

## West College Scotland

### FINANCE AND GENERAL PURPOSES COMMITTEE

MONDAY 27 MAY 2019 at 4.00 p.m. in  
Abercorn Room 1, Paisley Campus

#### AGENDA

##### General Business

1. Apologies
2. Declaration of Interests
  
3. Minutes of the meeting held on 5 March 2019  
    .1 Actions arising from the Minutes
  
4. Matters arising from the Minutes  
    (and not otherwise on the agenda)  
    .1 FPM226 - National Bargaining  
    .2 College Business Transformation Plan  
    .3 Corporate Plan and ROA

Enclosed JH

Enclosed JH

Verbal LC

Verbal LC

Verbal LC

##### Main Items for Discussion and/or Approval

5. Vice Principal Update Report
  
6. Overview of College Pension Schemes
  
7. Management Accounts to 30 April 2019
  
8. 2019-20 Budget and Financial Strategy
  
9. Technology One Finance System – Update
  
10. Governance Compliance and ROA Outcomes
  
11. Contract Approval – Insurance
  
12. Draft Scottish Public Sector Cyber Resilience Framework

Paper 5 DA

Paper 6 VM

Paper 7 AR  
To follow

Paper 8 DA  
To follow

Paper 9 AR

Paper 10 AR

Paper 11 AR

Paper 12 DB

13. Strategic Risk Register Review Paper 13 AR

**Items for Information**

14. Whole of Government Accounts Verbal AR

15. External Audit Planning Memorandum 2018-19 Paper 15 AR

16. Internal Audit Report – Fraud Prevention Paper 16 AR

17. Schedule of Business 2018-19 Paper 17 AR

18. Draft dates of Board/Committee meetings 2019-20 Paper 18 GM

19. Any other business

**Next meeting:** TBC, Paisley Campus

Gwen McArthur  
Secretary to the Committee

## **FINANCE AND GENERAL PURPOSES COMMITTEE**

**MINUTES:** 5 March 2019

**Present:** Jim Hannigan (in the Chair), Liz Connolly, John Leburn, Angela Wilson.

**Attending:** Alan Ritchie (Director of Finance and Estates), David Black (Director of IT), Vivienne Mulholland (Head of Finance and Student Funding), Gwen McArthur (Secretary to the Committee).

**Apologies:** David Alexander, Keith McKellar.

### **FPM237 DECLARATION OF INTERESTS**

Jim Hannigan declared an interest as NMIS Programme Manager, Skills Development Scotland.

### **FPM238 MINUTES**

The minutes of the meeting held on 20 November 2018 were approved.

### **FPM239 ACTIONS**

The Committee noted a report on actions taken since the last meeting.

### **FPM240 NATIONAL BARGAINING (FPM226.2)**

The Principal updated the Committee on discussions regarding national bargaining that were taking place at the Employers Association. It was noted that no agreement had been reached with the EIS and that there would be strike action the following day (6 March) and again at the end of March. The EIS were now balloting their members to determine support for action short of a strike. The Scottish Government had made it known that there was no additional funding to increase the offer made. There was another meeting of the Employers Association planned for later this week where the revised offer would be considered. A paper setting out the revised offer was tabled at the meeting. The Committee was of the view that there might be merit in employees being given sight of this revised offer as the EIS had not so far made this available to its members. Further consideration would be given to this.

**[Action: LC]**

### **FPM241 2019-20 SFC FUNDING UPDATE**

The SFC announced on 28 February the indicative funding allocations for 2019-20 to the sector. These figures were still being analysed but overall the College would receive a flat cash core grant settlement and, when all funding allocations were taken account of, the overall College position was a fall of circa 3%. The Finance Team were currently working their way through the detail of the indicative figures and further information was being sought from

the SFC on a number of matters. Once this information was available a draft 2019-20 budget would be brought to the next meeting for consideration.

**[Action: AR]**

**FPM242 MINUTES OF JOINT MEETING WITH AUDIT COMMITTEE**

The minutes of the Joint Audit and Finance and General Purposes Committee meeting held on 20 November 2018 were approved.

