| Auditors: | Gemma Macleod |
| Dates work performed: | 16 th January 2023 - 24 th January 2023 |
| Draft report issued: | 10 February 2023 |
| Final report issued: | 13 February 2023 |




EXECUTIVE SUMMARY

LEVEL OF ASSURANCE: (SEE APPENDIX I FOR DEFINITIONS)

Design  There is a sound system of internal control designed to achieve system objectives.

Effectiveness  The controls that are in place are being consistently applied.

SUMMARY OF RECOMMENDATIONS: (SEE APPENDIX I)

| | | |
|--------|-----------------------------------------------------------------------------------|---|
| High |  | 0 |
| Medium |  | 0 |
| Low |  | 1 |

TOTAL NUMBER OF RECOMMENDATIONS: 1

BACKGROUND:

It was agreed with management and the Audit Committee within the 2022-23 internal audit plan that Internal Audit would review the control arrangements which Inverness College ('the College') has in place in relation to student support.

The College has in place a broad range of Student Support services. There is a base level of support available to all students and also enhanced support available to students with extra considerations for example forces families, care experienced students, and students facing digital poverty.

There are various teams who offer support services to students including the Wellbeing and Learning Support Team, the Pastoral Support and Transitions Team, the Student Funding Team, and the IT and Digital Support Team.

Individual teams have their own organisation charts which capture the team structure and roles. Each role has a job description which outlines their responsibilities. Roles and responsibilities are also captured within policies and procedures which are stored on staff facing Sharepoint sites. All new staff receive an induction which contains information on supporting student wellbeing and the signs staff should look out for before referring a student to support services. There is also mandatory training which all staff must complete on subjects including Corporate Parenting, Student Carers, Safeguarding and Gender Based Violence.

The wellbeing and learning support team is divided into two: the Wellbeing team supports students with counselling and mental health services while the Learning Support team supports students with other disabilities or learning difficulties.

The Wellbeing service is triaged based on the risk level of the student which is determined through scoring in a standard model of testing. Every student who is referred to the service

receives a triaging appointment with a counsellor. The College used to operate on a model where students were automatically allocated a set of six counselling appointments, however, they have recently moved to "one at a time" therapy sessions in which the student and counsellor will decide at the end of one session whether another session is required. The College currently has two counsellors and is interviewing for a third. They also have placement students from the psychotherapy course who are allocated some of the lower risk cases.

There is a Wellbeing Officer who oversees the general wellbeing provision in the College. They run various workshops on subjects such as managing anxiety and responding to exam stress. These are delivered face to face but are also recorded and made available to students online. The Wellbeing Officer is a qualified cognitive behaviour therapist and can deal with student issues as required and can also be booked to provide presentations to classes or teams on various wellbeing topics if required. The Wellbeing Officer also arranges ad hoc events such as visiting Therapets and information stalls for World Aids Day, Healthy Eating Week etc.

There are four Education Support Advisors in post at the College; each student who has come forward as wanting a Personalised Learning Support Plan is assigned an Education Support Advisor. There is a drop-in centre on site called the Bothy which is a large room with space for running workshops, a quiet space, and an area for computers. The Bothy is staffed with a full time Support Assistant; they respond to walk ins and book appointments with students, as well as maintaining the Bothy's online area on Brightspace and the Bothy calendar of events. Students are encouraged to either attend the Bothy in person or go to the Bothy Brightspace page for any support related matters. Each of the Education Support Advisors spends a day a week in the Bothy to help address any walk-in needs. The Education Support Advisors also hold study skills workshops in the Bothy which are recorded and made available on Brightspace. There is a Thursday lunch club at the Bothy where students can take part in crafts, facilitate friendship, and have relaxed contact with support staff. There are specific support groups run by the Student Support team at the Bothy for example there is a group for refugees where staff can support on housing needs and access to food supplies. Within the Bothy, there is also a private room called the Hearth which is an interview room used if it is felt a student is having a crisis or if a more in depth/private interview is required for a serious matter. The room is set out to be a calming environment with white noise played and sensory items available for use.

Pastoral Support is designed to build relationships where conversations around support can happen and is then offered on a person-by-person basis. The Access & Transitions Team try to build relationships from high school so that students are set up for success when beginning to attend College. Students can self-refer for support services at any time using the student services self-referral form which is available through their Personal Academic Tutor/Personal Development Advisor. In addition to self-referring, students may be referred to the support team by their social worker or parents. There is also an internal referral form system which teaching staff can use to refer students they have a concern about. New staff receive an induction which includes information on how to identify student needs and flag those who may need support.

The College endeavour to meet the needs of all students and have relationships with various third-party organisations so that they can partner to meet student needs where required. For example, the College works with the local council housing team and has a 48-hour emergency room which can be used to house students in crisis or in fear of their safety.

The College has introduced several initiatives to support students through the current cost of living crisis. The campus has opened as a "warm space"; this facility was promoted in the local area and press. The College has also started offering free meals to all students with beans on toast available in the morning and 3 types of soup available at lunchtime. In the

10 week period from 22/08/22 to 24/10/22, 4,283 portions of toast were served, 402 portions of beans on toast and 6,256 portions of soup. The College has a "Cubby" where students can access free toiletries, clothing items and food. The College can help students with top ups if they are on a gas or electric meter and are struggling, or they can help students to access Hardship Funds. The College can currently hand out food bank vouchers but are looking to set up their own foodbank at the College to reduce the need for travelling. They are also helping students to launder their clothes.

All support services are advertised to students on their MyDay newsfeed and in the Bothy section on Brightspace. Students are also made aware of the Support Service provision through their Personal Academic Tutor or Personal Development Advisor (PDA) sessions and as part of students' mandatory induction they receive a checklist that lists who to speak to for various support needs. A more proactive approach is taken with students who flag themselves as care experienced as part of their application, as it is generally found that care experienced students are more reluctant to approach support services. All care experienced students receive regular emails highlighting the support services available and relevant contact details.

The College offers various forms of student funding in line with SFC guidance: EMA, bursary and hardship discretionary funding. Within this, there is additional funding available for care experienced students.

The College are taking steps to help address digital poverty. When students come on site for their induction, they are asked about their digital access. During the first six weeks of term, two members of the IT & Digital Support Team sat in the atrium and issued laptops and wifi dongles to students who had been identified as needing them. Students were provided with instructions for setting the equipment up, but staff were also available for 1-1 sessions for those who had difficulties. The team continue issuing laptops every week as students may have a change in circumstances or their own equipment may break. There is an IT Helpdesk situated within the College Library which is open 8:30-4:30 for any face-to-face support required by students. There is a Learning Technologist at the College who helps students build their digital skills through either 1-1 sessions or weekly drop ins.

Library staff at the College help students to access the materials they need to succeed in their course. In addition to the library, there is a Learning Resource Centre which is a large open space for individual or group study. There have been various initiatives undertaken to make the library as accessible as possible for students:

- During the pandemic, the library introduced a click and collect service and extended their postal loans service - both of these initiatives have been made permanent due to their popularity
- A library live chat service has been introduced where students and staff can contact a librarian in real time between 09:00 - 17:00 Monday to Friday during term time
- A new library search system was introduced in Summer 2022 which has been found to improve student discovery of content
- A number of short video guides to library services has been created
- There is a form for requesting materials not held in UHI for research students and staff
- There is a LibGuide available with guidance materials for accessing library services
- The Library staff provide class or individual library inductions; and
- There is a student book fund to help students purchase textbooks; there is an option to "pay it forward" and donate the textbooks back to the library at the end of the year for another student to use.

