

UHI | INVERNESS

Meeting	Audit Committee
Date and time	Tuesday 05 September 2023 at 4.30 p.m.
Location	Virtually – via Microsoft Teams

Board Secretary
29 August 2023

A Private Meeting with Internal Auditors will be held at 4.00 p.m.

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 21 June 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.) Terms of Reference – Health and Safety
 - b.) Terms of Reference – Sustainability
 - c.) Terms of Reference – Risk Management
 - d.) Terms of Reference – Payroll
 - e.) Internal Audit Report – Curriculum Planning – May 2023
 - f.) Internal Audit Report – Professional Development – July 2023
 - g.) Internal Audit Report – Strategic Planning – August 2023
 - h.) Internal Audit Report – Follow Up Review – Draft – September 2023
- 4. RISK REGISTER UPDATE**

Report by Joint Director of Finance and Audit
- 5. EXTERNAL AUDIT**

ITEMS FOR DISCUSSION

- 6. KPI MATRIX**
Extract of KPI Matrix completed as at June 2023
 - 7. ANNUAL COMPLIANCE REPORT – DATA PROTECTION**
Report by Information Development Manager
 - 8. DRAFT ANNUAL AUDIT COMMITTEE REPORT**
Report by Governance Officer
 - 9. FEEDBACK FROM COMMITTEE EVALUATION**
Report by Governance Officer
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ITEMS FOR NOTING

- 10. AOCB**
- 11. DATE OF NEXT MEETING – Joint Audit and F&GP Committee Meeting (Date to be confirmed)**

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 Wednesday 21 June 2023

PRESENT: Chris O’Neil, James Millar and Tina Stones
CHAIR: Tina Stones
APOLOGIES: Innis Montgomery, Amy Goodbrand, Michael Beveridge, Gillian Galloway, Claire Robertson, BDO and Gregory Odour, Deloitte
OBSERVER: Janette Campbell
IN ATTENDANCE: Joint Finance and Audit Director
Vice Principal – Student Experience and Quality
Information Systems Manager
Chloe Main, BDO
Governance Officer

The Chair welcomed everyone to the meeting. Introductions to Janette Campbell were made with the Committee noting that Janette would be joining as a Co-opted Member following Board ratification.

The Chair advised that due to time constraints, the creative space session would be held in October.

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

1. MINUTES FOR APPROVAL

a.) Minutes of the Meeting of the Audit Committee held on 28 April 2023

Decision: The Minutes of the Meeting of the Audit Committee held on 28 April 2023 were **AGREED** as a correct record and were **APPROVED**.

b.) Confidential Note (CN-01-042023) of the Meeting of the Audit Committee held on 28 April 2023

Decision: The Confidential Note (CN-01-042023) held on 28 April 2023 was **AGREED** as a correct record and was **APPROVED**.

2. OUTSTANDING ACTIONS

a.) COMMITTEE OUTSTANDING ACTIONS

- External Audit Recommendation List: The Joint Audit and Finance Director advised the Committee that he has received the updated Procurement Strategy and that following review this will be taken to the F&GP Committee and then the Board for their recommendation and approval. The Joint Audit and Finance Director advised that in conjunction with this review, the financial regulations will be updated accordingly.

The Committee was advised that the move to a shared Payroll and Finance System via ITrent has been ceased following a collective decision by involved partners and further work to identify an alternative system was now being undertaken.

Decision: It was **AGREED** that this item could be removed from the list to avoid duplication with that of the External Audit Recommendation Outstanding Action List.

- Outstanding Internal Audit Recommendations List – Corona Virus Monies – The Joint Audit and Finance Director advised the Committee that an update on this would be provided to them at the next meeting.
- Outstanding Internal Audit Recommendations List – The Governance Officer advised the Committee that she had updated the internal audit

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tracker with the rationale which had been provided by management in respect of recommendations 20 and 28.

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

- Risk Register – The Committee was advised that the Joint Audit and Finance Director had reviewed the risk register and an update has been included within the papers.

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

- Timings of Meetings – The Governance Officer advised that following a poll of members and attendees to the Committee the majority had voted for a 4.30 p.m. start time.

Decision: It was **AGREED** that for the 23/24 Academic Year all Committee meetings would begin at 4.30 p.m. 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 was advised that discussions with our new External Auditors, Deloitte, around this issue, have yet to take place.
- Review of Financial Regulations – the Joint Finance and Audit Director advised that this review is in progress and is anticipated to be completed by September 23.
- NFI Governance Arrangements – The Joint Finance and Audit Director advised that we have updated our details with the NFI and are currently going through the self-appraisal checklist process.

The Committee welcomed the progress which is being made in respect of these recommendations.

c.) RECOMMENDATIONS LIST – INTERNAL AUDIT

The Governance Officer spoke to her report advising that:

- There remain 15 active internal recommendations from 2020-21 with work progressing on these.
- In respect of 2022-23, we have begun to track all recommendations from this year's internal audits; to ensure that all are carried out. The Committee was provided with an update on these recommendations.

Decision: The Committee **AGREED** that recommendations 1, 2, 3, 4, 6, 7, 11 and 12, for year 2022-23, can be marked as closed.

3. INTERNAL AUDIT

a.) Internal Audit – Progress Report 2022-23

BDO spoke to this report, advising the Committee that 3 out of the 6 scheduled audits have been completed. The Committee was advised that the Strategic Planning Audit was in progress and that the Curriculum Planning Audit draft report had been issued to Management for their response.

b.) Internal Audit – Terms of Reference – Follow up Review 2022-23

The Committee noted that the Joint Audit and Finance Director and Governance Officer will liaise with BDO over the follow up discussions scheduled to take place during the week commencing 07 August 2023.

c.) Student Support Audit

BDO advised that they were able to provide a substantial level of assurance following this audit with only one low level recommendation being highlighted. The Committee noted that this recommendation has already been implemented.

The Committee welcomed this positive report and the good practice which was highlighted within it and commended the EMT and College staff for the work which they do in respect of Students.

The Committee noted that this report was usually undertaken every 3-4 years but had been brought forward because of the cost-of-living crisis.

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

d.) Annual Internal Audit Plan – 2023-24

BDO advised that they would be commencing year 2 of our 3-year plan and that initial discussions with the EMT had taken place and as a result of current sector issues it has been proposed that for 2023/24 we undertake a Risk Management Audit, Payroll Audit, Professional Development Audit, Sustainability Audit and a Health and Safety Audit. The Committee noted that this plan can be adapted if required.

BDO highlighted to the Committee that our annual review of FES and EMA had been excluded from the plan, advising that in December 2022, an external standard came into effect which alters third party assurance and discussions with SFC are being undertaken as there is conflict over the level of assurance they are now seeking and the estimated time it may take them to implement any changes following auditor feedback. The Committee noted that this was a sector wide concern and would result in unexpected costs for organisation and additional work for the auditors.

Action: BDO to keep the Committee updated via email in respect of any updates.

4. EXTERNAL AUDIT

The Joint Audit and Finance Director advised the Committee that the arranged walk-through visit with the new External Auditors had been cancelled by them and that we are awaiting a new date to be scheduled.

The Committee noted that we are expecting that the Audit Plan will be available for discussion at the September 2023 meeting.

The Committee acknowledged the importance of building our relationship with our new auditors.

5. RISK MANAGEMENT

The Joint Finance and Audit Director advised that he had reviewed the Risk Register and had highlighted possible updates. The Committee noted that these updates still require to be discussed and approved by the Principal and EMT.

The Committee was advised that an update in terms of fire is required and noted that the Joint Finance and Audit Director is liaising with the Estates Manager over this.

The Committee advised that our Risk Register appears condensed in comparison to others and specific mitigations for all aspects of a risk could be included within it.

Action: The Joint Audit and Finance Director will further update the risk register.

The Chair advised the Committee that the Director of Corporate Governance, UHI had provided to all UHI Audit Chairs a presentation on the Risk Register and provided an explanation of how it works across the partnership.

Action: The Director of Corporate Governance, UHI will be asked to provide this presentation to the Committee as part of a creative space session within the new Academic Year.

6. KPI MATRIX

The Principal spoke to the KPI Matrix and advised that this is discussed with the F&GP Committee on a regular basis and provided the Committee with an explanation of the threshold for the RAG rating system. The Committee discussed the HE application rates noting that we expect to see an improvement on these over the next 2 years following the completion of the Curriculum Review.

The Committee enquired as to whether we are clear on what the path to green would look like, what we have control over and what is out with our control and noted that we are beginning to see the impact following the development of our new and updated strategies.

7. COMMITTEE EVALUATION

The Governance Officer advised that a new online system for the completion of Committee and Chair Evaluations are being undertaken this year. The Committee noted that an invitation has been sent to all eligible members asking them to complete the survey. The Committee noted that any outcomes or actions from these evaluations will be brought to the Board of Management in October 2023 and feedback will be provided to the Chair as part of their annual self-evaluation process.

8. DATE OF NEXT MEETING – 05 September 2023 at 4.30 p.m.

A closed meeting with the Internal Auditors will be scheduled for 4.00 p.m. on 05 September 2023

Signed by the Chair: _____

Date: _____

Outstanding Actions from Audit Committee Meetings

Item	Action	Responsibility	Time Line	ACTIONED
28 April 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	
21 June 2023				
Annual Internal Audit Plan – 2023-24	BDO to keep the Committee updated via email in respect of SFC updates and FES and EMA audits.	BDO	Summer 2023	
Risk Register	A further update of the register will be undertaken by the Joint Audit and Finance Director and the updated register will be brought to the September Committee for review.	JA&FD	September 2023	
	The Director of Corporate Governance, UHI will be asked to provide the Committee with the Risk Register presentation as part of a future creative space session.	GO	December 2023	

Audit Committee – Audit Recommendations List

No	EY Finding for the period ended 31 July 2022	Recommendation	IC Response	Responsible Officer	Timeframe	Update on Actions
1	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.	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. Management have advised that this will be progressed in 2022/23 at the beginning of the new audit appointment.	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. 21 June 2023: Discussions with Deloitte are yet to take place in respect of this.
	GRADE 1					
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.	The College's Financial Regulations were last updated in December 2018 and therefore are overdue for review. The annual review process in place has been impacted by pressures caused by Covid-19, but we recommend a refresh of the regulations is	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. 21 June 2023: Review is in progress and is anticipated to be

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	GRADE 2	now progressed to reflect the most up to date practices in place, including the shared service structure.				completed by September 23.
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	<p>28 April 2023: The plan is for the Self-Appraisal checklist to be reviewed and completed in line with Audit Scotland Guidance.</p> <p>21 June 2023: Our details have been updated with NFI and we are currently going through the self-appraisal checklist process.</p>
	GRADE 2					

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<p>4</p>	<p>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.</p> <p>GRADE 2</p>	<p>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.</p>	<p>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.</p>	<p>Vice Principal – Finance and Audit</p>	<p>31 March 2023</p>	<p>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.</p>
<p>5</p>	<p>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.</p> <p>GRADE 1</p>	<p>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.</p>	<p>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.</p>	<p>Vice Principal – Finance and Audit</p>	<p>ACTION COMPLETE</p>	<p>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.</p>

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>			<p>ACTION COMPLETE</p>	
GRADE 2						

Subject/Title:	Internal Tracker of Internal Audit Recommendations
Author:	Lisa Ross Governance Officer
Meeting:	Audit Committee
Meeting Date:	05 September 2023
Date Paper prepared:	29 August 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)	

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

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

Systems- Recommendations 16-18

These remain active and continue to be critical given the expected changes from the UHI 2024 Revitalisation Programme. A new partnership-wide procurement exercise in respect of a combined and shared HR and Payroll system is to be undertaken.

Procurement - Recommendation 19

This recommendation remains active. The Joint Finance and Audit Director will bring the reviewed Procurement Strategy to the September F&GP Committee for discussion. It is hoped that this will then be available for final approval at the Board of Management Meeting on 03 October 2023.

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

2022-23 Outstanding Recommendations

There remain 4 outstanding internal recommendation actions from 2022-23:

Financial Planning (December 2022) – Recommendation 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.

Complaints Management (March 2023) – Recommendations 8-10

It is expected that these recommendations will be closed off at the end of quarter 1 of the new Academic Year 2023/24.

Going Forward

Work is currently being undertaken with BDO to update their follow up review document and it is envisaged that our outstanding recommendations lists will be mirrored once this exercise is completed.

An updated version of the outstanding recommendation lists will be made available for the next Audit Committee meeting.

Internal Audit Recommendations Tracker - Outstanding Audit Recommendations - Updated 27 June 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)	Further Update
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 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.	October 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 Plans.	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 in 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 Business 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 covering 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 wider consideration of the estate. The college has established a short list working group to look at our workspace. Attempts this, our curriculum reviews have taken place in Feb and March to ascertain any changes in curriculum delivery and modes of study for AY 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 in Q4 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 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	
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 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 (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 (APSE&Q). 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 APSE&Q. These are added to the annual quality improvement plan, which is monitored throughout the year by the Quality Team and APSE&Q. 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.	Procurement Strategy is with the Joint Finance and Audit Director for review and will be taken to the F&GP and Board for recommendation and approval. The Financial Regulations will be updated in conjunction with this.
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.	Procurement Strategy is with the Joint Finance and Audit Director for review and will be taken to the F&GP and Board for recommendation and approval. The Financial Regulations will be updated in conjunction with this.
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.	Procurement Strategy is with the Joint Finance and Audit Director for review and will be taken to the F&GP and Board for recommendation and approval. The Financial Regulations will be updated in conjunction with this.
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.	Procurement Strategy is with the Joint Finance and Audit Director for review and will be taken to the F&GP and Board for recommendation and approval. The Financial Regulations will be updated in conjunction with this.

10	2019/20	Health & Safety	<p>We recommend staff are required to log DSE Assessments and questionnaires in a way that allows completion to be monitored centrally.</p> <p>We recommend the Health & Safety Manual is updated and clearly documents where completed assessments should be retained.</p> <p>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.</p> <p>We recommend new staff are required to complete a DSE Assessment and questionnaire as part of their induction.</p>	Medium	<p>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.</p> <p>The Health & Safety Manual is in the process of being reviewed and instruction on the administration of records will be included.</p> <p>The requirements for DSE assessments (including reviews will be stipulated in the Health & Safety Manual</p> <p>DSE training and self-assessment will be included in the staff induction process and included in the Health & Safety Manual</p>	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	<p>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.</p>	Medium	<p>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</p>	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 ongoing 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	18 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	<p>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.</p>	Medium	<p>Original - We continue to work with staff and managers to ensure that all qualifications and certificates are forwarded to the PD team for accurate inputting 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 CiphR system. Meanwhile, the college is planning to implement a Talent Management Strategy which will entail a skills gap analysis.</p>	01/04/2021	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	<p>We recommend identifying critical roles and preparing a documented succession plan.</p>	Medium	<p>Whilst we do not necessarily have a 'list' of critical roles - I must re-iterate some of the comments made:</p> <ul style="list-style-type: none"> 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. 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 mgs to ensure that skills are available to meet requirements. Pooling of staff, in terms of age, qualifications and skills, is performed along with access to pension funds, and known retrain. 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. <p>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 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.</p>	01/04/2021	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	<p>We recommend the College adopts UHI's Staff Development Policy and Procedure and these are reviewed on a regular basis.</p>	Low	<p>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. October 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.</p>	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	<p>We recommend the Workforce Plan is completed and is reviewed and approved on a timely basis.</p> <p>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.</p>	Low	<p>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.</p>	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	<p>We recommend the College prepares a project management framework and that all people responsible for managing projects are trained in the methodology.</p> <p>We recommend the methodology includes and considers the following:</p> <ul style="list-style-type: none"> 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	<p>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.</p>	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 CiphR & 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.	The move to a Shared Payroll and Finance System via Tfrent and has been terminated via a collective decision by involved partners and further work to identify a new system is being undertaken.
17	2020/21	Systems	<p>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.</p>	Medium	<p>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.</p>	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 CiphR & 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.	The move to a Shared Payroll and Finance System via Tfrent and has been terminated via a collective decision by involved partners and further work to identify a new system is being undertaken.
18	2020/21	Systems	<p>The College's Project Management Methodology should outline the expected process to follow when there are changes to a project 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.</p>	Medium	<p>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.</p>	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 CiphR & 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.	The move to a Shared Payroll and Finance System via Tfrent and has been terminated via a collective decision by involved partners and further work to identify a new system is being undertaken.

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.	Procurement Strategy is with the Joint Finance and Audit Director for review and will be taken to the F&GP and Board for recommendation and approval. The Financial Regulations will be updated in conjunction with this.
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 for mediums and lows.	October 22 - Director of Finance advised: refer to follow up by Internal Auditor. An update 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 IDO 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 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 pressure this has placed on staff felt that this audit has identified 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 Teams is sufficiently fit at present and that joint working Page 4 of 6 with North Highland College continues to offer us additional flexibility and resilience. The Committee was advised that work is continuing to sign the Finance and HR Team systems and processes.	November 2021 - Action: 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 IDO. 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 Committees 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 and confirmation that they were within the agreed allowance.	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 pressure this has placed on staff felt that this audit has identified 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 Teams is sufficiently fit at present and that joint working Page 4 of 6 with North Highland College continues to offer us additional flexibility and resilience. The Committee was advised that work is continuing to sign the Finance and HR Team systems and processes.	November 2021 - Action: 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 IDO. 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 Committees 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 marked as COMPLETE	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 continues 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 PRRP 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 not 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 PRRP 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. 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 PRRP 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	
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 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 PRRP 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 state 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.		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 PRRP 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	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
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	OEP Action Tracker: the College may not gather feedback from students consistently and analyse results.	We recommend that OEP action owners ensure each action included within the OEP tracker is appropriate and achievable within the Academic Year, and then monitored to completion. Process logs are recorded for action deliverables in the OEP action tracker. In addition to updating the OEP 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 OEP 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 OEP goals will be included on the agenda for the monthly meetings between Quality Officers and Heads/Deputies 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 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 OEP 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.	COMMITTEE APPROVAL to mark these as COMPLETE was provided on 21 June 2023.	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			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 outwith 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.	45001	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 recommendations within it and advised the Committee that the KPI Matrix will be presented to each F&GP Committee meeting. The Committee accepted the recommendations within this audit. Recommendation 5 REMAINS ACTIVE Recommendation 6 was approved by Committee on 21 June 2023 to be marked as COMPLETE.	KPI's 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 focusses 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		Recommendations 8, 9, 10 REMAIN ACTIVE Recommendations 7, 11 and 12 were approved by Committee on 21 June 2023 to be marked as COMPLETE.	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

HEALTH & SAFETY

TERMS OF REFERENCE - FINAL

JULY 2023

SIGN OFF

ON BEHALF OF BDO LLP

ON BEHALF OF INVERNESS COLLEGE

SIGNATURE: CLAIRE ROBERTSON

SIGNATURE: MARK MCKERRAL

TITLE: HEAD OF DIGITAL, RISK
AND ADVISORY
SERVICES - SCOTLAND

TITLE: HEALTH, SAFETY &
SUSTAINABILITY
MANAGER

DATE: 24/07/2023

DATE: 18/07/2023

BACKGROUND

BACKGROUND

In accordance with the 2023-24 Internal Audit Plan, it was agreed that Internal Audit would undertake a review of the health & safety arrangements within Inverness College.