**FPM243 VICE PRINCIPAL UPDATE (FPM226)**

The Director of Finance and Estates provided the Committee with an update on a range of matters relating to the financial position of the College and IT developments. This included an update on the following:

- .1 SFC Circulars** – two circulars had been issued recently by the SFC: National Bargaining Funding for 2018-19 (SFC/AN/03/2019); and In-Year re-distribution of student support funds for 2018-19 (SFC/AN/02/2019). This had meant some re-adjustment of funding for the College and this had been taken into account in the Management Accounts for the period to 31 January 2019 (see FPM244 below).
- .2 Voluntary Severance** – the Committee was updated on progress and spend associated with implementing the voluntary severance scheme.
- .3 Engagement with the SFC** – the Committee noted that discussions with the SFC were continuing in relation to the College business transformation plan, 'Future Proofing our College'. The main focus of these discussions centred on the College's distance learning provision and the transformation plan had been adjusted to reflect this.
- .4 Information Technology** – the Committee noted that Skype for Business was now being rolled out across the College, with completion of the project anticipated to be achieved by the beginning of session 2019-20. The College was continuing to seek strategic investment from the SFC for ICT infrastructure.

**FPM244 MANAGEMENT ACCOUNTS TO 31 JANUARY 2019 (FPM229)**

The Committee received the Management Accounts for the year to 31 January 2019. The College was on track to achieve its savings target of █████ by the end of session 2018-19. The Management Accounts presented forecast a financial deficit of █████ for 2018-19 with an underlying operating surplus of █████ which was slightly better than the agreed budget but depended on the credit target being achieved. The Committee noted the risks to the achievement of the forecasted position including changes to teaching pension contributions and consideration of the on-going ESF (European Social Fund) audits. The Committee **approved** the Management Accounts for the period to 31 January 2019.

**FPM245 COLLEGE CYBER ACTION PLAN: UPDATE REPORT (FPM227)**

The Committee was pleased to note that the College had achieved Cyber Essentials Plus accreditation in December 2018. In relation to the cyber action plan developed by the College, only two actions were not complete in advance of the meeting. In relation to these two actions the Director of IT was able to confirm to the meeting that:

- i) The Internal Auditors had required that a process be put in place to document and audit logon/off activities for IT administrators accessing Active Directory and server resources. The Internal Auditors had now confirmed that this action was complete and they would be reporting this to the next meeting of the Audit Committee on 14 March.
- ii) Suitable computer based training for staff had now been identified and procurement should be completed by July 2019.

The Committee noted and welcomed this update. In relation to Cyber Essentials Plus accreditation it was noted that this was for one year only. The Director of IT had recommended to the Committee that annual accreditation under this scheme should be sought in order to provide the College with suitable cyber resilience assurance. The Committee **agreed** that annual accreditation through this scheme should be sought. **[Action: DB]**

The Committee also wished to record its thanks to the IT Team for their hard work and efforts in achieving this accreditation and in continuing to make improvements despite the limited funding available.

**FPM246 IT STRATEGY UPDATE (FPM179)**

The Director of IT presented a report on progress in implementing the Information Technology (IT) Strategy 2016-20. This was the third year of implementing the strategy and the Committee welcomed the progress that had been made to date across the six main objectives. The plans for the following year were also noted. The Committee was disappointed that the SFC had not made specific funding available for ICT investment. The Principal reported that the SFC were working with JISC (Joint Information Systems Committee) who were about to undertake a study of ICT infrastructure across the sector. The information obtained would help inform the SFC's future spending plans.

The Director of IT confirmed that the development of a College Digital Strategy was underway. His team was working with the Assistant Principal Creativity and Skills and the Assistant Principal Enterprise and Skills to determine what was required to improve both the teaching and the programmes on offer to better meet the needs of the students entering the programmes and the needs of the employers. The SFC had been made aware of the College's aims and its need for investment in ICT infrastructure. The Committee recognised the challenges the College faced in this area and encouraged the team to articulate

what the Digital Strategy could achieve for the College and what was required to meet the aims of this strategy. The Committee welcomed this information.