The College is made up of the main campus and the Forestry Campus which is a 5-mile drive from the main campus. There is a member of staff available at the Forestry Campus to

speak to students and advise them on what they can access online and what they can access at the main campus. Workshops that are held at the Bothy on the main campus are recorded and made available to all students online.

Each curriculum area has a Personal Development Advisor (PDA) attached to it who is the first point of contact for students. A list of the roles and responsibilities of PDAs and Curriculum staff are shared with departments each year. The PDAs work with lecturing teams and meet with heads and deputies on a weekly basis to discuss any issues or concerns.

The College operates an annual Quality Enhancement Plan (QEP) process which allows each school and professional service, including Student Support Services, to track their progress against Key Performance Indicators (KPIs). Each team is required to conduct 3 evaluation meetings per year where all team members review any relevant data (surveys, KPIs, audits etc), discuss any issues and identify action points which are logged within the QEP. The Quality team review the actions logged and ensures they are addressing feedback received and that they tie back to the agreed upon enhancement themes and KPIs. Following the review meeting, teams present back to the Executive Management Team with a snapshot of the activity they are undertaking. There is then reporting to the Board on progress.

One of the data sources which feeds into the QEP process is feedback received from student surveys. There are two annual College-wide surveys: the Early Experience Survey and the Student Satisfaction Survey. There are set questions in the guidance which must be included, and the College supplement these with questions targeted at gathering information on their meeting of the Partnership Agreement. There was a mixture of closed questions where students select their level of satisfaction with services, and open questions where students can provide comments. Feedback received in the last two surveys for Student Support Services was generally positive with over 80% satisfaction reported for each of the services.

There are other feedback channels also in operation at the College. There are Course Committee Meetings (CCMs) held which are a forum for staff and students to share their feedback on courses; each Head of School has a responsibility to run CCMs three times a year. Student Support also attend these meetings to receive feedback on the support provisions for courses. Individual departments may also run ad hoc student/staff forums if they wish to gather feedback on a particular topic.

At the end of each year, all teams (including Wellbeing & Learning Support and Transitions) must complete an annual evaluation report. The report asks teams what feedback they have received from students and staff about the service provided, how this information has been used to improve the student experience, and how the information has been used to plan the service. Teams are also asked to capture the strengths and areas for improvement identified because of changes made to the service and are directed to consider student feedback as one means of informing their evaluation. Finally, teams are to use feedback to identify the key activities to drive improvements. Following completion of this exercise, teams are required to update their QEP.

SCOPE AND APPROACH:

The scope of this review was to assess whether:

- The College is providing a sufficient range of support services to its students including bursaries, financial assistance and mental health support
- Support services are provided consistently across campuses
- Clear roles and responsibilities are in place in relation to support services
- Clear policies and procedures are in place in relation to support services
- Clear plans and targets are in place in relation to student services

- Effective performance management arrangements are in place in relation to student services; and
- Feedback on support services is obtained and effective actions are taken to address any issues arising from the feedback.

Our approach was to conduct interviews to establish the controls in operation for each of our areas of audit work. We then sought documentary evidence that these controls were designed as described. We evaluated these controls to identify whether they adequately address the risks. We sought to gain evidence of the satisfactory operation of the controls to verify the effectiveness of the control through use of a range of tools and techniques.

During the course of the review, we kept management informed of any issues which arose as a result of our testing. A de-brief meeting was undertaken before completing the review to discuss findings and initial recommendations.

GOOD PRACTICE:

We identified several areas of good practice during the course of our review:

- The College have employed a wide range of Student Support Services which are available to all students, including initiatives to help support students through the current cost of living crisis
- There are a range of policies and procedures in place to govern processes related to Student Support Services and to capture roles and responsibilities
- Immediate support is available to students on a drop-in basis at the Bothy
- Efforts have been made to help ensure students have access to all materials necessary for success in their course through Library and Digital provision
- Students have different opportunities to provide feedback on the services on offer through Student Surveys and CCMs; and
- Actions to address feedback are incorporated into the QEP process and are reported on to the EMT and Board.

KEY FINDINGS:

Notwithstanding the areas of good practice identified above, we also identified the following area with potential for improvement:

- **Policies and Procedures Improvement:** We found that the Mitigating Circumstances Procedure was not clear on where the Mitigating Circumstances Form was located and that the UHI Safeguarding Policy did not record the date of approval or the last review.

CONCLUSION:

We are able to offer substantial assurance as we found the controls surrounding Student Support Services at Inverness College to be designed and operating effectively at the time of this audit, with only one minor exception around an improvement to the Mitigating Circumstances Procedure.

OUR TESTING DID NOT IDENTIFY ANY CONCERNS SURROUNDING THE CONTROLS IN PLACE TO MITIGATE THE FOLLOWING RISKS:

- ✓ The College may not be providing the expected range of support services to its students

- ✓ Support services may not be provided consistently across campuses.

- ✓ There may not be clearly defined roles and responsibilities in place in relation to student support services.

- ✓ There may not be clearly defined policies and procedures in place in relation to student support services.


- ✓ There may not be appropriate plans, targets and performance monitoring in place in relation to student support services.

- ✓ There may not be mechanisms in place to gather feedback on the quality and range of support services offered.

- ✓ Effective action may not be taken to address issues arising from student feedback on support services

DETAILED FINDINGS

RISK: THERE MAY NOT BE CLEARLY DEFINED POLICIES AND PROCEDURES IN PLACE IN RELATION TO STUDENT SUPPORT SERVICES.

| Ref | Sig. | Finding |
|-----|-----------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| 1 |  | <p>Procedure Improvement</p> <p>It is important that there are clear policies and procedures in place in relation to student support services.</p> <p>During our review of policies and procedures related to Student Support Services, we identified that the Mitigating Circumstances Procedure was not sufficiently clear as to where the Mitigating Circumstances Form is located.</p> <p>There is a risk that Students may not be able to locate the Mitigating Circumstances Procedure and therefore may not make use of the support services available to them</p> |

RECOMMENDATION:

It is our recommendation that the College updates the Mitigating Circumstances Procedure to include the Mitigating Circumstances Form as an appendix.

MANAGEMENT RESPONSE:

We have since updated our Mitigating Circumstances procedure to include the form in the appendix and our Safeguarding policy with the approval / review date.