The College has statutory obligations around the health & safety of its staff, students and visitors under the Health and Safety at Work Act 1972. Health & safety is also an important element of the overall corporate governance framework.

Inverness College has a Health and Safety Policy states the College's commitment to developing a culture of competence and continuous improvement in health and safety management and practice. The Policy is available on the College's website.

At the time of scoping this review, the Health, Safety and Sustainability Manager was new in post.

BDO completed a health & safety review of the College in 2019/20 and a Covid-19 health & safety review in 2020/21. Currently, the College are adjusting to a post-covid environment, there aren't the same amount of people in College buildings and the way in which these buildings are being used has changed. This impacts the College's health & safety processes and procedures.

The College uses AssessNET, to store risk assessments and accident and incident information.

STRATEGIC RISK REGSITER EXTRACT

The key strategic risk associated with the area under review is:

- Risk 24 - Non-compliance with relevant statutory regulations or internal policies and procedures.

This risk has a gross score of 15 and a residual score of 9

PURPOSE OF THE REVIEW

The purpose of this review is to provide assurance over the design and operational effectiveness of the key controls in risk management in the following areas:

- Policy
- Roles and Responsibilities
- Training
- Consistent Approach
- Risk Assessments
- Accidents and Near Misses
- Reporting

EXCLUSIONS/LIMITATIONS OF SCOPE

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.

Our work is inherently limited by sampling and therefore will not provide assurance over all health & safety arrangements within the college. We are reliant on the honest representation by staff and timely provision of information as part of this review.

DETAILED SCOPE, RISKS & APPROACH

The table below and on the following pages outlines the areas which will be covered as part of this review, the key inherent risks associated with the areas under review and our high level approach to test the design and operational effectiveness (where applicable) of the controls in place to mitigate the risks outlined:

SCOPE AREA	KEY RISKS	APPROACH
Policy	1. There may not be appropriately documented health and safety policies, and procedures, and these may not be clear and well communicated.	<ul style="list-style-type: none"> Obtain Health & Safety policy and procedures. Review for adequacy by comparing contents with policies of other colleges and sector best practice, noting any gaps or areas for improvement. Determine who is responsible for preparing the documents and reviewing and approving. Confirm that documents are regularly reviewed and are up to date Confirm when the documents were last reviewed by obtaining documentary evidence e.g. Board or Sub-Committee meeting minutes Determine how relevant health and safety documents are made available to all staff members and obtain evidence of this.
Roles and Responsibilities	2. Health and safety roles and responsibilities may not be clearly documented and well understood.	<ul style="list-style-type: none"> Through discussions with management, determine the key roles responsible for health and safety, including any key working groups or committees. Through discussions with key staff during the review, assess whether they have a clear understanding of their role's responsibilities in regards to organisational health and safety. Review health and safety policies and procedures and determine whether roles and responsibilities are clearly documented
Training	3. Health and safety policies and procedures may not have been communicated and required training not provided	<ul style="list-style-type: none"> Review approach taken to make staff aware of relevant policies and confirm reasonable and appropriate Confirm whether health & safety training is included within the induction program Review required health & safety training and consider whether it is appropriate Obtain completion rates of recent health & safety training undertaken
Consistent approach	4. Health and safety policies and procedures may not be consistently applied throughout the College	<ul style="list-style-type: none"> Confirm by review of documentation that a sample of key health and safety procedures are undertaken, including: <ul style="list-style-type: none"> DSE assessments Legionella checks Fire risk assessments of building Spot checks of GTFM (annual check and PPM checks)

DETAILED SCOPE, RISKS & APPROACH (CONTINUED)

SCOPE AREA	KEY RISKS	APPROACH
Risk Assessments	5. Comprehensive health and safety risk assessments of key employee activities may not have been undertaken, with mitigation of key risks effectively planned for.	<ul style="list-style-type: none"> • Through discussions with management, determine what health and safety risk assessments are completed including a note of which key activities a risk assessment is required for. • Review a sample of risk assessments and assess for adequacy, for example that risk assessments include: <ul style="list-style-type: none"> ○ clear description of the identified risks ○ a suitable inherent risk rating or score ○ clear description of any mitigating controls already in place ○ a suitable residual risk rating or score after key mitigating controls ○ identification of any further controls required to mitigate remaining risk ○ assigned risk owners ○ timescales for any further controls to be implemented ○ completed by suitable staff member, reviewed and signed off in a timely manner or sent back for amendment ○ Frequency of review of risk assessment • Conclude whether the risk assessments mitigate key risks at the College.
Accidents & Near Misses	6. Accidents and near misses may not be logged or reported.	<ul style="list-style-type: none"> • Confirm via discussion with management how accidents and near misses are reported by staff, including what information must be reported. • Obtain evidence of any guidance and forms used and how these are made available to staff. • Obtain the most recent accident and near misses log. Review contents and determine: <ul style="list-style-type: none"> ○ whether fields are in place to ensure all relevant information is captured (including if incidents are required to be reported under RIDDOR, lessons learnt) ○ whether sufficient information is consistently recorded by staff. • Determine with management who is responsible for reviewing the accidents and near misses log, and how it is included in reporting to senior management/Board/Sub Committee. • Obtain two most recent example reports
	7. Lessons are not learned from accidents and near misses	<ul style="list-style-type: none"> • Through discussions with management, determine whether a lessons learned exercise takes place in regard to accidents and near misses and how often (e.g. on every accident or near miss that takes place, or periodically), and who is involved in this exercise. • Obtain most recent evidence of outcomes from the lessons learnt exercise (e.g. meeting minutes or notes from reports). • Review the recent lessons learnt and determine whether the identified action was taken to improve health and safety practice going forward. For example, whether policies and procedures were updated to reflect the lessons learnt.

DETAILED SCOPE, RISKS & APPROACH (CONTINUED)

SCOPE AREA	KEY RISKS	APPROACH
Reporting	8. There may not be adequate, timely or sufficient management and Board reporting in place in relation to health and safety.	<ul style="list-style-type: none"> • Through discussions with management, determine what reports management and the Board or relevant subcommittee receive in relation to health and safety. • Obtain the three most recent reports submitted and review contents for adequacy. • Review reporting and confirm information on incidents and near misses are reported, including any incidents required to be reported under RIDDOR. • Determine whether any reporting is provided to other groups (e.g. operational management or health and safety working groups, if in place), and how often. Obtain three most recent reports and review contents for adequacy.

Sample sizes will be determined following the completion of our walkthroughs using our Internal Audit Methodology; for example, if a control is performed daily, we may select a sample of fifteen and if monthly a sample of two to three. Where possible full population testing will be conducted utilising data analytics. See the following page for further information. Internal Audit will bring to the attention of management any points relating to other areas that come to their attention during the audit. A closing meeting will be held to discuss findings emerging from the review prior to issue of the draft report. Once the report and recommendations have been agreed following discussions with management, a summary of the findings will be presented to the Audit Committee at its next meeting.

KEY CONTACTS, TIMELINE & LOCATION

KEY CONTACTS				
BDO LLP				
Claire Robertson	Director	Head of Internal Audit	T: 07583237579	E: claire.robertson@bdo.co.uk
Chloe Main	Internal Audit Manager	Engagement lead	T: 07583060591	E: chloe.main@bdo.co.uk
Abbi McCormack	Audit Trainee	Auditor	E: abbi.mccormack@bdo.co.uk	
INVERNESS COLLEGE				
Georgie Parker	Vice Principal - Operations and External Relations	Audit Sponsor	E: Georgie.Parker.ic@uhi.ac.uk>	
Mark McKerral	Health, Safety & Sustainability Manager	Audit Lead	E: Mark.McKerral.ic@uhi.ac.uk	

The staff listed above will be contacted during the fieldwork to assist in completion of the assignment. All these staff will be contacted prior to fieldwork to agree the timing of our visit and should be issued with a copy of this terms of reference. It is important that staff involved with the assignment are notified. To assist us in planning the logistics of the assignment, including provision of documents and meeting organisation the above audit coordinator has been nominated.

PLANNED TIMELINE	
AUDIT ACTIVITY	DATE
SCOPING MEETING	18/07/2023
TERMS OF REFERENCE AGREED	18/07/2023
DOCUMENTATION REQUEST DEADLINE	20/11/2023
FIELDWORK COMMENCEMENT	27/11/2023
END OF FIELDWORK	04/12/2023
CLOSING MEETING	11/12/2023
ISSUE OF THE DRAFT REPORT	08/01/2024
RECEIPT OF MANAGEMENT RESPONSES	22/01/2024
ISSUE OF FINAL REPORT	29/01/2024
AUDIT COMMITTEE DATE	TBC

By accepting this Terms of Reference document you are agreeing to the timing of this audit

LOCATION

We plan to perform this review remotely, using a combination of conference calls, video conferencing facilities and emails. We will endeavour to limit the amount of time required of key colleagues via remote working.

ALLOCATION & FEES

ALLOCATION

This is a 6-day allocation, split as follows:

AREA	DAYS
Planning	0.5
Fieldwork	4.5
Reviewing and Reporting	1

FEES

ACTIVITY	DAYS	RATE (£)	COST (£)
Estimated cost of review	6	£500	£3,000

BUDGET & ASSUMPTIONS

We will charge fees for this assignment in line with our agreed Engagement Letter, including any subsequent changes agreed with you. Our fees for this engagement are set at £3,000 (excluding VAT), this includes planning, delivery, report writing and management review. This fee represents a total of 6 days on a blended day rate of £500. See the table to the left-hand side for a breakdown of the fees.

The fees are based upon our estimate of the time required to complete the engagement. These costs have been calculated on the assumption that we will receive all information outlined on this page by the dates specified and that we will be granted access to all key personnel.

The allocation outlined to the left-hand side above is based upon our estimate of the time required to complete the engagement outlined within this document. If the scope of work changes, we will communicate with management any predicted over-or-underspend, before invoicing. In addition, 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 day allocation may not be accurate.

TIMING CHANGES AND CANCELLATION

In accepting this Terms of Reference document, you are agreeing to the timing of this audit specified in this document. 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 extra charge.

ACCESS TO INFORMATION & COLLEAGUES

Any unreasonable delay in gaining access to required information or key colleagues 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.

APPENDIX A: DOCUMENTATION REQUEST

Outlined below and on the following page 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. If you can please ensure to present the requested documentation by 20 November 2023 that would be most appreciated. We have tried to be specific wherever possible; however, please do contact us as soon as possible if you are 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.

INITIAL DOCUMENTATION REQUEST LIST	SCOPE AREA
Health and Safety Policy and Procedures	Policy
Health and safety training records and materials	Training
Induction Program documentation	Training
Health and safety risk assessments: to send a sample across departments (10+)	Risk Assessments
Recent examples of management information and reporting submitted to management, Board, and Committees on health and safety matters	Reporting
Accidents and near misses log for last 12 months	Accidents and Near Misses

FOR MORE INFORMATION:

CLAIRE ROBERTSON, HEAD OF DIGITAL,
RISK AND ADVISORY SERVICES - SCOTLAND

+44 (0)7583237579
Claire.robertson@bdo.co.uk

Freedom of Information (FOIA)

In the event you are required to disclose any information contained in this report by virtue of the Freedom of Information Act 2000 (“the Act”), you must notify BDO LLP promptly prior to any disclosure. You agree to pay due regard to any representations which BDO LLP makes in connection with such disclosure, and you shall apply any relevant exemptions which may exist under the Act. If, following consultation with BDO LLP, you disclose this report in whole or in part, you shall ensure that any disclaimer which BDO LLP has included, or may subsequently wish to include, is reproduced in full in any copies.

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INVERNESS COLLEGE

SUSTAINABILITY

TERMS OF REFERENCE - FINAL

JULY 2023

SIGN OFF

ON BEHALF OF BDO LLP

ON BEHALF OF INVERNESS COLLEGE

SIGNATURE: CLAIRE ROBERTSON
TITLE: HEAD OF DIGITAL, RISK
AND ADVISORY
SERVICES - SCOTLAND

SIGNATURE: MARK MCKERRAL
TITLE: HEALTH, SAFETY &
SUSTAINABILITY
MANAGER

DATE: 24/07/2023

DATE: 18/07/2023

BACKGROUND

BACKGROUND

In accordance with the 2023-24 Internal Audit Plan, it was agreed that Internal Audit would undertake a review of the sustainability practices within Inverness College (the College).

The College's Environmental Sustainability Strategy for the academic years 2021/22 - 2025/26.

As a Scottish Public Body as identified by the Climate Change (Duties of Public Bodies; Reporting Requirements) (Scotland) Order 2015, the College is required to submit annual Public Bodies Climate Change Duties Reports to the Scottish Government. The reporting requirements were originally published in 2015 but expanded by the Climate Change (Duties of Public Bodies: Reporting Requirements) (Scotland) Amendment Order 2020.

At the time of scoping this review, there were plans to re-instate the Sustainability Committee, which will report to the Operations Committee

PURPOSE OF THE REVIEW

The purpose of this review is to provide advise management on improvements which could be made on their sustainability planning arrangements in the following areas:

- Strategy
- Plan
- Policies and Procedures
- Staff & Student Engagement
- Governance
- Monitoring

STRATEGIC RISK REGSITER EXTRACT

The key strategic risk associated with the area under review is:

- **Risk 36** - Failure to act appropriately and timeously regarding progressing actions designed to achieve obligations to reduce emissions and achieve net zero in the context of the climate emergency and in relation to all UHI activities and operations.

This risk has a gross score of 16 and a residual score of 16

EXCLUSIONS/LIMITATIONS OF SCOPE

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.

This is an advisory engagement, therefore we will not be providing assurance on the control arrangements nor the operating effectiveness of these controls. We are reliant on the honest representation by staff and timely provision of information as part of this review.

DETAILED SCOPE, RISKS & APPROACH

The table below and on the following pages outlines the areas which will be covered as part of this review:

SCOPE AREA	KEY RISKS	APPROACH
Strategy	1. The College's Environmental Sustainability Strategy may not align with the Scottish Government's environmental targets	<ul style="list-style-type: none"> • Confirm that the Environmental Sustainability strategy was subject to appropriate consultation • Confirm that the strategy was subject to appropriate review and approval. • Confirm the approved strategy has been adequately shared with staff and students • Review the strategy and confirm its content is appropriate and clear, for example inclusion of: <ul style="list-style-type: none"> ○ Risks ○ Objectives ○ Targets which align with the Scottish Government's environmental targets ○ KPIs and monitoring arrangements
Plan	2. The Environmental Sustainability Strategy may not be supported by appropriate plans that address environmentally sustainability across campuses	<ul style="list-style-type: none"> • We will confirm whether the College has supporting annual plans in place for their sustainability strategy • We will confirm whether the action plan: <ul style="list-style-type: none"> ○ States the objectives and outcomes being targeted ○ Describes activities ○ Sets accountability for the delivery of each activity and timescales ○ Details the environmental impact these actions will make for example expected reduction in carbon emissions
Policies and Procedures	3. The College may not have adequate policies and procedures in place which support sustainable practices	<ul style="list-style-type: none"> • Confirm the College's procurement activities include social and environmental considerations • The College has a Waste Management Policy which is committed to recycling and reducing waste as much as possible • Confirm the College has practices and processes to embed sustainability within curriculum delivery • The College has a Travel Policy which focuses on minimising the environmental impact of their journeys
Staff & Student Engagement	4. There may not be initiatives in place to engage staff and students	<ul style="list-style-type: none"> • Confirm there are initiatives in place to engage staff and students
Governance	5. The College may not have appropriate governance structures in place to monitor performance against their sustainability related objectives	<ul style="list-style-type: none"> • Confirm the governance arrangements the College has in place to monitor performance of sustainability related objectives and assess whether they are appropriate
Monitoring	6. The College may not monitor sustainability performance	<ul style="list-style-type: none"> • Confirm the College has suitable tools in place to measure its environmental impact and consider whether there are any omissions • Confirm the College is monitoring its sustainability impact and there is appropriate reporting in place both internally • Confirm the College is monitoring their environmental impact in line with the Climate Change (Duties of Public Bodies: Reporting Requirements) (Scotland) Amendment Order 2020.

Internal Audit will bring to the attention of management any points relating to other areas that come to their attention during the audit. A closing meeting will be held to discuss findings emerging from the review prior to issue of the draft report. Once the report and recommendations have been agreed following discussions with management, a summary of the findings will be presented to the Audit Committee at its next meeting.

KEY CONTACTS, TIMELINE & LOCATION

KEY CONTACTS			
BDO LLP			
Claire Robertson	Head of Digital, Risk and Advisory Services - Scotland	Head of Internal Audit	T: 07583237579 E: claire.robertson@bdo.co.uk
Chloe Main	Internal Audit Manager	Engagement lead	T: 07583 060 591 E: chloe.main@bdo.co.uk
Tom O'Hara	Audit Senior	Auditor	E: tom.ohara@bdo.co.uk
INVERNESS COLLEGE			
Georgie Parker	Vice Principal - Operations and External Relations	Audit Sponsor	E: Georgie.Parker.ic@uhi.ac.uk>
Mark McKerral	Health, Safety & Sustainability Manager	Audit Sponsor & Lead	E: Mark.McKerral.ic@uhi.ac.uk

The staff listed above will be contacted during the fieldwork to assist in completion of the assignment. All these staff will be contacted prior to fieldwork to agree the timing of our visit and should be issued with a copy of this terms of reference. It is important that staff involved with the assignment are notified. To assist us in planning the logistics of the assignment, including provision of documents and meeting organisation the above audit coordinator has been nominated.

PLANNED TIMELINE	
AUDIT ACTIVITY	DATE
SCOPING MEETING	18/07/2023
TERMS OF REFERENCE AGREED	18/07/2023
DOCUMENTATION REQUEST DEADLINE	13/05/2024
FIELDWORK COMMENCEMENT	20/05/2024
END OF FIELDWORK	24/05/2024
CLOSING MEETING	03/06/2024
ISSUE OF THE DRAFT REPORT	17/06/2024
RECEIPT OF MANAGEMENT RESPONSES	01/07/2024
ISSUE OF FINAL REPORT	02/07/2024
AUDIT COMMITTEE DATE	TBC

By accepting this Terms of Reference document you are agreeing to the timing of this audit

LOCATION

We plan to perform this review remotely, using a combination of conference calls, video conferencing facilities and emails. We will endeavour to limit the amount of time required of key colleagues via remote working and aim to perform these meetings on site.