**FPM247 STRATEGIC RISK REGISTER (FPM231)**

The Committee noted the College Strategic Risk Register. There had been no movement in the risks identified since the last meeting but that might change once the implications of the SFC funding allocations for 2019-20 were fully analysed.

**FPM 248 MODERN SLAVERY STATEMENT (BM516.v)**

In order to comply with the Modern Slavery Act 2015 a statement setting out the steps that the College was taking to ensure that there was no modern slavery in the College or its supply chain had been prepared and had been considered by the Board at its last meeting. The Board had approved this statement and had asked each of the Committees to consider this in relation to the areas that fell within their remit. It was noted that the College would be asking any supplier and/or contractor who wanted to work with the College to confirm that they met the requirements of this statement and the legislation. The Committee welcomed this approach.

**FPM249 INTERNAL AUDIT REPORT: FINANCIAL PLANNING AND MONITORING**

The Committee welcomed the Internal Audit Report on Financial Planning and Monitoring. This was a very positive report which confirmed that the College had robust processes in place for financial planning and monitoring. The Audit Committee had also welcomed this report and the audit actions would be included in the Rolling Audit Action Plan.

**FPM250 SCHEDULE OF BUSINESS 2018-19**

The Committee noted its schedule of business for 2018-19.

**FPM251 NEXT MEETING**

Monday 27 May 2019 at 4.00 p.m. at the Paisley Campus.

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]





## Finance & General Purposes Committee: Meeting of 5 March 2019

### Actions from the Minutes

Date of Meeting	Min Ref	Matter for Action	Responsible Person	Action Taken	Timescale (where applicable)
5 March 2019	FPM240 226.2	National Bargaining – consideration to be given to circulating revised offer from Employers Association to Teaching staff	L Connolly		May meeting
	FPM241	2019-20 SFC Funding Update – draft College budget for 2019-20 to be brought to next meeting	A Ritchie		May meeting
	FPM245 227	College Cyber Action Plan – annual accreditation to be sought through Cyber Essentials Plus scheme	D Black		Future meeting
	FPM252 236	College Finance System – i. Board to be notified of outcomes of discussions with TecnologyOne; ii. Report to be produced on lessons learned from this once matter was concluded	A Ritchie	i. Board notified at its meeting on 25 March 2019	i. Complete ii. Future meeting
	FPM253	Centre for Performing Arts – recommendation to Board to approve this project and a budget of up to ██████	J Hannigan A Ritchie	Board approved the project and budget at its meeting on 25 March 2019 (BM531)	Complete
	FPM254	Contract Approvals: College Sports and Leisurewear Contract – approval for award of this contract to be sought from the Board at its March meeting	A Ritchie	Board approved this contract at its meeting on 25 March 2019 (BM536.5)	Complete
		<b>Actions from previous minutes</b>			
20 Nov 2018	FPM226.1 205	Engagement with SFC – Committee to be kept informed of developments in discussions with SFC regarding the College Business Transformation Plan	L Connolly D Alexander	Update provided at March meeting	Future meeting

	FPM235 221	Employers Association – Committee to be kept informed of developments following meeting with Chair of Employers Association	K McKellar L Connolly D Alexander	Update provided at March meeting as part of discussion on National Bargaining and Budget	Complete
25 Sep 2018	FPM204 194	Regional Outcome Agreement (ROA) – links between ROA and College’s Future Plan to be made more explicit within final version of the Plan	L Connolly	Revised ROA approved by Board at its March meeting	Future meeting

GMcA/3.04.19

**TITLE:** VICE PRINCIPAL UPDATE/OVERVIEW REPORT

**Background:** This paper provides the Finance and General Purposes Committee with updates in relation to:

- Funds arising from net depreciation
- Voluntary severance
- 2019-20 SFC funding allocations
- Ongoing West College Scotland engagement with the SFC
- National bargaining
- Information technology

**Action:** The Finance and General Purposes Committee is invited to consider and note the report for information.

**Lead:** David Alexander, Vice Principal Operations

**Status:** Open

**TITLE:** **OVERVIEW OF COLLEGE PENSION SCHEMES**

**Background:** This paper provides the Finance and General Purposes Committee with an annual overview of the pension schemes currently in operation within the College.