Responsible Officer: Lindsay Snodgrass

Implementation Date: 10.02.23

OBSERVATIONS

SAFEGUARDING POLICY REVIEW





During our review we found that the UHI Safeguarding Policy does not record the date of approval or last review. We note this that is out with the College's direct control to action

STAFF INTERVIEWED




BDO LLP APPRECIATES THE TIME PROVIDED BY ALL THE INDIVIDUALS INVOLVED IN THIS REVIEW AND WOULD LIKE TO THANK THEM FOR THEIR ASSISTANCE AND COOPERATION.

| | |
|-----------------------|-----------------------------------------------|
| Lindsay Snodgrass | Vice Principal - Student Experience & Quality |
| Lynsey Mason | Wellbeing and Learning Support Manager |
| Louise Martin-Theyers | Access and Progression Manager |
| Sheree Grant | Admissions and Student Funding Team Leader |
| Kelly Mackenzie | ICT Project Manager |
| Marianna Funes | Learning Technologist |
| Carol Hart | Library and LRC Manager |
| Emma Baillie | Quality Officer |

APPENDIX I - DEFINITIONS

| LEVEL OF ASSURANCE | DESIGN OF INTERNAL CONTROL FRAMEWORK | | OPERATIONAL EFFECTIVENESS OF CONTROLS | |
|---------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------|
| | FINDINGS FROM REVIEW | DESIGN OPINION | FINDINGS FROM REVIEW | EFFECTIVENESS OPINION |
| Substantial  | Appropriate procedures and controls in place to mitigate the key risks. | There is a sound system of internal control designed to achieve system objectives. | No, or only minor, exceptions found in testing of the procedures and controls. | The controls that are in place are being consistently applied. |
| Moderate  | In the main there are appropriate procedures and controls in place to mitigate the key risks reviewed albeit with some that are not fully effective. | Generally a sound system of internal control designed to achieve system objectives with some exceptions. | A small number of exceptions found in testing of the procedures and controls. | Evidence of non compliance with some controls, that may put some of the system objectives at risk. |
| Limited  | A number of significant gaps identified in the procedures and controls in key areas. Where practical, efforts should be made to address in-year. | System of internal controls is weakened with system objectives at risk of not being achieved. | A number of reoccurring exceptions found in testing of the procedures and controls. Where practical, efforts should be made to address in-year. | Non-compliance with key procedures and controls places the system objectives at risk. |
| No  | For all risk areas there are significant gaps in the procedures and controls. Failure to address in-year affects the quality of the organisation's overall internal control framework. | Poor system of internal control. | Due to absence of effective controls and procedures, no reliance can be placed on their operation. Failure to address in-year affects the quality of the organisation's overall internal control framework. | Non compliance and/or compliance with inadequate controls. |

RECOMMENDATION SIGNIFICANCE

| | |
|------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| High  | A weakness where there is substantial risk of loss, fraud, impropriety, poor value for money, or failure to achieve organisational objectives. Such risk could lead to an adverse impact on the business. Remedial action must be taken urgently. |
| Medium  | A weakness in control which, although not fundamental, relates to shortcomings which expose individual business systems to a less immediate level of threatening risk or poor value for money. Such a risk could impact on operational objectives and should be of concern to senior management and requires prompt specific action. |
| Low  | Areas that individually have no significant impact, but where management would benefit from improved controls and/or have the opportunity to achieve greater effectiveness and/or efficiency. |

APPENDIX II - TERMS OF REFERENCE

PURPOSE OF REVIEW:

The purpose of this review is to provide management and the Audit Committee with assurance on the design and effectiveness of the controls in place in relation to student support. We will consider the types of services being offered, the management of the services, the student feedback sought and how it is actioned, and the continuous improvement practices in place in order to improve student support in the future.

KEY RISKS:

- The College may not be providing the expected range of support services to its students;
- Support services may not be provided consistently across campuses.
- There may not be clearly defined roles and responsibilities in place in relation to student support services.
- There may not be clearly defined policies and procedures in place in relation to student support services.
- There may not be appropriate plans, targets and performance monitoring in place in relation to student support services.
- There may not be mechanisms in place to gather feedback on the quality and range of support services offered.
- Effective action may not be taken to address issues arising from student feedback on support services

SCOPE OF REVIEW:

- The College is providing a sufficient range of support services to its students including bursaries, financial assistance and mental health support;
- Support services are provided consistently across campuses;
- Clear roles and responsibilities are in place in relation to support services;
- Clear policies and procedures are in place in relation to support services;
- Clear plans and targets are in place in relation to student services;
- Effective performance management arrangements are in place in relation to student services; and
- Feedback on support services is obtained and effective actions are taken to address any issues arising from the feedback.

APPROACH:

Our approach will be to conduct interviews to establish the controls in operation for each of our areas of audit work. We will then seek documentary evidence that these controls are designed as described. We will evaluate these controls to identify whether they adequately address the risks.

We will seek to gain evidence of the satisfactory operation of the controls to verify the effectiveness of the control through use of a range of tools and techniques.

During the course of the review we will keep management informed of any issues which arise as a result of our testing.

A de-brief meeting will be undertaken before completing the review on-site to discuss findings and initial recommendations.

FOR MORE INFORMATION:

CLAIRE ROBERTSON

Claire.robertson@bdo.co.uk

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INVERNESS COLLEGE

ANNUAL INTERNAL AUDIT PLAN 2023-24

June 2023



IDEAS | PEOPLE | TRUST

IBDO

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1. INTERNAL AUDIT APPROACH

Introduction

Our role as internal auditors is to provide an independent, objective assurance and consulting activity designed to add value and improve an organisation's operations.

Our approach is to help the organisation accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes.

Our primary responsibility is to provide assurance to the Audit Committee on the management of key risks to the College's objectives.

We also aim to help management by providing constructive challenge, sharing good practice and making suggestions to improve business efficiency.

Our approach complies with best professional practice, in particular, the principles set out in the Institute of Internal Auditors International Professional Practices Framework (IPPF), Public Sector Internal Audit Standards (PSIAS) and the Student Funding Council (SFC)

The purpose of this paper is to set out, and seek agreement from, the College's Audit Committee on the Internal Audit Annual Plan for 2023/24.

Internal Audit at Inverness College

We have been re-appointed as internal auditors to Inverness College (the College) to provide the Board of Management and college management with assurance on the adequacy of internal control arrangements, including risk management and governance.

Responsibility for these arrangements remains fully with management, who should recognise that internal audit can only provide 'reasonable assurance' and cannot provide any guarantee against material errors, loss or fraud. Our role at Inverness College will also be aimed at helping management to improve risk management, governance and internal control, so reducing the effects of any significant risks facing the organisation.

In producing the internal audit plan for 2023-24 we have sought to gain an understanding of the business of Inverness College together with its risk profile in the context of:

- ▶ The overall business strategy and objectives of Inverness College
- ▶ The key areas where management wish to monitor performance and the manner in which performance is measured
- ▶ The key challenges facing Inverness College, through its strategic risk register

2. AUDIT RISK ASSESSMENT

Background

Our risk based approach to internal audit uses Inverness College's own risk management process and risk register as a starting point for audit planning as this represents the College's own assessment of the risks to it achieving its strategic objectives.

The extent to which we can rely on management's own perception of risk largely depends on the maturity and effectiveness of the College's own risk management arrangements. In estimating the amount of audit resource required to address the most significant risks, we have also sought to confirm that senior management's own assessment of risk accurately reflects the College's current risk profile.

Internal Audit Strategy

A three year Audit Strategy for 2022-25 is shown at Appendix I.

Initial discussions were held with the Director of Finance and the Chair of the Board of Management to identify the College's future areas of focus and priorities to aid development of a three year rolling internal audit programme, making sure that our audit activity provides sufficient coverage over areas of principal risk, effectively addresses any assurance gaps, and is prioritised to those issues most pertinent to the College.