ALLOCATION & FEES

ALLOCATION

This is a 5-day allocation, split as follows:

AREA	DAYS
Planning	0.5
Fieldwork	3.5
Reviewing and Reporting	1

FEES

ACTIVITY	DAYS	RATE (£)	COST (£)
Estimated cost of review	5	£500	£2,500

BUDGET & ASSUMPTIONS

We will charge fees for this assignment in line with our agreed Engagement Letter, including any subsequent changes agreed with you. Our fees for this engagement are set at £2,500 (excluding VAT), this includes planning, delivery, report writing and management review. This fee represents a total of 5 days on a blended day rate of £500. See the table to the left-hand side for a breakdown of the fees.

The fees are based upon our estimate of the time required to complete the engagement. These costs have been calculated on the assumption that we will receive all information outlined on this page by the dates specified and that we will be granted access to all key personnel.

The allocation outlined to the left-hand side above is based upon our estimate of the time required to complete the engagement outlined within this document. If the scope of work changes, we will communicate with management any predicted over-or-underspend, before invoicing. In addition, 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 day allocation may not be accurate.

TIMING CHANGES AND CANCELLATION

In accepting this Terms of Reference document, you are agreeing to the timing of this audit specified in this document. 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 extra charge.

ACCESS TO INFORMATION & COLLEAGUES

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APPENDIX A: DOCUMENTATION REQUEST

Outlined below and on the following page 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. If you can please ensure to present the requested documentation by 13 May 2024 that would be most appreciated. We have tried to be specific wherever possible; however, please do contact us as soon as possible if you are 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.

INITIAL DOCUMENTATION REQUEST LIST	SCOPE AREA
Sustainability strategies, policies and procedures	Strategy
Annual sustainability plan	Plan
Waste Management Policy	Policies and procedures
Travel Policy	Policies and procedures
Procurement Policy including evaluation criteria	Policies and procedures
Terms of Reference for the Sustainability Committee	Governance
Examples of staff and student engagement methods	Engagement of Staff and Students
Sustainability reporting within the last year, including KPI reporting	Monitoring
Most recent submission to the SG	Monitoring

FOR MORE INFORMATION:

CLAIRE ROBERTSON, HEAD OF DIGITAL,
RISK AND ADVISORY SERVICES - SCOTLAND

+44 (0)7583237579
Claire.robertson@bdo.co.uk

Freedom of Information (FOIA)

In the event you are required to disclose any information contained in this report by virtue of the Freedom of Information Act 2000 (“the Act”), you must notify BDO LLP promptly prior to any disclosure. You agree to pay due regard to any representations which BDO LLP makes in connection with such disclosure, and you shall apply any relevant exemptions which may exist under the Act. If, following consultation with BDO LLP, you disclose this report in whole or in part, you shall ensure that any disclaimer which BDO LLP has included, or may subsequently wish to include, is reproduced in full in any copies.

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INVERNESS COLLEGE

RISK MANAGEMENT

TERMS OF REFERENCE - FINAL

MAY 2023

SIGN OFF

ON BEHALF OF BDO LLP

ON BEHALF OF INVERNESS COLLEGE

SIGNATURE: CLAIRE ROBERTSON
TITLE: HEAD OF DIGITAL,
RISK AND ADVISORY
SERVICES - SCOTLAND

SIGNATURE: NIALL MCARTHUR
TITLE: DIRECTOR OF
FINANCE

DATE: 24/07/2023

DATE: 24/07/2023

BACKGROUND

BACKGROUND

Risk management is fundamental to colleges to ensure potential threats are identified and analysed and steps are taken to prevent or minimise the impact.

The Scottish Funding Council's Financial Memorandum requires Inverness College (the College) to have an effective policy of risk management and risk management arrangements.

Given the current economic uncertainty, balancing the budget in the education sector is becoming increasingly difficult. Funding from the Scottish Government is not increasing in line with inflation and costs are increasing. Colleges may not have the resources required to mitigate their risks to an acceptable level and therefore difficult decisions may need to be made about their risk appetite.

The College adopts UHI's Risk Management Policy and has its own supporting Risk Management Policy. The Risk Register is regularly reviewed by the Audit Committee.

The Director of Finance has overarching responsibility for supporting the risk identification, management and governance arrangements at the college.

PURPOSE OF THE REVIEW

The purpose of this review is to provide assurance over the design and operational effectiveness of the key controls in risk management in the following areas:

- Risk policy
- Identifying risks
- Assessing risks
- Addressing risks
- Reviewing, reporting and monitoring risks
- Risk management training

EXCLUSIONS/LIMITATIONS OF SCOPE

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.

Our work is inherently limited by sampling and therefore will not provide assurance over all risk management processes within the college. We are reliant on the honest representation by staff and timely provision of information as part of this review.

DETAILED SCOPE, RISKS & APPROACH

The table below and on the following pages outlines the areas which will be covered as part of this review, the key inherent risks associated with the areas under review and our high level approach to test the design and operational effectiveness (where applicable) of the controls in place to mitigate the risks outlined:

SCOPE AREA	KEY RISKS	APPROACH
Policy	1. The College may not have clearly set out its strategic direction and objectives in relation to risk management	<ul style="list-style-type: none"> Review the College's Risk Management Policy and confirm it includes appropriate risk management objectives, which align with their strategic objectives Confirm the Risk Management Policy was subject to appropriate review and approval Complete BDO Risk Management Maturity Assessment
	2. The College may not have clearly documented risk management processes and procedures, including roles and responsibilities, escalation protocols and reporting	<ul style="list-style-type: none"> The College's Risk Management Policy clearly documents expected risk management processes, including roles and responsibilities, escalation protocols and reporting
Risk Identification	3. The College may not have systematic processes in place to identify risks	<ul style="list-style-type: none"> Determine the processes used for identifying risks through review of the risk management policy and discussion with relevant staff to assess whether they are comprehensive. Obtain supporting evidence to support appropriate risk identification
Assessing risks	4. The College may not have systematic processes in place to assess risks	<ul style="list-style-type: none"> Through discussion with staff and review of the risk management policy we will confirm the approach for assessing risks including: <ul style="list-style-type: none"> Considering likelihood and impact when measuring the inherent risk Recording the assessment We will review a sample of risk registers and confirm risk assessment procedures have been followed.
Addressing risks	5. The College may not have systematic processes in place for addressing risks	<ul style="list-style-type: none"> We will review the Risk Management Policy and confirm the approach for addressing risk includes: <ul style="list-style-type: none"> Different risk responses: tolerate, treat, transfer and terminate Risk Appetite Target risk score We will review a sample of risk registers and confirm whether processes are followed including documenting mitigating controls, gross risk, net risk and target risk

DETAILED SCOPE, RISKS & APPROACH (CONTINUED)

The table below and on the following pages outlines the areas which will be covered as part of this review, the key inherent risks associated with the areas under review and our high-level approach to test the design and operational effectiveness (where applicable) of the controls in place to mitigate the risks outlined:

SCOPE AREA	KEY RISKS	APPROACH
Reviewing, reporting and monitoring risks	6. The College may not have adequate reporting in place to management and the Board and its relevant committees in relation to risk management activities	<ul style="list-style-type: none"> • Determine the reporting arrangements in place for risk management and assess whether they are appropriate, including escalation protocols • Obtain a sample of risk management reports and confirm they are appropriate and clearly outline risks, mitigating controls and actions • Determine if risks reported are challenged appropriately through review of minutes, for example
Risk management training	7. The College may not be providing appropriate risk management training to relevant staff and Board members	<ul style="list-style-type: none"> • Determine the process for providing risk management training and who this is provided to and consider whether this is appropriate • Confirm whether risk management training is included within the induction training programme • Obtain any training materials and assess whether they are appropriate • Obtain completion rates of any recent risk management training

Sample sizes will be determined following the completion of our walkthroughs using our Internal Audit Methodology; for example, if a control is performed daily, we may select a sample of fifteen and if monthly a sample of two to three. Where possible full population testing will be conducted utilising data analytics. See the following page for further information. Internal Audit will bring to the attention of management any points relating to other areas that come to their attention during the audit. A closing meeting will be held to discuss findings emerging from the review prior to issue of the draft report. Once the report and recommendations have been agreed following discussions with management, a summary of the findings will be presented to the Audit Committee at its next meeting.

KEY CONTACTS, TIMELINE & LOCATION

KEY CONTACTS				
BDO LLP				
Claire Robertson	Director	Head of Internal Audit	T: 07583237579	E: Claire.robertson@bdo.co.uk
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Tom O'Hara	Audit Trainee	Auditor		E: tom.ohara.co.uk
CLIENT NAME				
Niall McArthur	Director of Finance	Audit Sponsor	E: niall.mcarthur@uhi.ac.uk	

PLANNED TIMELINE	
AUDIT ACTIVITY	DATE
SCOPING MEETING	26/06/2023
TERMS OF REFERENCE AGREED	24/07/2023
DOCUMENTATION REQUEST DEADLINE	09/10/2023
FIELDWORK COMMENCEMENT	16/10/2023
END OF FIELDWORK	23/10/2023
CLOSING MEETING	25/10/2023
ISSUE OF THE DRAFT REPORT	25/08/2023
RECEIPT OF MANAGEMENT RESPONSES	08/11/2023
ISSUE OF FINAL REPORT	19/11/2023
AUDIT COMMITTEE DATE	TBC

By accepting this Terms of Reference document you are agreeing to the timing of this audit

The staff listed above will be contacted during the fieldwork to assist in completion of the assignment. All these staff will be contacted prior to fieldwork to agree the timing of our visit and should be issued with a copy of this terms of reference. It is important that staff involved with the assignment are notified. To assist us in planning the logistics of the assignment, including provision of documents and meeting organisation the above audit coordinator has been nominated.

LOCATION

We plan to perform this review remotely, using a combination of conference calls, video conferencing facilities and emails. We will endeavour to limit the amount of time required of key colleagues via remote working and aim to perform these meetings on site.

ALLOCATION & FEES

ALLOCATION

This is a 6-day allocation, split as follows:

AREA	DAYS
Planning	0.5
Fieldwork	4.5
Reviewing and Reporting	1

FEES

ACTIVITY	DAYS	RATE (£)	COST (£)
Estimated cost of review	6	£500	£3,000

BUDGET & ASSUMPTIONS

We will charge fees for this assignment in line with our agreed Engagement Letter, including any subsequent changes agreed with you. Our fees for this engagement are set at £3,000 (excluding VAT), this includes planning, delivery, report writing and management review. This fee represents a total of 6 days on a blended day rate of £500. See the table to the left-hand side for a breakdown of the fees.

The fees are based upon our estimate of the time required to complete the engagement. These costs have been calculated on the assumption that we will receive all information outlined on this page by the dates specified and that we will be granted access to all key personnel.

The allocation outlined to the left-hand side above is based upon our estimate of the time required to complete the engagement outlined within this document. If the scope of work changes, we will communicate with management any predicted over-or-underspend, before invoicing. In addition, 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 day allocation may not be accurate.

TIMING CHANGES AND CANCELLATION

In accepting this Terms of Reference document, you are agreeing to the timing of this audit specified in this document. 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 extra charge.

ACCESS TO INFORMATION & COLLEAGUES

Any unreasonable delay in gaining access to required information or key colleagues 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.

APPENDIX A: DOCUMENTATION REQUEST

Outlined below and on the following page 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. If you can please ensure to present the requested documentation by 9 October 2023 that would be most appreciated. We have tried to be specific wherever possible; however, please do contact us as soon as possible if you are 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.

INITIAL DOCUMENTATION REQUEST LIST	SCOPE AREA
Risk management policy	
3 most recent versions of all risk registers	Identifying strategic and operational risks, assessing risks, addressing risks, reviewing and reporting on risks
Example risk reporting to SMT, Board and relevant sub-committees	Reviewing and reporting on risks
Risk management training slides	Risk management training
Completion rates of risk management training	Risk management training

FOR MORE INFORMATION:

CLAIRE ROBERTSON, DIRECTOR

+44 (0)7583237579

Claire.robertson@bdo.co.uk

Freedom of Information (FOIA)

In the event you are required to disclose any information contained in this report by virtue of the Freedom of Information Act 2000 (“the Act”), you must notify BDO LLP promptly prior to any disclosure. You agree to pay due regard to any representations which BDO LLP makes in connection with such disclosure, and you shall apply any relevant exemptions which may exist under the Act. If, following consultation with BDO LLP, you disclose this report in whole or in part, you shall ensure that any disclaimer which BDO LLP has included, or may subsequently wish to include, is reproduced in full in any copies.

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INVERNESS COLLEGE

PAYROLL

TERMS OF REFERENCE - FINAL

MAY 2023

SIGN OFF

ON BEHALF OF BDO LLP

SIGNATURE: CLAIRE ROBERTSON

TITLE: HEAD OF DIGITAL,
RISK AND ADVISORY
SERVICES - SCOTLAND

DATE: 24/07/2023

ON BEHALF OF INVERNESS COLLEGE

SIGNATURE: NIALL MCARTHUR

TITLE: DIRECTOR OF
FINANCE

DATE: 24/07/2023

BACKGROUND

BACKGROUND

Payroll is an integral part of an organisation's operations as employees must be paid accurately and on time. However, payroll transactions are susceptible to fraud and error, and there must be robust controls to prevent this from occurring.

Payroll is Inverness College (the College)'s largest individual area of spend.

Inverness College operates a shared finance service function with North Highland College, this includes payroll. The Shared Service Payroll Team Leader is responsible for processing the college's payroll and is supported by a Senior Finance Assistant and two Finance Assistants. At the time of the drafting the terms of reference one of the Finance Assistants was off on long term sick leave.

The College uses Cintra- IQ, which is an integrated HR and Payroll system and runs one payroll a month. The College has documented payroll procedures.

PURPOSE OF THE REVIEW

The purpose of this review is to provide assurance over the design and operational effectiveness of the key payroll controls in the following areas:

- Policy
- Segregation of Duties
- Unauthorised Amendments
- Exception Reporting
- Reconciliation
- Restricted Access

EXCLUSIONS/LIMITATIONS OF SCOPE

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.

Our work is inherently limited by sampling and therefore will not provide assurance over all payroll processes within the College. We are reliant on the honest representation by staff and timely provision of information as part of this review.

DETAILED SCOPE, RISKS & APPROACH

The table below and on the following pages outlines the areas which will be covered as part of this review, the key inherent risks associated with the areas under review and our high level approach to test the design and operational effectiveness (where applicable) of the controls in place to mitigate the risks outlined:

SCOPE AREA	KEY RISKS	APPROACH
Policy	1. The College may not have appropriate documented payroll policies and procedures in place	<ul style="list-style-type: none"> Obtain a copy of the most recent payroll policies and procedures and confirm they contain an accurate description of the expected process Confirm the policy is subject to regular and appropriate review Confirm the policy is made available to relevant staff
Segregation of Duties	2. There may be inadequate segregation of duties within the payroll function	<ul style="list-style-type: none"> Confirm roles and responsibilities are appropriately defined and appropriate segregation of duties are in place. For a sample of two payment runs confirm adequate segregation of duties are in place
Unauthorised amendments	3. Unauthorised payroll payments have been made	<ul style="list-style-type: none"> Confirm there is an authorised signatory list and a scheme of delegation in place which details payroll authorisations levels and provides specimen signatures For a sample of 2 payroll runs confirm that that it was been appropriately approved in line with authorisation levels
	4. Permanent and temporary amendments may not be supported by appropriately authorised documentation	<ul style="list-style-type: none"> Confirm the process and expected approval for making permanent and temporary amendments Select a sample of changes from Cintra-IQ (including starters, leavers, salary changes, sick pay, maternity leave) and confirm changes match supporting documentation, have been appropriately approved and have been completed in a timely manner
Exception reporting	5. There may be errors because exception reporting is not in place	<ul style="list-style-type: none"> Confirm that there is adequate exception reporting in place, for example high payments and negative payments For a sample of 2 payroll runs confirm exception reporting has been completed
Reconciliation	6. Errors may not be identified because reconciliations are not completed	<ul style="list-style-type: none"> Confirm payroll reconciliations have been completed for a sample of 2 months Confirm the reconciliations are appropriate, for example inclusion of starters and leavers Confirm that the BACs payment agrees to the payroll run for a sample of 2 months
Restricted Access	7. Access to the payroll system may not be appropriately restricted	<ul style="list-style-type: none"> Confirm that access to the payroll system is restricted to authorised users only, by reviewing access rights and controls.

Sample sizes will be determined following the completion of our walkthroughs using our Internal Audit Methodology; for example, if a control is performed daily, we may select a sample of fifteen and if monthly a sample of two to three. Where possible full population testing will be conducted utilising data analytics. See the following page for further information. Internal Audit will bring to the attention of management any points relating to other areas that come to their attention during the audit. A closing meeting will be held to discuss findings emerging from the review prior to issue of the draft report. Once the report and recommendations have been agreed following discussions with management, a summary of the findings will be presented to the Audit Committee at its next meeting.

KEY CONTACTS, TIMELINE & LOCATION

KEY CONTACTS			
BDO LLP			
Claire Robertson	Director	Head of Internal Audit	T: 07583237579 E: Claire.robertson@bdo.co.uk
Chloe Main	Internal Audit Manager	Engagement lead	T: 07583 060 591 E: chloe.main@bdo.co.uk
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INVERNESS COLLEGE			
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Jean McKeown	Shared Service Payroll Team Leader	Audit Lead	E: Jean.McKeown.ic@uhi.ac.uk
Emma Munro	Shared Service Senior Finance Assistant	Key Contact	E: Emma.Munro.ic@uhi.ac.uk
Aileen Miah	Shared Service Finance Assistant	Key Contact	E: aileen.miah@uhi.ac.uk

PLANNED TIMELINE	
AUDIT ACTIVITY	DATE
SCOPING MEETING	26/06/2023
TERMS OF REFERENCE AGREED	24/07/2023
DOCUMENTATION REQUEST DEADLINE	18/12/2023
FIELDWORK COMMENCEMENT	08/01/2024
END OF FIELDWORK	16/01/2024
CLOSING MEETING	22/01/2024
ISSUE OF THE DRAFT REPORT	21/06/2024
RECEIPT OF MANAGEMENT RESPONSES	05/02/2024
ISSUE OF FINAL REPORT	06/02/2024
AUDIT COMMITTEE DATE	TBC

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LOCATION

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ALLOCATION & FEES

ALLOCATION

This is a 7 day allocation, split as follows:

AREA	DAYS
Planning	0.5
Fieldwork	5
Reviewing and Reporting	1.5

FEES

ACTIVITY	DAYS	RATE (£)	COST (£)
Estimated cost of review	7	£500	£3,500

BUDGET & ASSUMPTIONS

We will charge fees for this assignment in line with our agreed Engagement Letter, including any subsequent changes agreed with you. Our fees for this engagement are set at £3,500 (excluding VAT), this includes planning, delivery, report writing and management review. This fee represents a total of 7 days on a blended day rate of £500. See the table to the left-hand side for a breakdown of the fees.