An initial internal audit programme was established using information provided by management, including the current risk register, the Strategic Plan, the College's financial forecasts and financial performance, and our wider knowledge of risk and assurance from across our higher and further education client base. This was presented to the wider Senior Management Team (SMT) to obtain their input and feedback before presentation to the Audit Committee.

Internal Audit Annual Plan

The Internal Audit Plan for 2023/24 is set out on pages Appendix II. The proposed phasing of the audit plan, based on our understanding of Inverness College's workload is set out in Appendix IV.

We will keep the plan under review throughout the year and we will highlight for consideration any significant areas of risk identified during that period that may need to be included as part of the internal audit plan.

Where auditable areas correspond to corporate risks we will take into account the mitigation strategies in place when performing our reviews. This is to ensure that the mitigating controls, as well as the actions that have been identified by management, are in operation and are effective.

We have set out further in Appendix III the rationale for the inclusion of particular reviews in the audit plan, based on our initial review of the College's risk register, discussions with a number of key stakeholders and consideration of various documents, publications and information sources.

Individual audits

When we scope each review, we will reconsider our estimate for the number of days needed to achieve the objectives established for the work and to complete it to a satisfactory standard in light of the control environment identified within Inverness College. Where revisions are required we will obtain approval from the Director of Finance prior to commencing fieldwork.

In determining the timing of our individual audits we will seek to agree a date which is convenient to Inverness College and which ensures availability of key officers.

Variations to the Plan

We acknowledge that variations to the plan may arise from our reviews, changes to the College's risk profile or due to management requests. Variations will be discussed in the first instance with the Director of Finance and approved by the Audit Committee before any variation is confirmed.

3. PROPOSED RESOURCES AND OUTPUTS

Staffing

The core team that will be delivering this programme to you is shown below:

| Name | Grade | Telephone | Email |
|------------------|----------|---------------|----------------------------|
| Claire Robertson | Director | 07583 237 579 | claire.robertson@bdo.co.uk |
| Chloe Main | Manager | 0758 3060 591 | chloe.main@bdo.co.uk |

The core team will be supported by specialists from our national Risk and Advisory Team and wider firm as and when required.

Our indicative staff mix to deliver the programme is shown below:

| Grade | 2023-24 (days) | Grade Mix (%) |
|--------------|----------------|---------------|
| Director | 6 | 15 |
| Manager | 14 | 35 |
| Auditors | 20 | 50 |
| Total | 40 | 100 |

Reporting to the Audit Committee

Each year we will submit the Internal Audit Plan for discussion and approval by the Audit Committee. We will liaise with the Director of Finance and other senior officers as appropriate to ensure that internal audit reports summarising the results of our visits are presented to the appropriate Audit Committee meeting.

Following completion of the internal audit programme for 2022-23 we will produce an Internal Audit Annual Report summarising our key findings and evaluating our performance in accordance with agreed service requirements.

Internal Audit Charter

We have formally defined Internal Audit's purpose, authority and responsibility in an Internal Audit Charter, which can be found in Appendix VI. The Charter establishes Internal Audit's position within the College and defines the scope of its activities.

Working Protocols

We have defined operating protocols for managing each assignment. These can be found in Appendix V. The protocols take account of how we will communicate with stakeholders before, during and after each audit, and the process we go through to create and confirm our reports and recommendations to improve the economy, efficiency and effectiveness of the College's activities.

Definitions

We define in Appendix VII our approach for grading individual audit findings and overall audit reports. These definitions have been designed to make the ratings clear to both the Internal Audit team and audit stakeholders.

APPENDIX I

Internal Audit Strategy 2022- 2025

| Assurance Theme | Subject | Risk Register | 2022-23 | 2023-24 | 2024-25 |
|----------------------|--------------------------|---------------|---------|---------|---------|
| Governance & Risk | Strategic Planning | 18 | ✓ | | |
| | Risk Management | | | ✓ | |
| | Fraud Strategy | | | | ✓ |
| Finance | Financial Planning | 20 | ✓ | | |
| | Payroll | | | ✓ | |
| | Core Financial Controls | | | | ✓ |
| People | Professional Development | 9 | | ✓ | |
| | Staff Wellbeing | | | | ✓ |
| Resilience & Digital | Cyber Review | 30 | | | ✓ |
| Students & Delivery | Curriculum planning | 20, 21 | ✓ | | |
| | Student support | 29 | ✓ | | |
| Compliance | Complaints Management | 24 | ✓ | | |
| | Sustainability | 24 | | ✓ | |
| | Freedom of Information | 24 | | | ✓ |
| | Health & Safety | 24 | | ✓ | |
| | Follow up | | ✓ | ✓ | ✓ |

APPENDIX II

Internal Audit Plan 2023-24

| Assurance Theme | Subject | Days | Assurance / Advisory |
|---------------------|--------------------------|------|----------------------|
| Governance & Risk | Risk Management | 6 | Assurance |
| Finance | Payroll | 7 | Assurance |
| People | Professional Development | 6 | Assurance |
| Compliance | Sustainability | 5 | Advisory |
| | Health & Safety | 6 | Assurance |
| | Follow up | 3 | |
| Contract management | Audit Committee | 3 | |
| | Client Liaison | 3 | |
| | Annual Reporting | 1 | |
| TOTAL | | 40 | |

APPENDIX III

Internal Audit Plan Overview

Overview

The plan overview sets out the proposed audits in more detail and highlights further comment and rationale for inclusion in the Annual Internal Audit Plan 2023-24, together with the risk assessment source.

We will scope individual audits in advance of commencing any reviews and agree terms of reference with key officers involved.

| Audit Area | Comment | Source |
|--------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------|
| Risk Management | We will assess the maturity and effectiveness of the College's risk management arrangements. This will include review of the policy, role and responsibilities, methods for identifying, evaluating and measuring key risks and risk reporting arrangements. | a) BDO Assessment |
| Payroll | We will review the design and operational effectiveness of the controls in place in relation to payroll, including review and processing of payroll payments, and processing of changes to master data. | a) BDO Assessment |
| Professional Development | We will assess the professional development processes in place to ensure staff are completing mandatory learning and development requirements and the College are providing materials and opportunities for staff to complete appropriate training programmes. The review will also verify whether there are processes and systems in place for tracking of training undertaken by staff. | a) BDO Assessment b) Risk Register: Ref 9 |

APPENDIX III

Internal Audit Plan Overview

| Audit Area | Comment | Source |
|-----------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------|
| Sustainability | We will review the environmental sustainability practices in place at the College. We will consider whether the College has appropriate policies and procedures in place to manage, monitor and reduce its environmental impact. We will not be providing assurance for this review; we will be providing advise on how to make the current control arrangements more efficient and effective. | a) BDO Assessment b) Risk Register: Ref 24 |
| Health & safety | We will review the College's health & safety policy and consider whether there are appropriate arrangements are in place to promote a sound health & safety management framework across the campuses. This will include an assessment of whether there is adequate reporting in place in relation to health & safety performance, and whether there is evidence that lessons are learned from incidents and near misses. | a) BDO Assessment b) Risk Register: Ref 24 |
| Follow up | The effectiveness of the internal control system may be compromised if management fails to implement agreed audit recommendations. Our follow up work will provide the Audit Committee with assurance that prior year, and in some cases in-year, recommendations are implemented within the expected timescales. | a) BDO assessment b) Management |

APPENDIX IV

Phasing of the Plan

Respecting existing work pressures, and subject to the availability of key officers, we would look to agree with Inverness College the phasing of our audit work as shown in the following tables. We would normally seek to phase our work around Audit Committee dates.

Block 1: August - September 2023

| Review | Proposed Audit Sponsor |
|-----------------------------------------------|------------------------|
| No planned reviews to allow for FES,EMA & SSF | |

Block 2: October - December 2023

| Review | Proposed Audit Sponsor |
|-----------------|------------------------|
| Risk Management | Niall McArthur |
| Health & Safety | TBC |

Block 3: January - March 2024

| Review | Proposed Audit Sponsor |
|--------------------------|------------------------|
| Payroll | Niall McArthur |
| Professional Development | TBC |

Block 4: April - July 2024

| Review | Proposed Audit Sponsor |
|----------------|--------------------------|
| Sustainability | TBC |
| Follow-up | Niall McArthur/Lisa Ross |

Appendix V

Internal audit charter

Purpose of this Charter

This Charter formally defines internal audit's purpose, authority and responsibility in line with the IIA's:

- ▶ Attribute Standard 1000,
- ▶ Performance Standard 2060, and
- ▶ Implementation Standards 1000.A1 & C1.

This Charter establishes internal audit's position within Inverness College and defines the scope and limitations of internal audit activities and its relationship with the Audit Committee and Senior Management.

Standards for the Professional Practice of Internal Auditing

The internal audit function undertakes its work in line with the mandatory elements of the IIA's International Professional Practices Framework, including the Core Principles for the Professional Practice of Internal Auditing, the Code of Ethics, the International Standards for the Professional Practice of Internal Auditing, and the Definition of Internal Auditing as set out by the Global IIA.

Internal audit's purpose

Internal audit provides independent, objective assurance and consulting activity designed to add value and improve the organisation's operations. It helps the organisation accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes.

Internal audit acts primarily to provide the Audit Committee with the information necessary for it to fulfil its own responsibilities and duties. Implicit in internal audit's role is that it supports the organisation's management to fulfil its own risk, control and compliance responsibilities.

Internal audit's authority

Internal audit staff are authorised to:

- ▶ Have full, free and unfettered access to all of the organisation's records, property, and personnel relevant to the performance of engagements; whilst being accountable for the confidentiality and safeguarding of such records and information.
- ▶ Obtain assistance from the necessary organisation's personnel in relevant engagements, as well as other specialised services from within or outside the organisation.

The Head of Internal Audit will have unrestricted access to the Audit Committee and retain the right to meet *in camera* with the Audit Committee, without management present.

Internal audit has no authority or management responsibility for any of its engagement subjects.

Internal audit will not make any management decisions or engage in any activity which could reasonably be construed to compromise its independence.

Internal audit's responsibility

The Head of Internal Audit is responsible for all aspects of internal audit activity, including strategy, planning, performance, and reporting.

Internal audit will:

Strategy

- ▶ Develop and maintain an Internal Audit Strategy
- ▶ Review the Internal Audit Strategy at least annually with management and Audit Committee.

Appendix V

Internal audit charter

Planning

- ▶ Develop and maintain an Internal Audit Plan to fulfil the requirements of this Charter and the Internal Audit Strategy
- ▶ Engage with management and consider the organisation's strategic and operational objectives and related risks in the development of the Internal Audit Plan
- ▶ Review the Internal Audit Plan periodically with management and adjust the plan as necessary to respond to any changes in business risks, operations, systems and controls
- ▶ Present the Internal Audit Plan, including updates, to the Audit Committee for periodic review and approval
- ▶ Prepare an internal audit budget sufficient to fulfil the requirements of this Charter, the Internal Audit Strategy, and the Internal Audit Plan
- ▶ Submit the internal audit budget to the Audit Committee for review and approval annually
- ▶ Coordinate with and provide oversight of other control and monitoring functions, including risk management, compliance and ethics, and external audit
- ▶ Consider the scope of the work of other assurance providers for the purpose of providing optimal audit coverage to the organisation.

Performance

- ▶ Implement the Internal Audit Plan
- ▶ Maintain professional resources with sufficient knowledge, skills and experience to meet the requirements of this Charter, the Internal Audit Strategy and the Internal Audit Plan
- ▶ Allocate and manage resources to accomplish internal audit engagement objectives

- ▶ Establish and maintain appropriate internal auditing procedures incorporating best practice approaches and techniques
- ▶ Monitor delivery of the Internal Audit Plan against the budget
- ▶ Ensure the ongoing effectiveness of internal audit activities
- ▶ Ensure the principles of integrity, objectivity, confidentiality and competency are upheld.

Reporting

- ▶ Issue a report to management at the conclusion of each engagement to confirm the results of the engagement and the timetable for the completion of management actions to be taken
- ▶ Provide periodic reports to management and the Audit Committee summarising internal audit activities and the results of internal audit engagements
- ▶ Provide periodic reports to management and the Audit Committee on the status of management actions taken in response to internal audit engagements
- ▶ Report annually to the Audit Committee and management on internal audit performance against the goals and objectives set out in the internal audit plan and any agreed key performance indicators
- ▶ Report as needed to the Audit Committee on management, resource, or budgetary impediments to the fulfilment of this Charter, the Internal Audit Strategy, or the Internal Audit Plan
- ▶ Inform the Audit Committee of emerging trends and issues that could impact the organisation.

Appendix V

Internal audit charter

Independence and internal audit's position within the organisation

To provide for internal audit's independence, its personnel and any contractors will report to internal audit function, who reports to the Audit Committee. The Head of Internal Audit has free and full access to the Chair of the Audit Committee.

Internal audit reports administratively to the Principal or their delegate the Director of Finance who provides day-to-day oversight.

The appointment or removal of internal audit will be performed in accordance with established procedures and subject to the approval of the Chair of the Audit Committee.

The internal audit service will have an impartial, unbiased attitude and will avoid conflicts of interest and perform engagements in such a manner that there are no quality compromises and judgement on audit matters is not subjugated to others.

If the independence or objectivity of the internal audit service is impaired, details of the impairment will be disclosed to either the Principal or the Chair of the Audit Committee, dependent upon the nature of the impairment.

The internal audit service is not authorised to perform any operational duties for the organisation; initiate or approve accounting transactions external to the internal audit service; or direct the activities of any the organisation employee not employed by the internal auditing service, except to the extent such employees have been appropriately assigned to service or to otherwise assist the internal auditor.

Internal audit's scope

The scope of internal audit activities includes all activities conducted by the organisation. The Internal Audit Plan identifies those activities that have been identified as the subject of specific internal audit engagements.

Assurance engagements involve the objective assessment of evidence to provide an independent opinion or conclusions regarding an entity, operation, function, process, system or other subject matter. The nature and scope of the assurance engagement are determined by internal audit.

Consulting engagements are advisory in nature and are generally performed at the specific request of management. The nature and scope of consulting engagements are subject to agreement with management. When performing consulting services, internal audit will maintain objectivity and not assume management responsibility.