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INITIAL DOCUMENTATION REQUEST LIST	SCOPE AREA
Payroll procedures	Policy
Reporting for a sample of 2 payroll runs (months TBC)	Reconciliation
Listing of changes from HR module made in the last year	Unauthorised changes

FOR MORE INFORMATION:

CLAIRE ROBERTSON, DIRECTOR

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Claire.robertson@bdo.co.uk

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INVERNESS COLLEGE

INTERNAL AUDIT REPORT

CURRICULUM PLANNING
MAY 2023

LEVEL OF ASSURANCE	
Design	Operational Effectiveness
Substantial	Substantial

INVERNESS COLLEGE, CURRICULUM PLANNING

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DISTRIBUTION

Georgie Parker	Vice Principal Operations and External Relations
Jane MacLennan	Information Systems Manager
Martin Whyte	Operation and Commercial Manager
Audit Committee	Members


REPORT STATUS LIST


Auditors:	Joe Reid
Dates work performed:	24/04/2023 - 02/05/2023
Draft report issued:	26/05/2023
Final report issued:	02/08/2023

INVERNESS COLLEGE, CURRICULUM PLANNING

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 curriculum planning.

In recent years there has been a shift in the way that students would like to learn, they want shorter, more flexible courses. This has impacted Colleges nationally, students on full-time courses are decreasing and students on part-time courses increasing. This has impacted College's ability to meet credit targets, as part-time courses generate less credits than full-time courses. Inverness College's short courses are predominantly commercial courses that are aimed at industry. The Business Solutions Team engage with industry to determine the demand for current and new courses.

To address the needs of the community and region around the College, and to inform the curriculum process, the College created, in September 2022, Sector Development Plans (SDP's). The SDPs were developed by the Tertiary Education Leaders, in affiliation with the relevant Heads and Deputies, drawing on sector and industry information such as Skills Development Scotland data, Sectoral Skills Assessment for Professional and Financial Services data, and Public Sector Administration.

The SDP's contain sector area breakdowns with key statistics and industry metrics for Scotland, the UK, and the Highlands, a SWOT analysis of the college in the sector area as well as an Ansoff Matrix highlighting existing and new markets and products that can be offered. The information within the SDP is used to develop an action plan to improve the involvement and offering to the sector from the College.

The College holds employer outreach events, such as an employer lunch, on a yearly basis in conjunction with the Scottish Apprenticeship week. There are also other events that are arranged via Curriculum Teams, supported by the Business Solutions Teams and their employer relationships, that are more sector specific, for example attending the Highland

INVERNESS COLLEGE, CURRICULUM PLANNING

Construction Training Group forum meetings. The Business Solutions Team engage with industry directly to determine where there is demand for current or new courses. Within the Business Solutions Team, each Business Solutions Advisor is responsible for a sector, and in turn, engagement with the sector.

The College have in place an annual curriculum planning process which begins in August each year by rolling forward the existing plan. For example, when planning for the 2023-24 academic year, the process will begin in August 2022 by rolling forward the 2022/23 plan. The plan is then updated by the Heads and Deputies of Schools to reflect their new curriculum for the year going forward. It is the responsibility of the Heads and Deputies to populate the enrolment targets for the year which automatically flow through to populate the costing element of the plan.

The College's Curriculum Plan includes the income and cost calculations for all their courses. For Further Education (FE) courses, the direct costs for each course is determined by the delivery hours, which are provided by curriculum staff, and are scaled based on rate of pay for each role, which are provided by the payroll team. For Higher Education (HE) Courses, costs are calculated in the same way as FE, with the addition of non-delivery hours for programme leadership, module leadership and personal academic tutors.

For SFC funded courses, the expected income per course is calculated by multiplying the number of students expected to enrol onto the course by a credit value estimate. The number of students is estimated by curriculum staff based on demand and prior years. The credit value estimate is based on the price group of the course and the prior year confirmed credit values. Non-SFC funded courses are also included in the curriculum plan and include the expected income from the course.

To create a new course, the curriculum team will complete an Initial Programme Proposal, which is reviewed by the Vice Principal-Operations and External Relations, who will consider the need and financial viability of the course. The University of Highlands and Islands (UHI) will then review the course proposal and produce an outcomes report on the course raising conditions and recommendations for the Programme Team, the College, and UHI.

By the end of September each school completes their draft curriculum plan. It is then reviewed and scrutinised by the two Tertiary Education Leaders, Information Systems Manager and Operation and Commercial Manager.

During October, the reviewers will meet with the Heads/Deputies of the School to discuss the queries and make any necessary updates to the plan.

Once all Schools have confirmed their curriculum plan for the year and the reviewers are satisfied, the Executive Management Team (EMT) will review the curriculum plan and make any final amendments before approving the curriculum plan.

The reviewers and EMT use percentage contribution to assess the economic viability of a course and whether it will run. Contribution is the difference between the income and direct costs associated with a course. Percentage contribution is calculated by dividing course contribution by course income.

Colour	Category	Criteria	Notes
Red	At Risk	Contribution <20%	Where it is applicable, consideration has been given to multiple year programmes and analysing as a consolidated position, while remaining cognisant of 1st year recruitment.
Blue	At Risk	Contribution < 20%	At risk but as a result of the review some clarification is required which may move

INVERNESS COLLEGE, CURRICULUM PLANNING

			this position +/- . Questions are highlighted within a note in column A (in the 1st row if multiple occurrences for the same programme)
Purple	Watch	Contribution 20%> <40%	Course contributes more than 20%, but not the desired 40%. Note for future action - increase recruitment, reduce costs etc.
Yellow	Clarification	Contribution appears over 40%	Courses(s) where the contribution is >40% but clarification is still required for an element of the CP to verify accuracy.

Although contribution is an important figure to consider, it is not the only metric that is used when considering course viability. The curriculum planning process is guided by the College mission and vision in tandem with demand levels (expected student numbers) for courses. The College may still progress with a low contribution or loss-making course if it is deemed to be a key strategic course for the College or Scottish Government.

SCOPE AND APPROACH:

Our review assessed whether:

- The College's curriculum meets the needs of the region, with a specific focus on increasing the part-time course provision.
- The curriculum planning process aligns to the requirements of the regional outcome agreement.
- The curriculum planning process includes curriculum and finance staff; and
- Financial aspects of course provision are considered to identify viability and minimum enrolments required.

Our approach was to conduct interviews to establish the controls in operation for each of our areas of audit work. We sought documentary evidence that these controls are 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. A de-brief meeting was undertaken before completing the review to discuss findings and initial recommendations.

GOOD PRACTICE:

Through our review, we have established the following areas of good practice:

- From review of the Sector Development Plans (SDP's), regional, national and UK sector and labour market data is being considered when developing the curriculum. Further, there is a clear linkage between the SDP's and the curriculum planning activities within the College through operational plans.
- The College have dedicated sector Business Solutions Advisers to engage with the local industry.
- The curriculum plan is well designed and presents relevant information for each course including cost, income, and contribution.
- The process of reviewing the curriculum plan for 2023/24 was robust with input from curriculum staff, finance, and executive management.

INVERNESS COLLEGE, CURRICULUM PLANNING

KEY FINDINGS:

Notwithstanding the points of good practice identified, the following finding has been raised:

- **Sector Development Plans Completeness and Version Control** - The following gaps in the SDP's were identified:
 - 4 instances where the Action Planner is incomplete.
 - 9 instances where the Operational Plan is incomplete.
 The Sector Development Plans, following presentation to the Board, have since been live documents and there is no way of tracking if changes have been made by curriculum teams or Tertiary Education Leaders.

CONCLUSION:

In conclusion, we can provide substantial assurance over the design and effectiveness of the controls in place for curriculum planning at Inverness College. However, we were unable to confirm whether the curriculum planning process aligns to the requirements of the Regional Outcome Agreement (ROA) because at the time of the audit the 2022/23 ROA had not yet been agreed and we found the 2021/22 ROA to be outdated as there was a heavy focus on Covid-19 related issues. The College has spent time understanding the needs of the region, effort is made to align the curriculum with local needs and the financial viability of courses are considered.


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

- ✓ The College's curriculum may not meet the needs of the region
- ✓ The curriculum planning process may not align to the requirements of the regional outcome agreement
- ✓ The curriculum planning process may not be supported by both curriculum and finance staff
- ✓ Consideration may not have been given to financial aspects of course provision, to determine the viability of course provision and the minimum enrolment required to maintain course viability.

INVERNESS COLLEGE, CURRICULUM PLANNING

DETAILED FINDINGS

RISK: THE COLLEGE'S CURRICULUM MAY NOT MEET THE NEEDS OF THE REGION

Ref	Sig.	Finding
1		<p>Sector Development Plans (SDP)s Completeness and Version Control SDPs include an Action Planner and an Operational Plan to help ensure accountability.</p> <p>The following gaps in the SDP's have been identified:</p> <ul style="list-style-type: none"> · 4 instances where the Action Planner have not been completed or does not assign responsibility or include expected completion dates. · 9 instances where the Operational Plan has not been completed at all or do not detail costs, leads or achievement date. <p>Additionally, following presentation to the Board, the SDPs have been kept by the curriculum teams and there is no way of tracking centrally if changes have been made by curriculum teams or Tertiary Education Leaders.</p> <p>There is a risk that the key findings of the Sector Development Plans are not being actioned.</p>

RECOMMENDATION:

It is recommended that all Sector Development Plans are updated including completion of the action and operational plans.

It is further recommended that the Sector Development Plans are held in a shared folder where a live document can be maintained with effective version control.

MANAGEMENT RESPONSE:

Sector development plans are not intended to be auditable document but a tool to guide strategic decision making and to provide information that enables managers to identify opportunities and prioritise developments. Whilst the outcomes were presented to EMT and to the Board, they are ostensibly a framework for managers to use with their teams. Tertiary Education Leaders and Heads of School are trusted to use these to inform their plans for curriculum development, requests for resources or capital investment. The effective use of theses is evidenced by: Bids to the ALF, development of new courses - including the Construction GA and subsequent employer events.

The EMT feel that this approach is consistent with the leadership approach that we have established over the last two years, which seeks to be empowering and facilitative rather than prescriptive. The positive improvement in leadership and resulting culture has been welcomed by staff and managers and was recognised by Education Scotland in our recent inspection.

Responsible Officer: Georgina Parker

Implementation Date: Not applicable.

INVERNESS COLLEGE, CURRICULUM PLANNING

OBSERVATIONS

REGIONAL OUTCOME AGREEMENT

Regional Outcome Agreement

The 2022/23 Regional Outcomes Agreement has not yet been agreed, the guidance on the regional outcome agreement was released by the SFC in October 2022 for the year 2022/23, which is 9 months after the curriculum planning process began for the College. The 2021/22 agreement is outdated with a heavy focus on COVID-19 related issues which are no longer relevant.

As a result, we did not test whether the curriculum planning process aligns with the ROA.

INVERNESS COLLEGE, CURRICULUM PLANNING





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.




Georgie Parker	Vice President Operations and External Relations
Jane MacLennan	Information Systems Manager
Martin Whyte	Operation and Commercial Manager

INVERNESS COLLEGE, CURRICULUM PLANNING

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.

INVERNESS COLLEGE, CURRICULUM PLANNING

APPENDIX II - TERMS OF REFERENCE

PURPOSE OF REVIEW:

The purpose of this review is to provide assurance to management and the Audit Committee regarding the adequacy and effectiveness of curriculum planning arrangements and to recommend improvements to those arrangements as necessary.

Specifically, we will assess whether a robust curriculum planning process is in place which is aligned to the needs of the region and the requirements of the regional outcome agreement.

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 risks associated with the area under review are:

- The College's curriculum may not meet the needs of the region
- The curriculum planning process may not align to the requirements of the regional outcome agreement
- The curriculum planning process may not be supported by both curriculum and finance staff
- Consideration may not have been given to financial aspects of course provision, to determine the viability of course provision and the minimum enrolment required to maintain course viability.

SCOPE OF REVIEW:

Our review will assess whether:

- The College's curriculum meets the needs of the region, with a specific focus on increasing the part-time course provision.
- The curriculum planning process aligns to the requirements of the regional outcome agreement.
- The curriculum planning process includes curriculum and finance staff; and
- Financial aspects of course provision are considered to identify viability and minimum enrolments required.

However, Internal Audit will bring to the attention of management any points relating to other areas that come to their attention during the audit. 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.

INVERNESS COLLEGE, CURRICULUM PLANNING

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 to discuss findings and initial recommendations.

FOR MORE INFORMATION:

Claire Robertson

claire.robertson@bdo.co.uk

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INVERNESS COLLEGE

PROFESSIONAL DEVELOPMENT

TERMS OF REFERENCE - FINAL

JULY 2023

SIGN OFF

ON BEHALF OF BDO LLP

ON BEHALF OF INVERNESS COLLEGE

SIGNATURE: CLAIRE ROBERTSON

SIGNATURE: LINDSAY SNODGRASS

TITLE: HEAD OF DIGITAL, RISK
AND ADVISORY
SERVICES - SCOTLAND

TITLE: ASSISTANT PRINCIPAL -
STUDENT EXPERIENCE
AND QUALITY

DATE: 11/08/2023

DATE: 14/08/2023

BACKGROUND

BACKGROUND

In accordance with the 2023-24 Internal Audit Plan, it was agreed that Internal Audit would undertake a review of the arrangements surrounding professional development within Inverness College (the College).

The College's HR system, Cipher, is used to record professional development completed by staff and to monitor completion of annual professional development reviews, between individuals and their line managers.

The College has a Professional Development Policy and a Procedure. Additionally, there is a Professional Review and Development process which managers are required to engage in with each of their staff members. All lecturers are required to register with the General Teaching Council Scotland (GTCS) and adhere to the Professional Standards for Lecturers in Scotland's College

PURPOSE OF THE REVIEW

The purpose of this review is to provide assurance over the design and operational effectiveness of the key controls in professional development in the following areas:

- Guidance
- Training Matrix
- Individuals
- Learning & Teaching Observations
- Monitoring

EXCLUSIONS/LIMITATIONS OF SCOPE

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.

Our work is inherently limited by sampling and therefore will not provide assurance over all professional development arrangements within the college. We are reliant on the honest representation by staff and timely provision of information as part of this review.

DETAILED SCOPE, RISKS & APPROACH

The table below outlines the areas which will be covered as part of this review, the key inherent risks associated with the areas under review and our high level approach to test the design and operational effectiveness (where applicable) of the controls in place to mitigate the risks outlined:

SCOPE AREA	KEY RISKS	APPROACH
Guidance	1. There may not be guidance in place which outlines how professional development is to be administered	<ul style="list-style-type: none"> Confirm there are clear policies and procedures in place which detail entitlement to professional development and the process by which development opportunities are identified, managed and completed. We will confirm the guidance is appropriately reviewed and approved on a regular basis
Training Matrix	2. There may not be a role-based training matrix in place	<ul style="list-style-type: none"> Confirm there is a role-based training matrix for mandatory training. Confirm the training matrix is regularly reviewed and updated as necessary
Individuals	3. Training opportunities assigned to staff do not align with the development objectives agreed for them	<ul style="list-style-type: none"> Confirm there is documented guidance which details the approval process where an individual has identified a need for professional development. We will consider whether the process is efficient and effective We will select a sample of requests and confirm the process has been followed and consider whether the course supports staff or college objectives
	4. Professional development reviews may not be completed by staff on an annual basis.	<ul style="list-style-type: none"> We will confirm via reports run from Cipher whether all staff have completed their annual professional development review.
	5. Professional development reviews (PDR) may not include consideration of future professional development needs	<ul style="list-style-type: none"> We will confirm that PDR guidance details the requirement to consider future professional development needs. We will review a sample of completed professional development reviews and confirm there is consideration of future professional development needs
Learning & Teaching Observations	6. Learning opportunities are not identified and actioned from learning and teaching observations	<ul style="list-style-type: none"> We will review communications with staff to confirm that learning and teaching observations are promoted throughout the College We will confirm that there is a plan in place for learning and teaching observations We will confirm that learning opportunities are identified individually and also in aggregate by the College, actions are identified and monitored through to implementation.
Monitoring	7. Records of professional development completed by staff are not maintained	<ul style="list-style-type: none"> Discuss with management the arrangements for ensuring professional development is completed, and how this is monitored and reported and consider whether it is effective
	8. Mandatory training is not completed by staff	<ul style="list-style-type: none"> Confirm that mandatory training requirements have been identified Confirm that completion of mandatory training requirements is managed to ensure that staff complete the necessary training

Sample sizes will be determined following the completion of our walkthroughs using our Internal Audit Methodology; for example, if a control is performed daily, we may select a sample of fifteen and if monthly a sample of two to three. Where possible full population testing will be conducted utilising data analytics. Internal Audit will bring to the attention of management any points relating to other areas that come to their attention during the audit. A closing meeting will be held to discuss findings emerging from the review prior to issue of the draft report. Once the report and recommendations have been agreed following discussions with management, a summary of the findings will be presented to the Audit Committee at its next meeting.

KEY CONTACTS, TIMELINE & LOCATION

KEY CONTACTS				
BDO LLP				
Claire Robertson	Director	Head of Internal Audit	T: 07583237579	E: claire.robertson@bdo.co.uk
Chloe Main	Internal Audit Manager	Engagement lead	T: 07583 060 591	E: chloe.main@bdo.co.uk
Abbi McCormack	Audit Trainee	Auditor	E: abbi.mccormack@bdo.co.uk	
INVERNESS COLLEGE				
Lindsay Snodgrass	Assistant Principal - Student Experience and Quality	Audit Sponsor	E: Lindsay.Snodgrass.ic@uhi.ac.uk	
Fiona Gunn	Professional Development Manager	Key Contact	E: Fiona.Gunn.ic@uhi.ac.uk	

PLANNED TIMELINE	
AUDIT ACTIVITY	DATE
SCOPING MEETING	18/07/2023
TERMS OF REFERENCE AGREED	14/08/2023
DOCUMENTATION REQUEST DEADLINE	04/03/2024
FIELDWORK COMMENCEMENT	11/03/2024
END OF FIELDWORK	18/03/2024
CLOSING MEETING	25/03/2024
ISSUE OF THE DRAFT REPORT	08/04/2024
RECEIPT OF MANAGEMENT RESPONSES	22/04/2024
ISSUE OF FINAL REPORT	23/04/2024
AUDIT COMMITTEE DATE	TBC

By accepting this Terms of Reference document you are agreeing to the timing of this audit

The staff listed above will be contacted during the fieldwork to assist in completion of the assignment. All these staff will be contacted prior to fieldwork to agree the timing of our visit and should be issued with a copy of this terms of reference. It is important that staff involved with the assignment are notified. To assist us in planning the logistics of the assignment, including provision of documents and meeting organisation the above audit coordinator has been nominated.