Quality Assurance Improvement Programme (QAIP)

The internal audit function will maintain a QAIP. The programme will include an evaluation of the internal audit activity's conformance with The Standards and an evaluation of whether the internal auditors apply The IIA's Code of Ethics. The plan will assess the efficiency and effectiveness of internal audit and identify opportunities for improvement.

Periodic reporting on compliance against Professional Standards

Internal audit will periodically report to the Audit Committee to:

- ▶ Confirm the independence of the function on at least an annual basis.
- ▶ Report annually on conformance with The IIA's Code of Ethics and the Standards.
- ▶ Confirm the maintenance of a QAIP, and
- ▶ Report on the results of internal assessments and the results of the external quality assessments (undertaken at least once every 5 years by a qualified, independent assessment team).

Approval and validity of this Charter

This Charter shall be reviewed and approved annually by management and by the Audit Committee on behalf of the Board of the College.

APPENDIX VI

Internal Audit Working Protocols & Performance

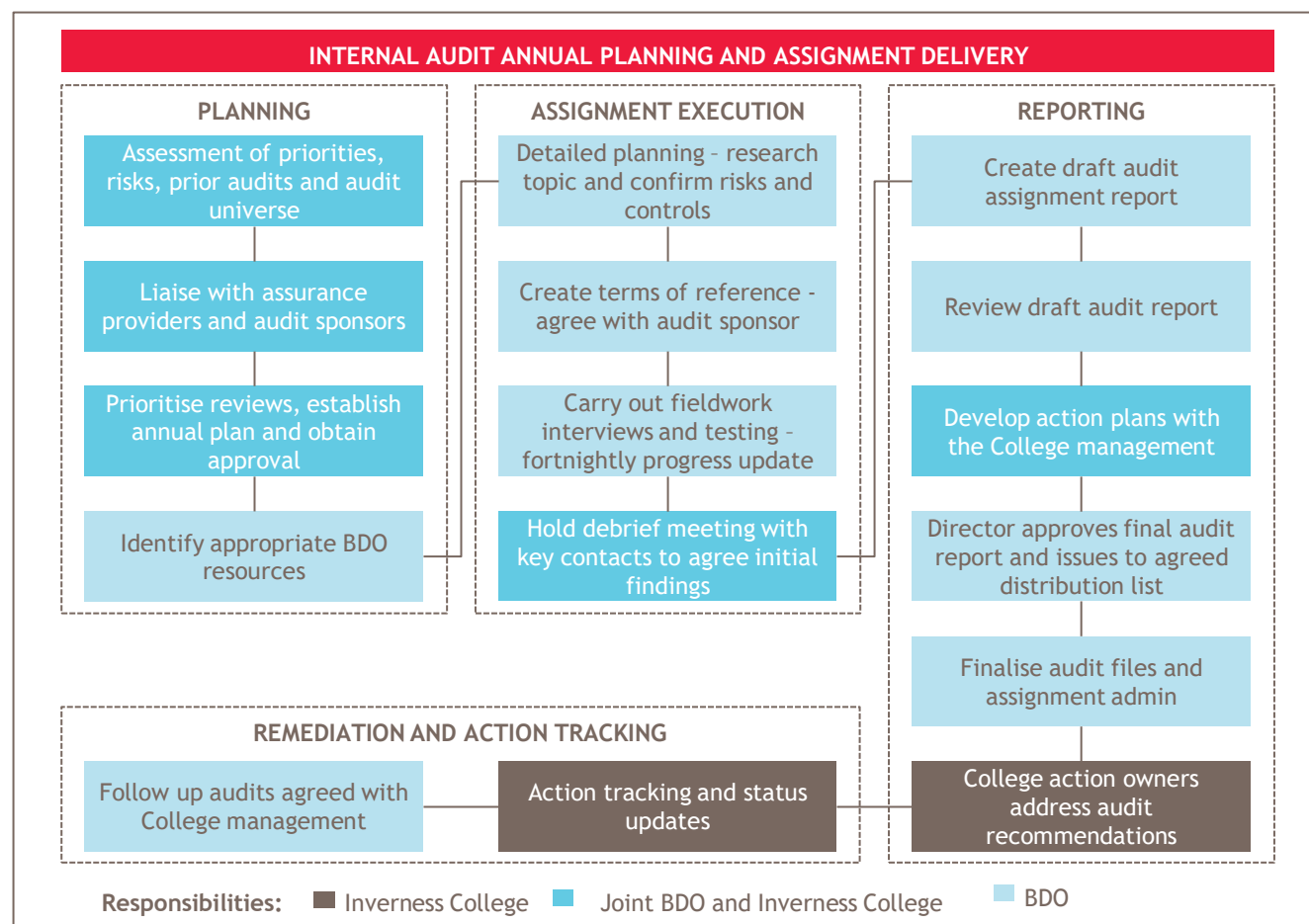
Internal Audit Delivery

We summarise opposite the annual planning and assignment delivery model we will use at the College. The model journeys through the four main processes associated with internal audit delivery; audit planning, assignment execution, reporting, and finally, remediation and action tracking. We have illustrated throughout the process those responsible for each step.

A key aspect of our work is high quality reporting. It is important to note that it is always our intention that final reports do not contain any nasty surprises. Our approach is always to maintain regular communications with management throughout the audit and to notify the key audit contacts of any significant issues as they arise.

We annually agree with the Audit Committee the internal audit strategy and annual plan. We present the annual audit programme to the senior management team and feed their comments into our planning, and address audit work plans to management responsible for the area being audited to ensure proper ownership.

We liaise closely with the College's external auditors to identify areas where they may place reliance on our work, ensure the annual schedule is phased so as to provide maximum benefit and limit the impact on business operations.



APPENDIX VI

Internal Audit Working Protocols & Performance

Working Protocols

The table below illustrates the key communication and reporting points between the College and Internal Audit, which we will be subject to regular review. Any future changes to the communication and reporting points will be reported to the Audit Committee for approval.

Table One: Liaison Meetings between Internal Audit and the College

| Meeting | Frequency | Audit Committee | Director of Finance | Managers | Relevant Staff | External Audit |
|----------------------------------------------------|--------------|-----------------|---------------------|----------|----------------|----------------|
| Internal Audit Liaison Meeting | Quarterly | | ✓ | | | |
| Quality Assurance Meeting | As required | | ✓ | | | |
| Liaison meeting with Chair of Audit Committee | As required | ✓ | | | | |
| Audit Committee to discuss internal audit progress | As necessary | ✓ | | | | |
| Meetings to raise immediate concerns | As necessary | ✓ | ✓ | ✓ | ✓ | |
| Meetings with External Audit | As necessary | | | | | ✓ |

Table Two: Key reporting points between Internal Audit and the College

| Meeting | Audit Committee | Director of Finance | Managers | Relevant Staff |
|----------------------------------------------|-----------------|---------------------|----------|----------------|
| Annual Internal Audit Plan | ✓ | ✓ | ✓ | ✓ |
| Individual Internal Audit Planning Documents | ✓ | ✓ | ✓ | ✓ |
| Draft Internal Audit Reports | | ✓ | ✓ | ✓ |
| Final Internal Audit Reports | ✓ | ✓ | ✓ | ✓ |
| Quality Progress Reports | ✓ | | | |
| Annual Internal Audit Report | ✓ | ✓ | | |

APPENDIX VI

Internal Audit Working Protocols & Performance

Performance Measurement

Performance measurement is the use of measures and associated targets to assess objectively the performance of a body. It is now well established as an important means of improving performance and reinforcing accountability. BDO LLP has been appointed as internal auditors to Inverness College, subject to satisfactory performance. Consequently there is value in reviewing the quality of our service on a regular basis.

Internal Audit Performance measures and indicators

Internal audit performance can be assessed in two ways. Firstly, there is the ability for us to self assess our performance on a regular basis and report back to the Audit Committee on certain measures around inputs and satisfaction from those officers who have been subject to a review. Secondly, the view of the Audit Committee as to the value being received from its internal audit provider has to be taken into account. For our part we will look to report to the Audit Committee regularly on the internal audit inputs as detailed below.

The tables below contain performance measures and indicators that we consider to have the most value in assessing the efficiency and effectiveness of internal audit. We recommend that the Audit Committee approves the following measures which we will report to each meeting and / or annually as appropriate.

Table Three: Performance Reporting to each Audit Committee

| Measure / Indicator |
|------------------------------------------------------------------------------------------------------------------------------|
| Audit Coverage Audits completed against the Annual Audit Plan Actual days input compared with Annual Audit Plan |
| Audit Planning and Reporting Days to issue draft report after end of fieldwork |

Management Performance Measures and Indicators

Management's ability to respond efficiently to internal audit findings and recommendations helps the Audit Committee to form its own view of the internal control framework. Importantly, Management's consideration of internal audit findings plays a contributory factor in our ability to deliver timely reports to the Audit Committee. We recommend, therefore, that the following measures are also reported to the Audit Committee.

| Measure / Indicator | Timing |
|--------------------------------------------------------------------|---------------------------|
| Audit Reporting Days for receipt of management responses | As data becomes available |





Other Performance Measures




In addition to the above mentioned measures we will also provide the Committee with the results of other reviews of our internal audit service as and when they become available, including:

- Independent quality assurance reviews as required by the Chartered Institute of Internal Auditors (IIA); and
- BDO internal quality assurance reviews

APPENDIX VII

Opinion and Recommendation Significance Definitions

| LEVEL OF ASSURANCE | DESIGN OF INTERNAL CONTROL FRAMEWORK | | OPERATIONAL EFFECTIVENESS OF INTERNAL CONTROLS | |
|---------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------|
| | Findings from review | Design Opinion | Findings from review | Effectiveness Opinion |
| Substantial  | Appropriate procedures and controls in place to mitigate the key risks. | There is a sound system of internal control designed to achieve system objectives. | No, or only minor, exceptions found in testing of the procedures and controls. | The controls that are in place are being consistently applied. |
| Moderate  | In the main there are appropriate procedures and controls in place to mitigate the key risks reviewed albeit with some that are not fully effective. | Generally a sound system of internal control designed to achieve system objectives with some exceptions. | A small number of exceptions found in testing of the procedures and controls. | Evidence of non compliance with some controls, that may put some of the system objectives at risk. |
| Limited  | A number of significant gaps identified in the procedures and controls in key areas. Where practical, efforts should be made to address in-year. | System of internal controls is weakened with system objectives at risk of not being achieved. | A number of reoccurring exceptions found in testing of the procedures and controls. Where practical, efforts should be made to address in-year. | Non-compliance with key procedures and controls places the system objectives at risk. |
| No  | For all risk areas there are significant gaps in the procedures and controls. Failure to address in-year affects the quality of the organisation's overall internal control framework. | Poor system of internal control. | Due to absence of effective controls and procedures, no reliance can be placed on their operation. Failure to address in-year affects the quality of the organisation's overall internal control framework. | Non compliance and/or compliance with inadequate controls. |

| Recommendation Significance | |
|------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| High  | A weakness where there is substantial risk of loss, fraud, impropriety, poor value for money, or failure to achieve organisational objectives. Such risk could lead to an adverse impact on the business. Remedial action must be taken urgently. |
| Medium  | A weakness in control which, although not fundamental, relates to shortcomings which expose individual business systems to a less immediate level of threatening risk or poor value for money. Such a risk could impact on operational objectives and should be of concern to senior management and requires prompt specific action. |
| Low  | Areas that individually have no significant impact, but where management would benefit from improved controls and/or have the opportunity to achieve greater effectiveness and/or efficiency. |

APPENDIX VIII

Inverness College Risk Register Summary

| Ref | RISK DESCRIPTION | Gross Risk | Residual Risk | Associated Audits |
|-----|--------------------------------------------------------------------------------------------------------------------------------------|------------|---------------|----------------------------------------------------|
| 9 | College fails to identify and take opportunities for development and progression. | 16 | 6 | Professional Development 23/24 |
| 17 | Financial instability of UHI. | 20 | 20 | Financial Planning 22/23 |
| 18 | College fails to maintain improvement in performance against national targets and outcomes. | 16 | 9 | Strategic Planning 22/23 |
| 19 | Ongoing issues of non-compliance by GTFM. | 20 | 16 | Estates Management 2019/20 |
| 20 | College does not achieve allocated HE student number targets. | 16 | 16 | Student Application, Induction and Enrolment 21/22 |
| 21 | College does not achieve allocated FE Credit targets. | 16 | 9 | Student Application, Induction and Enrolment 21/22 |
| 22 | The institution has a poor reputation. | 15 | 4 | Incident Management 2023/24 |
| 23 | Disruption to services/projects and/or partnership working resulting from loss of a key staff member. | 9 | 6 | Workforce Planning 2020/21 |
| 24 | Non-compliance with relevant statutory regulations or internal policies and procedures. | 15 | 9 | See compliance section of three year plan |
| 25 | Governance Failure. | 6 | 6 | Corporate Governance 23/24 |
| 26 | Financial failure/operating loss. Inability to achieve a balanced budget. | 12 | 9 | Financial Planning 22/23 |
| 27 | College estate not fit for purpose. | 9 | 4 | Estates Management 19/20 |
| 28 | Academic quality is sub standard. | 9 | 6 | Covid-19: Quality & Assessment |
| 29 | Poor Student Experience. | 9 | 4 | Student Support 22/23 |
| 30 | Institutional, personal and sensitive data and/or services are disrupted, corrupted, exposed, lost, stolen or misused. | 16 | 12 | Data Protection 17/18 Cyber Security 2020/21 |
| 31 | Research outputs are sub standard. | 6 | 4 | Research Governance 2018/19 |
| 32 | A serious incident in the college residencies, including anti-social or illegal behaviour. | 16 | 16 | Incident Management 2023/24 |
| 34 | The College fails to make fully informed financial management decisions. | 12 | 9 | Financial Planning 22/23 |
| 35 | The College does not respond to infectious diseases in a proportionate manner dependant upon scale (Pandemic, Epidemic or Outbreak). | 16 | 9 | Business Continuity Management 2018/19 |