LOCATION

We plan to perform this review remotely, using a combination of conference calls, video conferencing facilities and emails. We will endeavour to limit the amount of time required of key colleagues via remote working and aim to perform these meetings on site.

ALLOCATION & FEES

ALLOCATION

This is a 6-day allocation, split as follows:

AREA	DAYS
Planning	0.5
Fieldwork	4.5
Reviewing and Reporting	1

FEES

ACTIVITY	DAYS	RATE (£)	COST (£)
Estimated cost of review	6	£500	£3,000

BUDGET & ASSUMPTIONS

We will charge fees for this assignment in line with our agreed Engagement Letter, including any subsequent changes agreed with you. Our fees for this engagement are set at £3,000 (excluding VAT), this includes planning, delivery, report writing and management review. This fee represents a total of 6 days on a blended day rate of £500. See the table to the left-hand side for a breakdown of the fees.

The fees are based upon our estimate of the time required to complete the engagement. These costs have been calculated on the assumption that we will receive all information outlined on this page by the dates specified and that we will be granted access to all key personnel.

The allocation outlined to the left-hand side above is based upon our estimate of the time required to complete the engagement outlined within this document. If the scope of work changes, we will communicate with management any predicted over-or-underspend, before invoicing. In addition, 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 day allocation may not be accurate.

TIMING CHANGES AND CANCELLATION

In accepting this Terms of Reference document, you are agreeing to the timing of this audit specified in this document. 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 extra charge.

ACCESS TO INFORMATION & COLLEAGUES

Any unreasonable delay in gaining access to required information or key colleagues 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.

APPENDIX A: DOCUMENTATION REQUEST

Outlined below and on the following page 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. If you can please ensure to present the requested documentation by 4 March 2024 that would be most appreciated. We have tried to be specific wherever possible; however, please do contact us as soon as possible if you are 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.

INITIAL DOCUMENTATION REQUEST LIST	SCOPE AREA
Professional Development Policies and Procedures	Guidance
Professional Development Plan/Matrix	Plan
Mandatory training monitoring reports	Monitoring

FOR MORE INFORMATION:

CLAIRE ROBERTSON, HEAD OF DIGITAL,
RISK AND ADVISORY SERVICES - SCOTLAND

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Freedom of Information (FOIA)

In the event you are required to disclose any information contained in this report by virtue of the Freedom of Information Act 2000 (“the Act”), you must notify BDO LLP promptly prior to any disclosure. You agree to pay due regard to any representations which BDO LLP makes in connection with such disclosure, and you shall apply any relevant exemptions which may exist under the Act. If, following consultation with BDO LLP, you disclose this report in whole or in part, you shall ensure that any disclaimer which BDO LLP has included, or may subsequently wish to include, is reproduced in full in any copies.

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INVERNESS COLLEGE

INTERNAL AUDIT REPORT - FINAL

STRATEGIC PLANNING
AUGUST 2023

LEVEL OF ASSURANCE	
Design	Operational Effectiveness
Substantial	Moderate



INVERNESS COLLEGE, STRATEGIC PLANNING

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DISTRIBUTION

Chris O'Neil	Principal
Georgie Parker	Vice Principal - Operations and External Relations
Members of the	Audit Committee



REPORT STATUS LIST

Auditors:	Tom O'Hara
Dates work performed:	27 March - 2 August 2023
Draft report issued:	11 August 2023
Final report issued:	29 August 2023




INVERNESS COLLEGE, STRATEGIC PLANNING

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		Evidence of non-compliance with some controls, that may put some of the system objectives at risk.

SUMMARY OF RECOMMENDATIONS: (SEE APPENDIX I)

High		
Medium		1
Low		1

TOTAL NUMBER OF RECOMMENDATIONS: 2

BACKGROUND:

As part of the 2022-23 Internal Audit Plan, it was agreed by management and the Audit Committee that Internal Audit would carry out a review of the strategic planning arrangements in place within Inverness College (the College).

The purpose of this review was to assess the methodology used to compile Inverness College's strategy and supporting business plans, and evaluate whether these documents clearly articulate the vision, mission, values and strategies of Inverness College. We also assessed whether the strategic planning process has resulted in clear objectives with measurable success indicators.

The College has developed a Strategic Plan, which covers the period 2022-26 and was approved by the Board of Management in December 2021. The Plan has been saved on SharePoint for staff to access and has also been published on the College's website.

The Executive Management Team held workshops with managers across the College to gain their insights and desired inputs on the new Strategic Plan. Staff were encouraged to assume ownerships of key elements of the Plan to coordinate ideas and contribution. Board input was gained via the review of draft versions of the Plan, prior to final approval being provided. Feedback was also obtained from external stakeholders, including local MSPs, MPs and APUC.

The College's Strategic Plan overall aligns with the UHI Strategic Plan. The Strategic Plan confirms the College's three core values: to be ambitious, be bold and be creative. There are five core strategic aims which cover the areas of tertiary education, organisational development, research & innovation, student experience and finance & sustainability. A range of objectives are in place to achieve each strategic aim.

A number of subsidiary strategies have also been developed to compliment the College's Strategic Plan, which include strategies on Digital Transformation, Marketing, Research & Innovation, Environmental Sustainability and Tertiary Education amongst others.

INVERNESS COLLEGE, STRATEGIC PLANNING

To monitor and record the implementation of the College's Strategic Plan and subsidiary strategies, a KPI matrix was developed and approved by the Board in December 2021. The matrix is reviewed on an ongoing basis by the Board, subsidiary committees, and the Executive Management Team. A range of KPIs are in place for six key measures: core FE/HE outputs, satisfaction measures, retention, success & progression, HR, finance and estates & campus. The matrix details the measurement frequency, the current year target, prior year actual figure, and both the period and year to date profile and actual figures. The Board receives a KPI update report at each meeting, where a RAG rating is used to confirm whether the KPI is achieved, partially achieved or not achieved.

SCOPE AND APPROACH:

The scope of our review was to assess whether:

- The Strategic Plan clearly articulates the vision, mission, values and strategies of the College and has been communicated effectively;
- The Strategic Plan aligns with the UHI Outcome Agreement and UHI Strategic Plan;
- Supporting College strategies align with the College's Strategic Plan;
- The plan contains clear objectives, assigns adequate resources to these objectives, and details measurable success indicators; and
- An effective framework is in place to measure and report on the achievement of objectives within the plan.

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 are designed as described, and evaluated these controls to identify whether they adequately address the risks.

A de-brief meeting was undertaken before completing the review to discuss findings and initial recommendations.

GOOD PRACTICE:

We identified areas of good practice during our review, including:

- A Strategic Plan has been developed, which clearly articulates the College's mission, vision, core values and strategic aims, and this has been made available to staff and the public.
- We found the College's Strategic Plan aligned with the UHI Strategic Plan and the UHI Outcome Agreement
- A range of subsidiary strategies have also been developed and adopted that support the Strategic Plan; and
- Implementation of the Strategic Plan and subsidiary strategies is supported by departmental Quality Enhancement Trackers, which include specific actions and include expected completion dates and are assigned a responsible owner.

KEY FINDINGS:

Notwithstanding the elements of good practice noted above, our review identified areas where further improvements could be made, which are summarised below:

- **KPIs:** Internal Audit conducted a sample test of 15 strategic objectives outlined in the College's subsidiary strategies and found 2 KPIs outlined in the sub-strategy that did not appear in the KPI extract provided to Internal Audit.

INVERNESS COLLEGE, STRATEGIC PLANNING

- **Research & Innovation Strategy Publication:** Internal Audit found that the College has not yet published its Research & Innovation sub-strategy on its publications page. We note that the College finalised its Research & Innovation sub-strategy in March 2023, several months after other sub-strategies were finalised, as the appointed strategy owners being unable to be at the College due to unforeseen circumstances.

CONCLUSION:

At this stage, we can provide substantial assurance over the design and moderate assurance over the operational effectiveness of the controls in place surrounding strategic planning. We recommend management implement the noted control improvements to develop the strategic planning arrangements, and ensure they operate consistently across the College.


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

- ✓ The Strategic Plan may not articulate the vision, mission, values and strategies of the College, or may not be effectively communicated.
 - ✓ College plans may not align with the articulated contribution to the nationally agreed outcomes described in the College outcome agreement.
 - ✓ There may not be a framework in place to measure and report upon the achievement of objectives within the plan.
-

INVERNESS COLLEGE, STRATEGIC PLANNING

DETAILED FINDINGS

RISK: THE STRATEGIC PLAN MAY NOT CONTAIN CLEAR OBJECTIVES WITH MEASURABLE SUCCESS INDICATORS, OR MAY NOT ASSIGN ADEQUATE RESOURCES TO THE ACHIEVEMENT OF OBJECTIVES.

Ref	Sig.	Finding
1		<p>KPIs</p> <p>It is important that strategic objectives have accompanying KPIs in place to ensure that progress against objectives is effectively monitored.</p> <p>Internal Audit conducted a sample test of 15 strategic objectives outlined in the College's subsidiary strategies and found 2 objectives to have KPIs outlined in the sub-strategy that did not appear in the KPI extract provided to Internal Audit. Consequently, these KPIs are not being monitored by the College. The KPIs identified were:</p> <ol style="list-style-type: none"> 1. The Research & Innovation Strategy "Increased engagement with Innovate UK KPI; and 2. The Environmental Sustainability Strategy "Annual carbon emissions reduction" KPI. <p>We note that the College does report on CO₂ emissions on utilities and is in the process of developing mechanisms for measuring other sources of carbon emissions.</p> <p>There is a risk that strategic objectives are not being appropriately monitored through measurable success indicators.</p>

RECOMMENDATION:

We recommend that the College updates the KPI matrix to include the three KPIs.

MANAGEMENT RESPONSE:


We will include the research KPI and extend the coverage of the CO₂ KPI once a mechanism for measurement has been agreed for each.

Responsible Officer:	<ol style="list-style-type: none"> 1. The Principal 2. Vice Principal, Operations & External Relations
----------------------	--

Implementation Date:	<ol style="list-style-type: none"> 1. 31 January 2024 2. 31 July 2024
----------------------	---

INVERNESS COLLEGE, STRATEGIC PLANNING

RISK: SUPPORTING STRATEGIES, FOR EXAMPLE, ESTATES, PEOPLE AND COMMERCIAL STRATEGIES MAY NOT ALIGN TO THE STRATEGIC PLAN.

Ref	Sig.	Finding
2		<p>Research & Innovation Strategy Publication</p> <p>It is important that strategies are appropriately published to ensure that stakeholders are informed on an organisation's strategic aims and objectives.</p> <p>Internal Audit noted that the College has not yet published its Research & Innovation sub-strategy on its publications page. We note that the College finalised its Research & Innovation sub-strategy in March 2023, several months after other sub-strategies were finalised, as the appointed strategy owners being unable to be at the College due to unforeseen circumstances.</p> <p>There is a risk that stakeholders cannot access the Research & Innovation sub-strategy.</p>

RECOMMENDATION:

We recommend that the College updates its publications webpage to include its Research & Innovation sub-strategy.

MANAGEMENT RESPONSE:

Agreed.

Responsible Officer: The Principal

Implementation Date: 31st October 2023

INVERNESS COLLEGE, STRATEGIC PLANNING

OBSERVATIONS

STAKEHOLDER AND STAFF CONSULTATIONS

Internal Audit were advised that the College held workshops with staff and external stakeholders during early 2021 to receive feedback and coordinate ideas and contributions in relation to the College's draft Strategic Plan. However, Internal Audit were not provided with evidence of these consultations due to the College's data retention policies, which deletes MS Teams data once it is two years old. These consultations were held during Covid-19 and therefore were held remotely, in normal circumstances, this would have included some face to face meetings. We note that evidence of later staff consultations taking place in late 2021 was available and provided to Internal Audit.

SUB-STRATEGY REPORTING

Internal Audit identified that while a range of sub-strategies and KPIs were in place to define overarching objectives within the Strategic Plan and monitor progress against these, the College is yet to report the progress of sub-strategies at relevant committees. Internal Audit were advised that progress against the sub-strategies is due to be reported at relevant committees in September and October, which aligns with the first anniversary of their adoption. We note that an update on the HR Talent Management Strategy, was provided to the HR Committee in March 2023.

INVERNESS COLLEGE, STRATEGIC PLANNING





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.




Chris O'Neil	Principal
Georgie Parker	Vice Principal - Operations & External Relations
Lindsay Snodgrass	Vice Principal - Student Experience and Quality

INVERNESS COLLEGE, STRATEGIC PLANNING

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.

INVERNESS COLLEGE, STRATEGIC PLANNING

APPENDIX II - TERMS OF REFERENCE

PURPOSE OF REVIEW:

The purpose of this review will be to assess the methodology used to compile Inverness College's strategy and supporting business plans, and evaluate whether these documents clearly articulate the vision, mission, values and strategies of Inverness College. We will also assess whether the strategic planning process has resulted in clear objectives with measurable success indicators.

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 risks associated with the area under review are:

- The Strategic Plan may not articulate the vision, mission, values and strategies of the College, or may not be effectively communicated
- College plans may not align with the articulated contribution to the nationally agreed outcomes described in the College outcome agreement
- Supporting strategies, for example, Estates, People and Commercial strategies may not align to the Strategic Plan
- The Strategic Plan may not contain clear objectives with measurable success indicators, or may not assign adequate resources to the achievement of objectives; and
- There may not be a framework in place to measure and report upon the achievement of objectives within the plan.

SCOPE OF REVIEW:

The scope of our review is to assess whether:

- The Strategic Plan clearly articulates the vision, mission, values and strategies of the College and has been communicated effectively
- The Strategic Plan aligns with the UHI Outcome Agreement and UHI Strategic Plan
- Supporting College strategies align with the College's Strategic Plan
- The plan contains clear objectives, assigns adequate resources to these objectives, and details measurable success indicators; and
- An effective framework is in place to measure and report on the achievement of objectives within the plan.

Internal Audit will bring to the attention of management any points relating to other areas that come to their attention during the course of the audit. 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.

INVERNESS COLLEGE, STRATEGIC PLANNING

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

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INVERNESS COLLEGE
INTERNAL AUDIT REPORT
FOLLOW UP REVIEW - DRAFT
SEPTEMBER 2023



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REPORT STATUS	
Auditor:	Hishaam Munawaree
Dates work performed:	30 th August- 1 st September 2023
Draft report issued:	4 September 2023
Final report issued:	XX September 2023

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Audit Committee	Members

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EXECUTIVE SUMMARY

Scope and Work Undertaken

Background

As part of the provision of continual assurance with regard to internal control arrangements, a review of the degree of implementation of previously agreed Internal Audit recommendations was conducted in August 2023. We have considered the implementation status of all recommendations raised from the Internal Audit work carried out which were due to be implemented at the time of this review.

A total of 42 audit recommendations were followed up. These relate to 14 separate internal audit reports, as shown below:

- Cash Handling (2019/20) (4 recommendations)
- Health and Safety (2019/20) (1 recommendations)
- Workforce Planning (2020/21) (4 recommendations)
- System Upgrade (2020/21) (4 recommendations)
- Cyber Security (2020/21) (1 recommendation)
- Staff Recruitment (2021/22) (6 recommendations)
- Student Application, Enrolment & Induction 2021/22 (1 recommendation)
- Procurement 2021/22 (5 recommendations)
- Student Representation 2021/22 (4 recommendations)
- Financial Planning (2022/23) (2 recommendations)
- Student Support (2022/23) (1 recommendation)
- Complaints Management (2022/23) (6 recommendations)
- Curriculum Planning (2022/23) (1 recommendation)
- Strategic Planning (2022/23) (2 recommendations)

Methodology

Inverness College's Internal Audit recommendation progress reports were reviewed to ascertain Management's assessment of the degree of implementation achieved. Where the report stated that recommendations had been implemented or partially implemented testing was undertaken to verify compliance.

Acknowledgement

We appreciate the assistance provided by the staff involved in the review and would like to thank them for their help and on-going co-operation (see Appendix I for a list of staff consulted during the follow-up review).

EXECUTIVE SUMMARY

Item 03h.


Status of recommendations due for implementation as at September 2023

The summary below provides an overview of the status of each recommendation. Of the 38 recommendations due to be implemented, 8 recommendations (21%) have been categorised as fully implemented, 9 (24%) have been categorised as partially implemented, and 21 (55%) as not implemented. Details of the partially implemented and not implemented recommendations are included on the pages which follow. 4 recommendations are not yet due for implementation.


On this basis, we conclude that Inverness College has made some progress in implementing the recommendations made and we can provide limited assurance that management's resolve to implement previously agreed Internal Audit recommendations is sound. Continued focus is necessary to ensure the remaining outstanding recommendations are implemented in good time. We note that management have not provided an update for workforce planning, finance system upgrade, staff recruitment and procurement recommendations.

Audit	Status at September 2023					Total
	Fully Implemented	Partially Implemented	Not Implemented	Superseded	Not yet due for Implementation	
Cash Handling (2019/20)	-	4	-	-	-	4
Health and Safety (2019/20)	-	1	-	-	-	1
Workforce Planning (2020/21)	1	3	-	-	-	4
System Upgrade (2020/21)	-	-	4	-	-	4
Cyber Security (2020/21)	-	-	1	-	-	1
Staff Recruitment	-	-	6	-	-	6
Student Application Enrolment & Induction	1	-	-	-	-	1
Procurement	-	-	5	-	-	5
Student Representation	4	-	-	-	-	4
Financial Planning	1	-	1	-	-	2
Student Support	1	-	-	-	-	1
Complaints Management	-	1	4	-	1	6
Curriculum Planning	-	-	-	-	1	1
Strategic Planning	-	-	-	-	2	2
TOTAL	8	9	21	-	4	42


RECOMMENDATION STATUS - CASH HANDLING 2019/20

Ref.	Original Recommendation	Sig.	Management Response	Responsibility & Implementation Date
1	<p>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.</p>		<p><u>Original</u> Agreed.</p>	<p><i>Responsible Officer: Morag Jarvis</i></p> <p><i>Implementation Date: Within one calendar month of lockdown ending.</i></p>
<p>Status at August 2023</p>				
<p>Partially Implemented The college has disclosed that VAT issues are being addressed and are progressing this recommendation.</p>				
<p>Management Response - September 2023</p>				

RECOMMENDATION STATUS - CASH HANDLING 2019/20

Ref.	Original Recommendation	Sig.	Management Response	Responsibility & Implementation Date
2	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.		<p><u>Original</u> Agreed.</p> <p><u>October 2021</u> 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.</p> <p><u>October 2022</u> Commencing mid October 2022</p>	<p><i>Responsible Officer: Morag Jarvis</i></p> <p><i>Implementation Date: Within one calendar month of lockdown ending.</i></p>
<p>Status at August 2023</p> <p>Partially Implemented</p> <p>The college has disclosed that VAT issues are still being addressed. 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.</p>				
<p>Management Response - September 2023</p>				

RECOMMENDATION STATUS - CASH HANDLING 2019/20


Ref.	Original Recommendation	Sig.	Management Response	Responsibility & Implementation Date
3	<p>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.</p>		<p><u>Original</u> Agreed.</p> <p><u>October 2021</u> 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 & Beauty are only taking Card Payments at present.</p>	<p><i>Responsible Officer: Morag Jarvis</i></p> <p><i>Implementation Date: Within one calendar month of lockdown ending.</i></p>
<p>Status at August 2023</p>				
<p>Partially Implemented</p> <p>The college has disclosed that VAT issues are still being addressed. 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.</p>				
<p>Management Response - September 2023</p>				

RECOMMENDATION STATUS - CASH HANDLING 2019/20

Ref.	Original Recommendation	Sig.	Management Response	Responsibility & Implementation Date
4	<p>We recommend that the Banking Process and Procedures document is updated to include the following areas:</p> <ul style="list-style-type: none"> - 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. 		<p><u>Original</u> Agreed.</p> <p><u>October 2021</u> 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.</p> <p><u>October 2022</u> Finance procedures to be reviewed by Team Leader by end of November 2022_.</p>	<p><i>Responsible Officer: Morag Jarvis</i></p> <p><i>Implementation Date: Within one calendar month of lockdown ending.</i></p>
<p>Status at August 2023</p> <p>Partially Implemented</p> <p>The college has disclosed that VAT issues are still being addressed. 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.</p>				
<p>Management Response - September 2023</p>				

RECOMMENDATION STATUS - HEALTH & SAFETY

2019/20

Ref.	Original Recommendation	Sig.	Management Response	Responsibility & Implementation Date
5	<p>We recommend staff are required to log DSE Assessments and questionnaires in a way that allows completion to be monitored centrally.</p> <p>We recommend the Health & Safety Manual is updated and clearly documents where completed assessments should be retained.</p> <p>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.</p> <p>We recommend new staff are required to complete a DSE Assessment and questionnaire as part of their induction.</p>		<p><u>Original</u></p> <p>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.</p> <p>The Health & Safety Manual is in the process of being reviewed and instruction on the administration of records will be included.</p> <p>The requirements for DSE assessments (including reviews will be stipulated in the Health & Safety Manual</p> <p>DSE training and self-assessment will be included in the staff induction process and included in the Health & Safety Manual.</p> <p><u>October 2022</u></p> <p>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 with this is being followed up by managers.</p>	<p><i>Responsible Officer: Health & Safety Manager</i></p> <p><i>Implementation Date: January 2021</i></p>

RECOMMENDATION STATUS - HEALTH & SAFETY 2019/20

Status at August 2023


Partially Implemented

The Health & Safety Manual has been updated.


The College has advised that since May 2022 the iHASCO system has been fully developed for training and assessment. All new starters are enrolled automatically and results available to relevant managers. Every 2 years, staff are asked to repeat this. Any employees who have not completed this are sent weekly email reminders. This was previously rated as Partially Implemented, due to staff incompleteness rates of DSE Assessments. For this recommendation to be fully implemented we require documentary evidence which supports that completion rates are being monitored.

Management Response - September 2023

RECOMMENDATION STATUS - WORKPLACE PLANNING 2020/21

Ref.	Original Recommendation	Sig.	Management Response	Responsibility & Implementation Date
6	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.		<p><u>Original</u></p> <p>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.</p> <p><u>October 2022</u></p> <p>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 August 2023.</p>	<p><i>Responsible Officer: Estates and Campus Service Manager and Management Accountant</i></p> <p><i>Implementation Date: September 2020</i></p>
Status at August 2023				
<p>Partially Implemented</p> <p>No update has been provided in the current year.</p>				
Management Response - September 2023				


RECOMMENDATION STATUS – WORKFORCE PLANNING 2020/21

Ref.	Original Recommendation	Sig.	Management Response	Responsibility & Implementation Date
7	We recommend identifying critical roles and preparing a documented succession plan.		<p><u>Original</u></p> <p>Whilst we do not necessarily have a 'list' of critical roles - I must re-iterate some of the comments made:</p> <ul style="list-style-type: none"> • 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. 	<p><i>Responsible Officer: HR Manager</i></p> <p><i>Implementation Date: April 2021</i></p>

RECOMMENDATION STATUS - WORKFORCE PLANNING 2020/21

		<ul style="list-style-type: none"> • 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 Depute 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 mgrs. 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 retirements. • A personal skills framework is in place which forms part of every staff member's annual PDR process. <p>A documented succession plan procedure as outlined above will be formalised. <u>October 2022</u></p> <p>The succession planning process has been developed and will be launched within semester 1, after staff have been trained in the process.</p>	
Status at August 2023			
<p>Partially Implemented No update has been provided in the current year</p>			
Management Response - September 2023			


RECOMMENDATION STATUS – WORKFORCE PLANNING 2020/21

Ref.	Original Recommendation	Sig.	Management Response	Responsibility & Implementation Date
8	<p>We recommend the Workforce Plan is completed and is reviewed and approved on a timely basis.</p> <p>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.</p>		<p><u>Original</u></p> <p>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.</p> <p><u>October 2021</u></p> <p>We now wish to move to a Talent Management approach, encompassing workforce planning, human resource management, organisational and staff development.</p> <p>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.</p> <p>The Talent Management Strategy will be based around the Talent Management Framework (TMF) and will include Succession Planning.</p> <p>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.</p>	<p><i>Responsible Officer: HR Manager and SMT</i></p> <p><i>Implementation Date: June 2021</i></p>


RECOMMENDATION STATUS - WORKFORCE PLANNING 2020/21

Ref.	Original Recommendation	Sig.	Management Response	Responsibility & Implementation Date
			<p><u>September 2022</u></p> <p>The College has traditionally conducted workforce planning activities on an annual basis.</p> <p>The College are now moving to a Talent Management approach, encompassing workforce planning, human resource management, organisational and staff development.</p> <p>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.</p> <p>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.</p>	
<p>Status at August 2023</p>				
<p>Partially Implemented No update provided in the current year</p>				
<p>Management Response - September 2023</p>				


RECOMMENDATION STATUS - SYSTEM UPGRADE 2020/21

Ref.	Original Recommendation	Sig.	Management Response	Responsibility & Implementation Date
9	<p>We recommend the College prepares a project management framework and that all people responsible for managing projects are trained in the methodology.</p> <p>We recommend the methodology includes and considers the following:</p> <ul style="list-style-type: none"> • 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 		<p><u>Original</u></p> <p>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.</p> <p><u>October 2021</u> 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.</p> <p><u>October 2022</u> Recommend that this be closed</p>	<p><i>Responsible Officer: SMT still to allocate</i></p> <p><i>Implementation Date: June 2021</i></p>
Status at August 2023				
<p>Not Implemented</p> <p>No update provided in the current year</p>				
Management Response - September 2023				


RECOMMENDATION STATUS - SYSTEM UPGRADE 2020/21

Ref.	Original Recommendation	Sig.	Management Response	Responsibility & Implementation Date
10	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.		<p><u>Original</u></p> <p>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.</p> <p><u>October 2021</u></p> <p>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.</p> <p><u>October 2022</u></p> <p>The response of no further action being undertaken on 31 October 21 was accepted by Committee. If this was not minuted then it can go back to Committee and agree to take off Follow Up.</p>	<p><i>Responsible Officer: Director of Finance (Shared)</i></p> <p><i>Implementation Date: June 2021</i></p>
Status at August 2023				
<p>Not Implemented</p> <p>No update provided in the current year</p>				
Management Response - September 2023				

RECOMMENDATION STATUS - SYSTEM UPGRADE 2020/21

Ref.	Original Recommendation	Sig.	Management Response	Responsibility & Implementation Date
11	<p>The College's Project Management Methodology should outline the expected process to follow when there are changes to a project and the required level of approval for a change. It may be useful to create a Change Form template.</p> <p>Project Managers should ensure Change Forms are completed appropriately when necessary.</p>		<p><u>Original</u></p> <p>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.</p> <p><u>October 2021</u></p> <p>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.</p> <p><u>October 2022</u> Recommend that this be closed</p>	<p><i>Responsible Officer: SMT still to allocate</i></p> <p><i>Implementation Date: June 2021</i></p>
<p>Status at August 2023</p>				
<p>Not Implemented No update provided in the current year</p>				
<p>Management Response - September 2023</p>				

RECOMMENDATION STATUS - SYSTEM UPGRADE 2020/21

Ref.	Original Recommendation	Sig.	Management Response	Responsibility & Implementation Date
12	<p>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.</p> <p>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</p>		<p><u>Original</u></p> <p>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.</p> <p>Project Management Methodology can be combined with the work Quality will be doing on this.</p> <p><u>October 2021</u></p> <p>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.</p> <p><u>October 2022</u></p> <p>Recommend that this be closed.</p>	<p><i>Responsible Officer: SMT still to allocate</i></p> <p><i>Implementation Date: June 2021</i></p>

RECOMMENDATION STATUS - SYSTEM UPGRADE 2020/21


Status at August 2023

Not Implemented


No update provided in the current year

Management Response - September 2023


RECOMMENDATION STATUS - CYBER SECURITY 2020/21

Ref.	Original Recommendation	Sig.	Management Response	Responsibility & Implementation Date
13	<p>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.</p> <p>We also recommend IT and management monitor whether vulnerabilities have been addressed within these timescales.</p>		<p><u>Original</u></p> <p>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.</p> <p>These timescales are reviewed and escalated by the UHI ICT Security Officer to the Director of LIS as part of his role.</p> <p>There is also monitoring of risks as they are reviewed and reported to the UHI Information Security Group on a weekly basis.</p> <p>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.</p> <p><u>October 2022</u></p> <p>Same as above.</p>	<p><i>Responsible Officer:</i> <i>Director of LIS, ICT Services manager</i></p> <p><i>Implementation Date:</i> <i>December 2021</i></p>
<p>Status at August 2023</p>				
<p>Not Implemented</p> <p>The college has provided the ICT Patching and Upgrade Procedure, the Information Security Policy and the IS Acceptable Use Policy and there is no mention of working to address critical or high risks within 7 days. For this recommendation to be fully implemented internal audit requires the policy to be updated and evidence which shows that critical and high risks are being addressed within 7 days.</p>				
<p>Management Response - September 2023</p>				
<p> </p>				


RECOMMENDATION STATUS - STAFF RECRUITMENT 2021/22

Ref.	Original Recommendation	Sig.	Management Response	Responsibility & Implementation Date
14	<p>We recommend that recruiting managers are reminded to complete Shortlisting Forms and return completed Forms to HR.</p> <p>The Staff Recruitment & Selection Procedure should be updated to reflect that the shortlisting panel should return the completed shortlisting forms to HR.</p>		<p><u>Original</u></p> <p>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.</p> <p>Management proposes that links to these guidance documents are added to the Staff Recruitment & Selection Procedure.</p> <p><u>October 2022</u></p> <p>This recommendation will be fully implemented when Procedure has been approved and published. To be presented to PPRP in November 2022.</p>	<p><i>Responsible Officer: HR Manager</i></p> <p><i>Implementation Date: Staff Recruitment & Selection Procedure to be updated by 30 June 2022.</i></p> <p><i>Implementation to be determined by PPRP dates which have yet to be set for the AY 2022-23.</i></p>
Status at August 2023				
<p>Not Implemented No update provided</p>				
Management Response - September 2023				

RECOMMENDATION STATUS - STAFF RECRUITMENT 2021/22

Ref.	Original Recommendation	Sig.	Management Response	Responsibility & Implementation Date
15	<p>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.</p> <p>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.</p>		<p><u>Original</u></p> <p>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.</p> <p>Management proposes that links to these guidance documents are added to the Staff Recruitment & Selection Procedure.</p> <p>In addition, HR commit to a completion check of the relevant interview forms and marking, and reject/return these to the recruiting manager if not fully completed.</p> <p><u>October 2022</u></p> <p>This recommendation will be fully implemented when Procedure has been approved and published. To be presented to PPRP in November 2022.</p>	<p><i>Responsible Officer: HR Manager</i></p> <p><i>Implementation Date: Staff Recruitment & Selection Procedure to be updated by 30 June 2022.</i></p> <p><i>Implementation to be determined by PPRP dates which have yet to be set for the AY 2022-23.</i></p>
<p>Status at August 2023</p>				
<p>Not Implemented No update provided.</p>				
<p>Management Response - September 2023</p>				

RECOMMENDATION STATUS - STAFF RECRUITMENT 2021/22

Ref.	Original Recommendation	Sig.	Management Response	Responsibility & Implementation Date
16	<p>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.</p> <p>The original and copies of signed employment contracts should be retained securely and should also be available digitally.</p>		<p><u>Original</u></p> <p>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.</p> <p>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.</p> <p>As a consequence of remote working, all copies of signed employment contracts are retained securely digitally. Hard copies are not held.</p> <p>The risk assessment provision is to be included within the Staff Recruitment & Selection Procedure.</p> <p><u>October 2022</u></p> <p>This recommendation will be fully implemented when Procedure has been approved and published. To be presented to PPRP in November 2022.</p>	<p><i>Responsible Officer: HR Manager and HR Business Partners</i></p> <p><i>Implementation Date: Staff Recruitment & Selection Procedure to be updated by 30 June 2022.</i></p> <p><i>Implementation to be determined by PPRP dates which have yet to be set for the AY 2022-23.</i></p>


RECOMMENDATION STATUS - STAFF RECRUITMENT 2021/22

Status at August 2023


Not Implemented
No update provided.

Management Response - September 2023


RECOMMENDATION STATUS - STAFF RECRUITMENT 2021/22

Ref.	Original Recommendation	Sig.	Management Response	Responsibility & Implementation Date
17	<p>We recommend regular training sessions are provided to all staff who may be involved in the hiring process, and that anti-bias training is included as part of these sessions. Staff should be required to attend refresher staff recruitment training sessions every three years, or sooner if there are changes to policy.</p> <p>We also recommend that training attendance is recorded and monitored on an ongoing basis.</p>		<p>Our new on-line recruitment system (I-Recruit) is now in place. I-Recruit is a recruitment management system that has provided a new improved service for candidates and recruiting managers. Due to the COVID-19 pandemic, the HR team have continued to support recruiting managers on all aspects of the process. Due the College's Financial Recovery Plan, HR phased in the system and processes, as vacancies arose.</p> <p>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 the HR team continue to support recruiting managers on all aspects of the process.</p> <p>The HR Manager and HR Business Partners have already commenced discussions in regard to the reviewing and revising the HR support provided for line managers which includes tailored training and guidance of key HR policies and procedures, including Staff Recruitment and Selection.</p> <p>Management would therefore agree with the recommendation of regular training sessions are provided to all staff who may be involved in the hiring process.</p>	<p><i>Responsible Officer: HR Manager and HR Business Partners</i></p> <p><i>Implementation Date: Staff Recruitment & Selection Procedure to be updated by 30 June 2022.</i></p> <p><i>Implementation to be determined by PPRP dates which have yet to be set for the AY 2022-23.</i></p>
Status at August 2023				
Not Implemented No update provided.				
Management Response - September 2023				


RECOMMENDATION STATUS - STAFF RECRUITMENT 2021/22

Ref.	Original Recommendation	Sig.	Management Response	Responsibility & Implementation Date
18	We recommend new staff do not start until completion of satisfactory pre-employment checks.		<p><u>Original</u></p> <p>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.</p> <p>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.</p> <p><u>October 2022</u></p> <p>This recommendation will be fully implemented when Procedure has been approved and published. To be presented to PPRP in November 2022.</p>	<p><i>Responsible Officer: HR Manager and HR Business Partners</i></p> <p><i>Implementation Date: Staff Recruitment & Selection Procedure to be updated by 30 June 2022.</i></p> <p><i>Implementation to be determined by PPRP dates which have yet to be set for the AY 2022-23.</i></p>
Status at August 2023				
<p>Not Implemented No update provided.</p>				
Management Response - September 2023				


RECOMMENDATION STATUS - STAFF RECRUITMENT 2021/22

Ref.	Original Recommendation	Sig.	Management Response	Responsibility & Implementation Date
19	<p>We recommend the Staff Recruitment and Selection procedure is updated:</p> <ul style="list-style-type: none"> 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. 		<p><u>Original</u></p> <p>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.</p> <p>Management proposes that links to these guidance documents are added to the Staff Recruitment & Selection Procedure.</p> <p><u>October 2022</u></p> <p>This recommendation will be fully implemented when Procedure has been approved and published. To be presented to PPRP in November 2022.</p>	<p><i>Responsible Officer: HR Manager</i></p> <p><i>Implementation Date: Staff Recruitment & Selection Procedure to be updated by 30 June 2022.</i></p> <p><i>Implementation to be determined by PPRP dates which have yet to be set for the AY 2022-23.</i></p>
Status at August 2023				
<p>Not Implemented No update provided.</p>				
Management Response - September 2023				


RECOMMENDATION STATUS - PROCUREMENT 2021/22

Ref.	Original Recommendation	Sig.	Management Response	Responsibility & Implementation Date
20	<p>We recommend that the College ensures contracts are in place with all key contracts, including those with a total spend of over £50,000.</p> <p>Additionally, we recommend the College ceases to procure legal services from the legal services supplier where there is no contract in place, until it establishes a contract between itself and the provider or uses the other legal services provider where there is a contract in place.</p>		<p><u>Original</u></p> <p>The 7 Suppliers will be investigated and where contracts are required the Procurement Team will add these onto the forward contracting plan.</p> <p>Mini competition exercise is about to be undertaken for the legal service provider.</p>	<p><i>Responsible Officer: Roddy Ferrier</i></p> <p><i>Implementation Date: 31- Oct- 2022</i></p>
Status at August 2023				
<p>Not Implemented No update provided</p>				
Management Response - September 2023				