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| | |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--------------------------------------------------------------------------------------|
| Subject/Title: | Risk Register Update |
| Meeting: | Audit Committee |
| Meeting Date: | 13 June 2023 |
| Date Paper prepared: | 07 June 2023 |
| Brief Summary of the paper: | To provide an update to the Committee on the proposed changes to the Risk Register. |
| Action requested: [Approval, recommendation, discussion, noting] | Discussion |
| Link to Strategy: Please highlight how the paper links to, or assists with: <input type="checkbox"/> compliance <input type="checkbox"/> partnership services <input type="checkbox"/> risk management <input type="checkbox"/> strategic plan <input type="checkbox"/> new opportunity/change | Risk Management Strategic Plan Partnership Services |
| Resource implications: | Yes / No If yes, please specify: |
| Risk implications: | Yes / No If yes, please specify: Operational: Organisational: |

Item 05

| | | | |
|-----------------------------------------------------------------------------------------------------------|-------------------------------------------|--------------------------------------------------------------------------------------------|--|
| Equality and Diversity implications: | Yes/ No If yes, please specify: | | |
| Student Experience Impact: | Yes/ No If yes, please specify: | | |
| Consultation: [staff, students, UHI & Partners, External] and provide detail | N/A | | |
| Status – [Confidential/Non confidential] | Confidential | | |
| Freedom of Information Can this paper be included in “open” business* [Yes/No] | No | | |
| *If a paper should not be included within “open” business, please highlight below the reason. | | | |
| Its disclosure would substantially prejudice a programme of research (S27) | | Its disclosure would substantially prejudice the effective conduct of public affairs (S30) | |
| Its disclosure would substantially prejudice the commercial interests of any person or organisation (s33) | Y | Its disclosure would constitute a breach of confident actionable in court (s36) | |
| Its disclosure would constitute a breach of the Data Protection Act (s38) | | Other (Please give further details) | |

Further guidance on application of the exclusions from Freedom of Information legislation is available via

<http://www.itspublicknowledge.info/ScottishPublicAuthorities/ScottishPublicAuthorities.asp> and

http://www.itspublicknowledge.info/web/FILES/Public_Interest_Test.pdf

Purpose of Report

The Joint Finance & Audit Director has reviewed the Risk Register and his proposed amendments to the register are highlighted within the attached extract.

It should be noted that Risk No 19 – Non-Compliance by GTFM has not been reviewed as the Estates and Campus Services Manager was unavailable to carry this out.

Recommendation

The Committee are requested to review the proposed changes, which if agreed, will be updated within the Risk Register by the Governance Officer.

UHI | INVERNESS

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|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------|
| Subject/Title: | KPI Matrix |
| Meeting: | Audit Committee |
| Meeting Date: | 13 June 2023 |
| Date Paper prepared: | 07 June 2023 |
| Brief Summary of the paper: | The latest update of the KPI Matrix is presented to the Committee. |
| Action requested: [Approval, recommendation, discussion, noting] | Discussion |
| Link to Strategy: Please highlight how the paper links to, or assists with:: <input type="checkbox"/> compliance <input type="checkbox"/> partnership services <input type="checkbox"/> risk management <input type="checkbox"/> strategic plan <input type="checkbox"/> new opportunity/change | Strategic Plan Risk Management |
| Resource implications: | Yes / No If yes, please specify: Financial Implications |
| Risk implications: | Yes / No If yes, please specify: Operational: Financial Implications Organisational: |

| | | | |
|-----------------------------------------------------------------------------------------------------------|-------------------------------------------|--------------------------------------------------------------------------------------------|--|
| Equality and Diversity implications: | Yes/ No If yes, please specify: | | |
| Student Experience Impact: | Yes/ No If yes, please specify: | | |
| Consultation: [staff, students, UHI & Partners, External] and provide detail | N/A | | |
| Status – [Confidential/Non confidential] | Confidential | | |
| Freedom of Information Can this paper be included in “open” business* [Yes/No] | No | | |
| *If a paper should not be included within “open” business, please highlight below the reason. | | | |
| Its disclosure would substantially prejudice a programme of research (S27) | | Its disclosure would substantially prejudice the effective conduct of public affairs (S30) | |
| Its disclosure would substantially prejudice the commercial interests of any person or organisation (s33) | Y | Its disclosure would constitute a breach of confident actionable in court (s36) | |
| Its disclosure would constitute a breach of the Data Protection Act (s38) | | Other (Please give further details) | |

Further guidance on application of the exclusions from Freedom of Information legislation is available via

<http://www.itspublicknowledge.info/ScottishPublicAuthorities/ScottishPublicAuthorities.asp> and

http://www.itspublicknowledge.info/web/FILES/Public_Interest_Test.pdf

UHI | INVERNESS

| | |
|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Subject/Title: | Committee & Chair Evaluation |
| Author: [Name and Job title] | Lisa Ross Governance Officer |
| Meeting: | Audit Committee |
| Meeting Date: | 13 June 2023 |
| Date Paper prepared: | 07 June 2023 |
| Brief Summary of the paper: | Annual Audit Committee and Chair Evaluation Exercise |
| Action requested: [Approval, recommendation, discussion, noting] | The Committee is requested to individually undertake the Committee and Chair Evaluation Exercises which have been made available to them via JISC Survey. |
| Link to Strategy: Please highlight how the paper links to, or assists with:: <ul style="list-style-type: none"> • compliance • partnership services • risk management • strategic plan • new opportunity/change | <p>The Code of Good Governance for Scotland's Colleges establishes standards of good governance practice for all boards and provides the essential foundations for compliance within the legislative framework. One of the five principles around which the code has been developed is effectiveness.</p> <p>Paragraph D24 states that "The board must agree a process for evaluating the effectiveness of the board chair and the committee chairs"</p> |
| Resource implications: | |
| Risk implications: | Yes/No Operational: required for the proper Governance of the College |
| Equality and Diversity implications: | N/A |
| Consultation: [staff, students, UHI & Partners, External] and provide detail | |

| | | | |
|---------------------------------------------------------------------------------------------------------------------------------|------------------|--------------------------------------------------------------------------------------------|--|
| Status – [Confidential/Non confidential] | Non-Confidential | | |
| Freedom of Information Can this paper be included in “open” business* [Yes/No] | Yes | | |
| *If a paper should not be included within “open” business, please highlight below the reason. | | | |
| Its disclosure would substantially prejudice a programme of research (S27) | | Its disclosure would substantially prejudice the effective conduct of public affairs (S30) | |
| Its disclosure would substantially prejudice the commercial interests of any person or organisation (S33) | | Its disclosure would constitute a breach of confidence actionable in court (S36) | |
| Its disclosure would constitute a breach of the Data Protection Act (S38) | | Other (please give further details) | |
| For how long must the paper be withheld? (express either as the time which needs to pass or a condition which needs to be met.) | | | |

Further guidance on application of the exclusions from Freedom of Information legislation is available via <http://www.itspublicknowledge.info/ScottishPublicAuthorities/ScottishPublicAuthorities.asp> and http://www.itspublicknowledge.info/web/FILES/Public_Interest_Test.pdf

Following feedback received as part of last year's Committee and Chair Evaluations process, it was agreed that future evaluations would be completed individually via an online survey. Members of the Audit Committee have been provided with access to these evaluations via the confidential JISC Survey with emails already having been sent to members. Members are requested to complete this process by **5.00 p.m. on 13 June 2023.**

Any actions highlighted as part of these evaluations will be brought to the Board of Management and feedback on the Chair will be discussed as part of the separate Board Member Evaluation Process.