RECOMMENDATION STATUS - PROCUREMENT 2021/22

Ref.	Original Recommendation	Sig.	Management Response	Responsibility & Implementation Date
21	We recommend that the College provides the additional training sessions to relevant staff included within its training schedule, such as the contract management, procurement tips and procurement awareness training sessions as soon as practicable, and that the training schedule is updated to record the training that is delivered.		<p><u>Original</u></p> <p>When staff development days resume, we will continue to provide procurement training.</p> <p>We will review the induction process for new starts to ensure they are provided with procurement training.</p>	<p><i>Responsible Officer: Roddy Ferrier</i></p> <p><i>Implementation Date: August 2023</i></p>
<p>Status at August 2023</p>				
<p>Not Implemented No update provided</p>				
<p>Management Response - September 2023</p>				


RECOMMENDATION STATUS - PROCUREMENT 2021/22

Ref.	Original Recommendation	Sig.	Management Response	Responsibility & Implementation Date
22	<p>We recommend that the College review and update the Financial Regulations as soon as it is practicable and are reviewed on a regular basis.</p> <p>We also recommend that the College ensures all policies and procedure documents include an expected review date to align with best practice.</p>		<p><u>Original</u></p> <p>Financial Regulations will be reviewed. (Director of Finance and Audit has reviewed half of the current regulations but look to include as a joint exercise across two colleges).</p>	<p><i>Responsible Officer: Roddy Ferrier</i></p> <p><i>Implementation Date: 31st January 2023</i></p>
<p>Status at August 2023</p>				
<p>Not Implemented No update provided</p>				
<p>Management Response - September 2023</p>				


RECOMMENDATION STATUS - PROCUREMENT 2021/22

Ref.	Original Recommendation	Sig.	Management Response	Responsibility & Implementation Date
23	We recommend that the 2022-25 Procurement Strategy and Procurement Strategy Action Plan is updated as soon as practicable and that it is appropriately approved		<u>Original</u> First Draft of Procurement Strategy ready for review and will be formalised by end of July.	<i>Responsible Officer: Roddy Ferrier</i> <i>Implementation Date: 31st July 2022</i>
Status at August 2023				
Not Implemented No update provided				
Management Response - September 2023				


RECOMMENDATION STATUS - PROCUREMENT 2021/22

Ref.	Original Recommendation	Sig.	Management Response	Responsibility & Implementation Date
24	We recommend that the College documents who has delegated authority to sign-off contracts as soon as practicable.		<u>Original</u> Financial Regulations will be updated	<i>Responsible Officer: Roddy Ferrier</i> <i>Implementation Date: 31st January 2023</i>
Status at August 2023				
Not Implemented No update provided				
Management Response - September 2023				

RECOMMENDATION STATUS - FINANCIAL PLANNING 2022/23

Ref.	Original Recommendation	Sig.	Management Response	Responsibility & Implementation Date
25	We recommend the Financial Regulations are updated and reviewed on a regular basis.		<p><u>Original</u></p> <p>The key issues facing the Finance Service the last 36 months were improving a) budget and financial preparation, monitoring and reporting; 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.</p>	<p><i>Responsible Officer: Roddy Ferrier</i></p> <p><i>Implementation Date: 31st July 2023</i></p>
Status at August 2023				
<p>Not Implemented</p> <p>No update provided.</p>				
Management Response - September 2023				

RECOMMENDATION STATUS – COMPLAINTS MANAGEMENT 2022/23

Ref.	Original Recommendation	Sig.	Management Response	Responsibility & Implementation Date
26	<p>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.</p> <p>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.</p>		<p><u>Original</u></p> <p>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 e-mail 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.</p> <p>As discussed at the initial stages of the 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.</p>	<p><i>Responsible Officer: Natalie Glasgow</i></p> <p><i>Implementation Date: 30th June 2023</i></p>

RECOMMENDATION STATUS – COMPLAINTS MANAGEMENT 2022/23


Status at August 2023

Partially Implemented


The College has advised that 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. However evidence has to be provided to support this.

Management Response - September 2023

RECOMMENDATION STATUS - COMPLAINTS MANAGEMENT 2022/23

Ref.	Original Recommendation	Sig.	Management Response	Responsibility & Implementation Date
27	<p>We recommend that Inverness College adds the following metrics to their quarterly reporting to Senior Management:</p> <ul style="list-style-type: none"> • 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. 		<p><u>Original</u></p> <p>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.</p>	<p><i>Responsible Officer: Natalie Glasgow</i></p> <p><i>Implementation Date: 30th June 2023</i></p>
<p>Status at August 2023</p>				
<p>Not Implemented</p> <p>The college has confirmed that they will be implementing these changes into future reports commencing Q1 for Academic Year 2023/24.</p>				
<p>Management Response - September 2023</p>				


RECOMMENDATION STATUS – COMPLAINTS MANAGEMENT 2022/23

Ref.	Original Recommendation	Sig.	Management Response	Responsibility & Implementation Date
28	We recommend that Inverness College include a section on actions taken to improve services in their published quarterly complaints performance reports.		As above, this detail is provided in the reports for EMT and for the Board but not currently published. This will be implemented.	<i>Responsible Officer: Natalie Glasgow</i> <i>Implementation Date: 30th June 2023</i>
Status at August 2023				
Not Implemented The College has advised us that work on this is continuing and is expected to be finalised by 30 th September 2023				
Management Response - September 2023				

RECOMMENDATION STATUS - COMPLAINTS MANAGEMENT 2022/23

Ref.	Original Recommendation	Sig.	Management Response	Responsibility & Implementation Date
29	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.		<u>Original</u> 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.	<i>Responsible Officer: Natalie Glasgow</i> <i>Implementation Date: 30th June 2023</i>
Status at August 2023				
Not Implemented The College has advised us that the Professional Development Team continue to encourage and monitor all completion rates, however evidence has not been provided to support this				
Management Response - September 2023				

RECOMMENDATION STATUS – COMPLAINTS MANAGEMENT 2022/23





Ref.	Original Recommendation	Sig.	Management Response	Responsibility & Implementation Date
30	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.		<p><u>Original</u></p> <p>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.</p> <p>This information is already reported to EMT and the Board and discussed there.</p>	<p><i>Responsible Officer: Natalie Glasgow</i></p> <p><i>Implementation Date: 30th June 2023</i></p>
<p>Status at August 2023</p> <p>Not Implemented</p> <p>The Quality Manager confirmed that this is always on the tracker, but the implementation of Stage 2 Close meetings will provide further emphasis to this. Internal audit require the tracker to be provided to confirm that the field is being used.</p>				
<p>Management Response - September 2023</p>				




APPENDIX I - STAFF CONSULTED

NAME	JOB TITLE
Lisa Ross	Governance Officer

BDO LLP appreciates the time provided by all the individuals involved in this review and would like to thank them for their assistance and co-operation.

APPENDIX II - 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 III – TERMS OF REFERENCE

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.

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Subject/Title:	Risk Register Update
Author:	Niall McArthur – Joint Finance and Audit Director
Meeting:	Audit Committee
Meeting Date:	05 September 2023
Date Paper prepared:	29 August 2023
Brief Summary of the paper:	To provide to the audit committee an update on the revised risk register.
Action requested: [Approval, recommendation, discussion, noting]	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	Risk Management Strategic Plan
Resource implications:	No If yes, please specify:
Risk implications:	Yes If yes, please specify: Financial Operational

Item 04

Equality and Diversity implications:	N/A		
Student Experience Impact:	None		
Consultation: [staff, students, UHI & Partners, External] and provide detail	None		
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)		Its disclosure would constitute a breach of confident actionable in court (s36)	
Its disclosure would constitute a breach of the Data Protection Act (s38)	X	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

Subject/Title:	External Audit Plan 2022/23
Author:	Niall McArthur – Joint Finance and Audit Director
Meeting:	Audit Committee
Meeting Date:	5 September 2023
Date Paper prepared:	31 August 2023
Brief Summary of the paper:	To provide to the audit committee with the draft external audit plan from Deloitte for the year-ended 31 July 2023.
Action requested: [Approval, recommendation, discussion, noting]	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	Risk Management Strategic Plan		
Resource implications:	No If yes, please specify:		
Risk implications:	Yes If yes, please specify: Financial Operational		
Equality and Diversity implications:	N/A		
Student Experience Impact:	None		
Consultation: [staff, students, UHI & Partners, External] and provide detail	None		
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)		Its disclosure would constitute a breach of confident actionable in court (s36)	
Its disclosure would constitute a breach of the Data Protection Act (s38)	X	Other (Please give further details)	

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

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

Subject/Title:	Data Protection
Author: [Name and Job title]	Suzanne Stewart, Data Controller
Meeting:	Audit Committee
Meeting Date:	05 September 2023
Date Paper prepared:	24 August 2023
Brief Summary of the paper:	Report provides a breakdown of data/security incidents reported and statistical data regarding Subject Access Requests. In addition, a summary of the compliance auditing around the data management of the Protection of Vulnerable Groups (PVG) data and general GDPR compliance monitoring
Action requested: [Approval, recommendation, discussion, noting]	For noting
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	The content of this paper links to legal compliance regarding the processing times for subject access requests and for recording data breaches & information security incidents. By analysing incidents, we can see where the organisational risk exists in relation to how data breaches occur.
Resource implications:	Yes / No If yes, please specify:
Risk implications:	Yes / No If yes, please specify: Operational: Causes of data breaches Organisational: As above
Equality and Diversity implications:	Yes/No If yes, please specify:
Student Experience Impact:	Yes/No If yes, please specify: Data breaches often impact on students if their data has been shared inappropriately.
Consultation: [staff, students, UHI & Partners, External] and provide detail	
Status – [Confidential/Non confidential]	Confidential
Freedom of Information Can this paper be included in “open” business* [Yes/No]	No

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*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

To inform the committee of actions taken to ensure on-going compliance with the UK Data Protection Act 2018 and the UK GDPR and any associated risks.

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Subject/Title:	Draft Annual Audit Committee Report for the Academic Year 22-23
Author: [Name and Job title]	Lisa Ross, Governance Officer
Meeting:	Audit Committee
Meeting Date:	05 September 2023
Date Paper prepared:	24 August 2023
Brief Summary of the paper:	To present the draft Annual Audit Committee Report for Academic Year 2022-23. The Committee should note that some areas within this report are not yet available and that the report indicates where this is the case.
Action requested: [Approval, recommendation, discussion, noting]	For discussion.
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 Audit Committee is required, in accordance with Scottish Funding Council guidance to report annually to the Board of management.</p> <p>The report relates to the discussions and actions in relation to risk management</p> <p>Linked within the strategic plan, specifically managing our risks</p>
Resource implications:	Not directly, but indirectly in relation to the management of risk

Risk implications:	Yes Operational: as outlined in the Risk register Organisational: as outlined in the Risk register		
Equality and Diversity implications:	N/A		
Consultation: [staff, students, UHI & Partners, External] and provide detail	No consultation carried out – report is a statement of work carried out by the Audit Committee throughout 2022-23		
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

Audit Committee Annual Report to the Board of Management

Title	UHI Inverness Audit Committee Annual Report 2022-23																										
Introduction	The Audit Committee is required, in accordance with Scottish Funding Council guidance to report annually to the Board of Management. This report covers the work of the Audit Committee during the 2022-23 Academic Year.																										
Membership	<p>The Membership of the Committee during the 2022-23 Academic Year was as follows: -</p> <table border="1" data-bbox="365 679 2145 1437"> <thead> <tr> <th data-bbox="365 679 954 719">Member</th> <th data-bbox="965 679 1554 719">Designation</th> <th data-bbox="1565 679 2145 719">Membership Period</th> </tr> </thead> <tbody> <tr> <td data-bbox="365 783 954 823">Tina Stones</td> <td data-bbox="965 783 1554 823">Chair</td> <td data-bbox="1565 783 2145 823">September 2022-August 2023</td> </tr> <tr> <td data-bbox="365 887 954 927">Sally Blyth</td> <td data-bbox="965 887 1554 927">Vice Chair</td> <td data-bbox="1565 887 2145 927">September 2022-August 2023</td> </tr> <tr> <td data-bbox="365 991 954 1031">Innis Montgomery</td> <td data-bbox="965 991 1554 1031">Member of the Committee</td> <td data-bbox="1565 991 2145 1031">September 2022-August 2023</td> </tr> <tr> <td data-bbox="365 1094 954 1134">Gillian Galloway</td> <td data-bbox="965 1094 1554 1134">Member of the Committee</td> <td data-bbox="1565 1094 2145 1134">September 2022-August 2023</td> </tr> <tr> <td data-bbox="365 1198 954 1238">James Millar</td> <td data-bbox="965 1198 1554 1238">Member of the Committee</td> <td data-bbox="1565 1198 2145 1238">September 2022-August 2023</td> </tr> <tr> <td data-bbox="365 1302 954 1342">Amy Goodbrand</td> <td data-bbox="965 1302 1554 1342">Co-opted Member of the Committee</td> <td data-bbox="1565 1302 2145 1342">September 2022-August 2023</td> </tr> <tr> <td data-bbox="365 1406 954 1445">Michael Beveridge</td> <td data-bbox="965 1406 1554 1445">Co-opted Member of the Committee</td> <td data-bbox="1565 1406 2145 1445">September 2022-August 2023</td> </tr> </tbody> </table>			Member	Designation	Membership Period	Tina Stones	Chair	September 2022-August 2023	Sally Blyth	Vice Chair	September 2022-August 2023	Innis Montgomery	Member of the Committee	September 2022-August 2023	Gillian Galloway	Member of the Committee	September 2022-August 2023	James Millar	Member of the Committee	September 2022-August 2023	Amy Goodbrand	Co-opted Member of the Committee	September 2022-August 2023	Michael Beveridge	Co-opted Member of the Committee	September 2022-August 2023
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Tina Stones	Chair	September 2022-August 2023																									
Sally Blyth	Vice Chair	September 2022-August 2023																									
Innis Montgomery	Member of the Committee	September 2022-August 2023																									
Gillian Galloway	Member of the Committee	September 2022-August 2023																									
James Millar	Member of the Committee	September 2022-August 2023																									
Amy Goodbrand	Co-opted Member of the Committee	September 2022-August 2023																									
Michael Beveridge	Co-opted Member of the Committee	September 2022-August 2023																									

Meetings	<p>Four meetings were held throughout the year and the attendance was as follows: -</p> <p>18 October 2022 Tina Stones, James Millar and Michael Beveridge</p> <p>24 January 2023 (Joint Audit and Finance and General Purposes Committee Meeting) Sally Blyth, Innis Montgomery, James Millar, Amy Goodbrand and Michael Beveridge</p> <p>28 April 2023 Tina Stones, Sally Blyth, Gillian Galloway, James Millar, Amy Goodbrand and Michael Beveridge</p> <p>21 June 2023 Tina Stones and James Millar</p> <ul style="list-style-type: none">• The Principal attended all four meetings.• Representatives from our Internal Auditors, BDO attended all four meetings.• Representatives from our External Auditor, Ernst and Young attended the Joint Audit and Finance and General Purposes Committee held on 24 January 2023.• The Vice Principal – Finance and Audit attended the meeting in October 2022.• The Joint Finance and Audit Director attended the meetings in April and June 2023.• The Vice Principal – Student Experience and Quality attended the meetings in April and June 2023.• The Information Systems Manager attended the meetings held in October 2022, January 2023 and June 2023.• On 21 June 2023, Janette Campbell observed the meeting.
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Item 08

Terms of Reference	The Terms of Reference were reviewed by the Committee on 19 October 2021. The updated Terms of Reference were taken to the Board of Management on 14 December 2021. They were further reviewed and approved by the Board of Management on 20 March 2022. The Terms of Reference will next be due for review in March 2024.
Internal Audit	<p>Provider</p> <p>Our Internal Auditors are BDO. Following a procurement exercise BDO were successfully appointed a new contract which commenced from 01 August 2022. This contract will be for a period of 36 months with 2 further 12-month extension options on mutual agreement.</p> <p>Audit committee assessment of performance</p> <p>As a result of the changes within the Executive Management Team and the management of the Finance Service, the annual review of the performance of BDO has yet to be carried out. The next scheduled review will take place in March 2024.</p> <p>Review of internal audit plan</p> <p>During 2022-23 our Internal Auditors BDO reviewed and evaluated our processes in the following areas:</p> <ul style="list-style-type: none">• Financial Planning• Student Support• Complaints Management• Strategic Planning• Curriculum Planning <p>The outcomes of all reviews are presented to and discussed by Audit Committee, however the dates which the Internal Auditors carry out and complete their audit reports are not always aligned to this report due to the time lapse between the audit being carried out and it being presented to the Committee.</p>

The following information is still required to be added to this draft report:

Information on the time spent (planned vs budget)

Summary of Internal Audit Reports 2022-23

Overall grading information

Summary of recommendations

Audit Reports

The Committee made specific comments on the Internal Audit reports as follows (these comments refer to the audits which were taken to the Committee during the period September 22 – August 23 with some of the audits which were carried out by Internal Audit not being discussed within this Academic Year).

Student Representation Audit

At the 18 October 2022 Audit Committee meeting 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. However it was noted that Board of Management approval would require to be sought for this audit as the Audit Committee Meeting was not quorate.

On 25 October 2022, the Board of Management approved this audit on behalf of the Audit Committee.

Financial Planning Audit

BDO initially spoke to this report as part of the Joint Audit and Finance and General Purposes Committee held on 24 January 2023 and provided their apologies for the late submission of this report. The Committee was provided with a brief background to the audit, the scope and approach of the audit, the areas of good practice identified and the key findings. The Committee noted that two low level recommendations had been identified. The Audit Committee agreed that due to the limited time available to members to review this audit, it would be discussed again at the next Audit Committee meeting.

At the Audit Committee Meeting on 28 April 2023, BDO again spoke to this report reiterating that two low level 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 would be presented at all future F&GP Committee Meetings. The Committee therefore accepted the recommendations within this audit.

Complaints Management Audit

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 and accepted the recommendations within this audit.

Student Support Audit

BDO advised that they were able to provide a substantial level of assurance following this audit with only one low level recommendation being highlighted. The Committee noted that this recommendation had already been implemented. The Committee welcomed this positive report and the good practice which was highlighted within it and commended the EMT and College Staff for the work which they do in respect of Students. The Committee noted that this report was usually undertaken every 3-4 years but had been brought forward because of the cost-of-living crisis. The Committee accepted the recommendations within this audit.

Closed Meeting

A closed meeting with internal auditors will take place on 05 September 2023. During this meeting BDO will provide the Committee with an oversight with regards how UHI Inverness staff have interacted with them during the Audit Process as well as providing BDO with the

	<p>opportunity to speak freely and discuss all aspects of internal audit.</p> <p>Overall opinion of risk management, control, and governance arrangements</p> <p>In the view of BDO, based on the reviews undertaken during the period and in the context of materiality that: (To be added to the report)</p>
<p>External audit</p>	<p>Ernst & Young</p> <p>Ernst & Young completed their audit of the accounts for the year ending 31 July 2022. This was the sixth and final report by Ernst & Young who had been appointed by the Auditor General for Scotland as the external auditor for the financial years 2016/17 to 2021/22.</p> <p>These accounts were submitted to and approved by the Board of Management on 07 February 2023.</p> <p>Ernst and Young's independent auditor's report provided an unqualified opinion that the financial statements</p> <ul style="list-style-type: none"> • gave a true and fair view in accordance with the Further and Higher Education (Scotland) Act 1992 and directions made thereunder by the Scottish Funding Council (SFC) of the state of the affairs of the College and Group as at 31 July 2021 and of its surplus for the year then ended. • had been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and • had been prepared in accordance with the requirements of the Further and Higher Education (Scotland) Act 1992 and directions made thereunder by the Scottish Funding Council, the Charities and Trustee Investment (Scotland) Act 2005, and regulation 14 of The Charities Accounts (Scotland) Regulations 2006 (as amended). <p>Audit committee assessment of performance</p> <p>The annual review of the performance of EY for the year 2022/23 was not carried out as this was their final year as External Auditor.</p>

	<p>Closed Meeting</p> <p>The Audit Committee has scheduled a closed meeting with the new External Auditors, Deloitte ahead of the Board of Management Meeting being held on 19 December 2023.</p>
<p>Other work done</p>	<p>Risk Management</p> <p>In October 2022, the Committee discussed the global and national risks which may impact upon us and noted that the Estates and Campus Team were looking at contingencies in respect of fuel and utilities. The Committee acknowledged that whilst this is not currently on the risk register it may be added in the future.</p> <p>The Committee also discussed another possible risk, not currently on the register, in respect of our Shared Finance Service with North Highland College. The Committee noted that as part of the consultation on the proposed merger of 3 partners, including North Highland College there have been discussions over the finance service for the new entity which could have an impact on our current Shared Finance Service. However, the Committee was advised that due to work being undertaken, by the partnership, to align partners and services, we are hopeful that there will be no impact from this merger to the Shared Finance Service.</p> <p>In April 2023, the Joint Finance and Audit Director advised the Committee 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. The Committee held a lengthy discussion around climate change, and it was agreed that an update to the register was required in respect of this as well as in respect of HE, Financial Failure and Halls of Residence. The Committee noted that the notes within the register will also be updated.</p> <p>In June 2023, the Joint Finance and Audit Director advised the Committee that he had reviewed the risk register and provided potential updates to the register. The Committee noted that these updates were still required to be discussed and approved by both the Principal and the EMT. The Committee was advised that an update in terms of fire is required and noted that the Joint Finance and Audit Director</p>

	<p>is liaising with the Estates Manager over this. The Committee advised that our Risk Register appears condensed in comparison to others and highlighted that specific mitigations for all aspects of risk could be included within it.</p> <p>Business Continuity</p> <p>In October 2022, the Committee acknowledged that our Business Continuity Plan had been tested over the past years because of Covid-19 and the cyber incident. The Committee noted that the plan gave clear information on how communications should be managed.</p> <p>In respect of fuel and power risks, the Committee noted that work was being undertaken by the Estates and Campus Team to ensure that students are safe and that our service and data are protected. The Committee welcomed this balance in respect of the detail and flexibility of the plan.</p> <p>In April 2023, the Committee noted that the newly appointed Health, Safety and Sustainability Manager and the Estates Manager will undertake a review of the Business Continuity Plan. The Committee suggested that part of this review should include benchmarking the College against national standards.</p> <p>KPI Matrix</p> <p>The Principal spoke to the KPI Matrix and advised the Committee that this is discussed with the F&GP Committee on a regular basis and provided the Committee with an explanation of the threshold for the RAG rating system. The Committee discussed the HE application rates noting that we expect to see an improvement on these over the next 2 years following the completion of the Curriculum Review. The Committee enquired as to whether we are clear on what the path to green would look like, what we have control over and what is out with our control and noted that we are beginning to see the impact following the development of our new and updated strategies.</p>
Opinion	<p>The Audit Committee is of the opinion that the risk management of activities and controls in the areas examined by BDO were found to be suitably designed to achieve the specific risk management control and governance arrangements.</p>

Item 08

	The Audit Committee concurs with the (draft) opinion of BDO that (still to be included within report)
Circulation	Copy to the Auditors once approved by the Board of Management
Conclusion	<p>The Audit Committee is pleased to report to the Board of Management that in its opinion the College has adequate internal controls, procedures, and systems in place</p> <p>Signed..... Chair, Audit Committee</p> <p>Date</p>

UHI | INVERNESS

Subject/Title:	Chair and Committee Evaluation Feedback
Author: [Name and Job title]	Lisa Ross Governance Officer
Meeting:	Audit Committee
Meeting Date:	05 September 2023
Date Paper prepared:	29 August 2023
Brief Summary of the paper:	Feedback on the Audit Chair and Committee Evaluation
Action requested: [Approval, recommendation, discussion, noting]	Discussion and Noting

Item 09

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	Governance Compliance		
Resource implications:	Yes / No If yes, please specify:		
Risk implications:	Yes / No If yes, please specify: Operational: 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]	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

Background

Following feedback received as part of last year's Committee and Chair Evaluation process, it was agreed that future evaluations would be completed individually via an online survey. Members of the Audit Committee were provided with access to these evaluations via the confidential JISC Survey.

Chair Feedback

Five responses were received in respect of the evaluation of the Audit Committee Chair. The completed evaluation documentation for the Audit Chair has been passed to the Chair of the Board of Management for feedback to be delivered as part of the Board Member Evaluation Process.

Committee Feedback

A copy of the feedback from the Committee is attached as Appendix 1. Four responses were received. No issues were highlighted as part of this evaluation process. However feedback did reference low attendance numbers at meetings during the Academic Year 2022/23, however it is felt that this has been addressed by our recent recruitment campaign which has seen an additional Non-Executive Member join the Committee as well as a further co-opted member. It is also hoped that this will be alleviated by the meetings now starting at 4.30 p.m.

Next Steps

The feedback received will be presented to the Board of Management on 03 October 2023, as part of the yearly report on Committee Evaluations.

Evaluation of Audit Committee

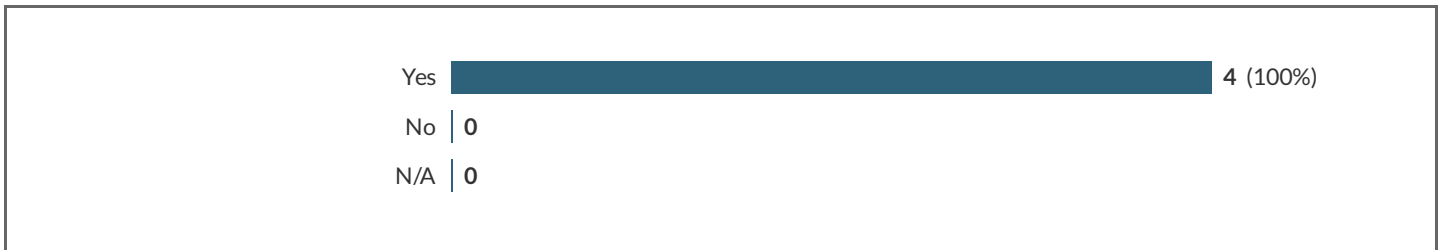
Showing 4 of 4 responses

Showing **all** responses

Showing **all** questions

Response rate: 50%

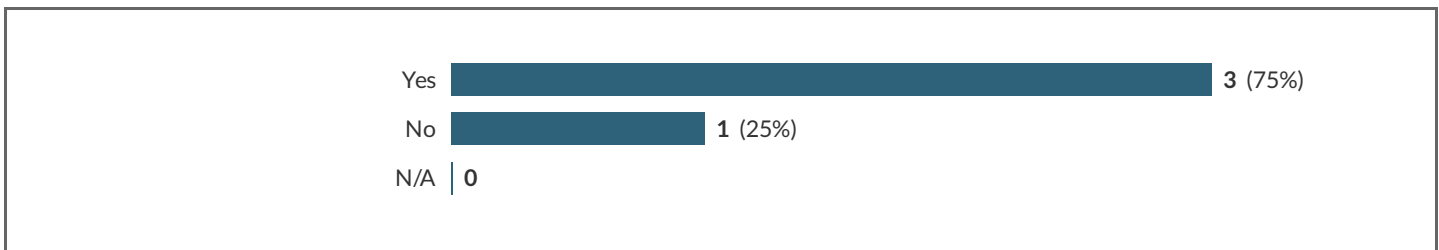
1 Does the Committee meet regularly in accordance with the Board Standing Orders?



1.a Comments:

Showing 1 response	
There have been some postponed meetings due to low numbers but we have addressed this with a recruitment process.	1063412-1063394-112046248

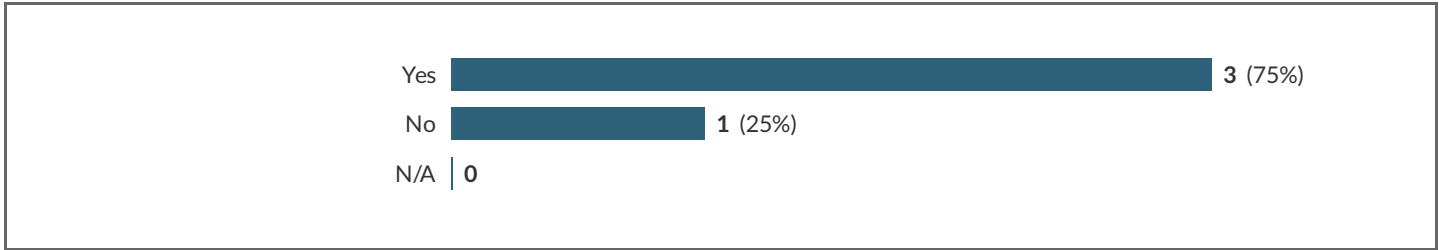
2 Does the Committee consistently have a quorum?



2.a Comments:

Showing all 2 responses	
As above - sometimes no but this is being addressed.	1063412-1063394-112046248
If not, alternative dates are arranged	1063412-1063394-112048389

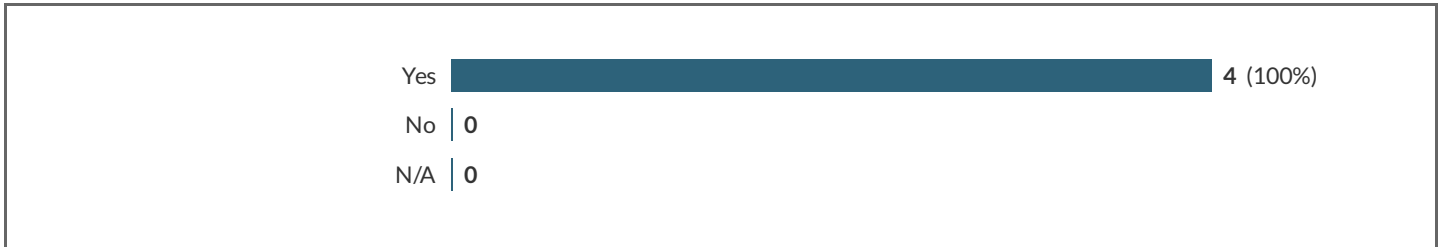
3 Do all Committee Members attend meetings regularly?



3.a Comments:

No responses

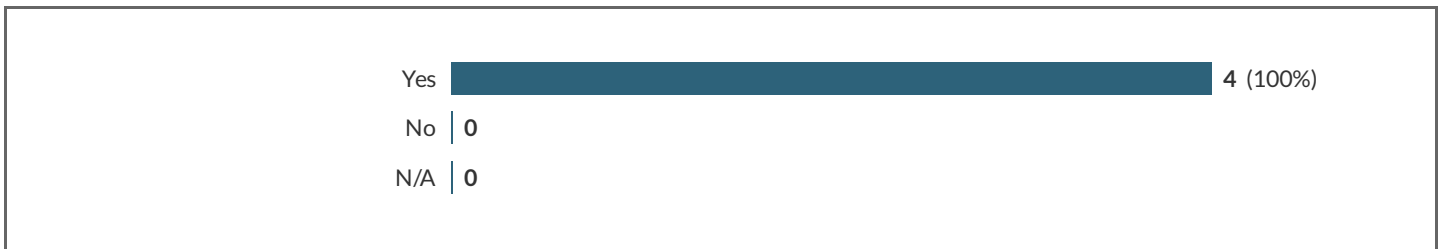
4 Does the Committee have enough members?



4.a Comments:

No responses

5 Does at least one of the Committee members have a background relevant to the remit of the Committee?



5.a Comments:

No responses

6 Have new Committee members received all necessary training?



Yes  4 (100%)
No | 0
N/A | 0

6.a Comments:

Showing 1 response	
I'm assuming so	1063412-1063394-111877337

7 Does the Committee report regularly to the Board?

Yes  4 (100%)
No | 0
N/A | 0

7.a Comments:

No responses

8 Does the Committee have written terms of reference?

Yes  4 (100%)
No | 0
N/A | 0

8.a Comments:

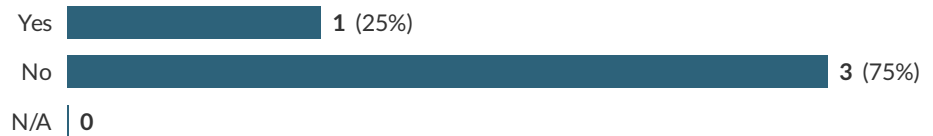
No responses

9 Do the terms of reference include all aspects of the Committee's role?



9.a Comments:
No responses

10 Does the membership of the Committee need to be changed?



10.a Comments:

Showing 1 response

New members have been recruited as we were low on numbers. [1063412-1063394-112046248](#)

11 Are the terms of refrence adopted by the full Board and reviewed biannually?



11.a Comments:

Showing 1 response

They have been reviewed recently . Not sure when to next review is due [1063412-1063394-111877337](#)

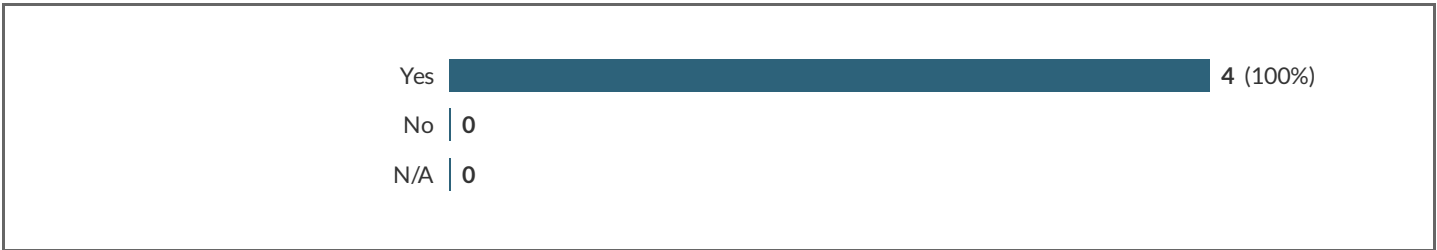
12 Does the Committee have a mechanism to keep it aware of topical legal and regulatory issues?



12.a Comments:

No responses

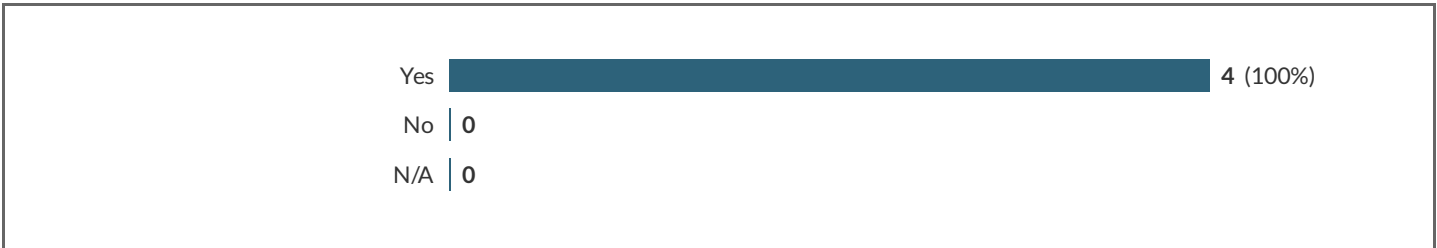
13 Does the Committee monitor to ensure that risk is controlled?



13.a Comments:

No responses

14 Does the Committee regularly review relevant strategic plans?



14.a Comments:

No responses

15 Does the Committee consider the level of detail and information it receives appropriate?

Yes		4 (100%)
No	0	
N/A	0	

15.a Comments:
No responses

16 Are appropriate internal performance measures monitored by the Committee?

Yes		4 (100%)
No	0	
N/A	0	

16.a Comments:
No responses

17 Is the Committee addressing all matters delegated to it by the Board and under its terms of reference?

Yes		4 (100%)
No	0	
N/A	0	

17.a Comments:
No responses

18 Does the Committee have an independent secretary?

Yes  4 (100%)
No | 0
N/A | 0

18.a Comments:
No responses

19 Are Committee papers distributed in sufficient time for members to give them due consideration?

Yes  4 (100%)
No | 0
N/A | 0

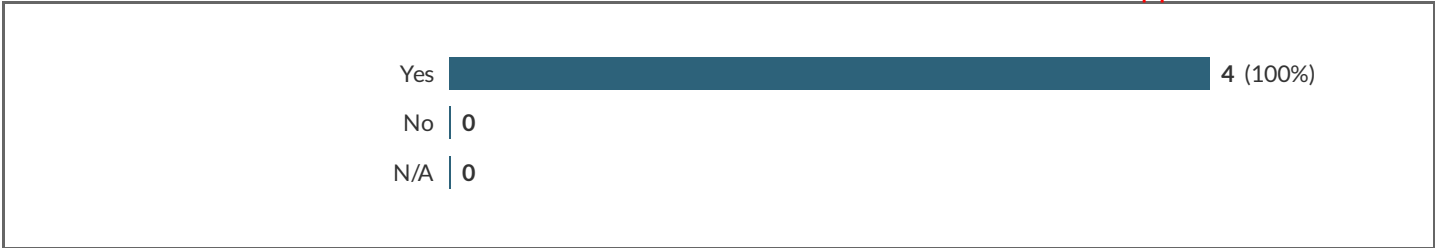
19.a Comments:
No responses

20 Are Committee meetings scheduled prior to important decisions on specific matters being made?

Yes  4 (100%)
No | 0
N/A | 0

20.a Comments:
No responses

21 Is the timing of Committee meetings discussed with all involved?



21.a Comments:

No responses

22 Thank you for completing this evaluation.

Showing all 4 responses	
854eb269058044f5b2052e7901152de4	1063412-1063394-111877337
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