**Action:** The Committee is asked to consider and note the report.

**Lead:** Vivienne Mulholland, Head of Finance and Student Funding

**Status:** Open

**TITLE:**           **MANAGEMENT ACCOUNTS TO 30 APRIL 2019**

**Background:**   This paper presents the Management Accounts for the six-month period to 30 April 2019.

**Action:**           The Finance and General Purposes Committee is requested to approve the Management Accounts as at 30 April 2019.

**Lead:**             Alan Ritchie, Director of Finance and Estates

**Status:**           Open

**TITLE:** 2019-20 BUDGET AND FINANCIAL STRATEGY

**Background:** The purpose of this paper is to present to the Committee the following:

- a) The 12-month budget for 2019-20;
- b) The forecast for the following 4 years to 2023-24;
- c) The 5 Year Financial Strategy for the College;
- d) A note of the budgetary assumptions used; and
- e) A sensitivity analysis of the key assumptions used.

**Action:** The Finance and General Purposes Committee is asked to:

- a) Consider the basis upon which the 2019-20 budget has been created;
- b) Approve the 2019-20 Students Association budget;
- c) Approve the 2019-20 overall College budget;
- d) Consider the 5 Year Financial Strategy document and note the fact that this will require to be updated following receipt of updated SFC assumptions for the period to 2024.

**Lead:** David Alexander, Vice Principal Operations

**Status:** Open

**TITLE: GOVERNANCE COMPLIANCE AND ROA OUTCOMES 2018-19**

**Background:** The Finance and General Purposes Committee remit includes the requirement:

*'To ensure adherence to statutory requirements related to the College's financial affairs and compliance with the Financial Memorandum, the Scottish Public Finance Manual (SPFM) and related guidance'*

The objective of this report is to provide assurance to the Finance and General Purposes Committee that in fulfilment of this remit the College is operating in compliance with:

- The Financial Memorandum with SFC;
- The Scottish Public Finance Manual; and
- The Code of Good Governance.

There is also a need for the Committee to demonstrate that it has met its requirements in relation to the relevant areas of the 2018-19 Regional Outcome Agreement and confirm this to the Board of Management.

**Action:** The Finance and General Purposes Committee is requested to consider:

- the assurance provided in relation to governance compliance; and
- the progress that has been made in relation to those Regional Outcome Agreement areas for which the Finance and General Purposes Committee has responsibility to provide an update to the Board of Management.

**Lead:** David Alexander, Vice Principal Operations  
Alan Ritchie, Director of Finance and Estates

**Status:** Open

**TITLE: DRAFT SCOTTISH PUBLIC SECTOR CYBER RESILIENCE FRAMEWORK**

**Background:** The Finance and General Purposes meeting has been provided with regular updates on the College's response to the Scottish Government's Public Sector Action Plan on Cyber Resilience since March 2018, culminating in achievement of Cyber Essentials Plus accreditation in December 2018.

On 21 March 2019 the Deputy First Minister wrote to all Scottish Public Sector organisations inviting consultation responses on the draft Scottish Public Sector Cyber Resilience Framework and concept self-assessment tool.

This report provides information on the draft Cyber Resilience Framework and the College's consultation response as submitted on 12 April 2019.

**Action:** The Finance and General Purposes Committee is asked to:

- Note the implications for the College as outlined within the draft Cyber Resilience Framework; and
- Note the College's response to the consultation.

**Lead:** David Black - Director, IT

**Status:** Open



**TITLE: STRATEGIC RISK REGISTER REVIEW**

**Background:** Under the Corporate Governance Code, the Board of Management is tasked with ensuring a framework of risk management and control is in place. This paper presents the College Strategic Risk Register for the consideration of the Audit Committee.

**Action:** The Finance and General Purposes Committee is requested to review and approve the proposed changes to the College Strategic Risk Register and in doing so consider:

- The risks included in the register;
- The revised risk rating both pre and post mitigation;
- Whether any other risks should be considered for removal;
- Whether any new risks should be considered for inclusion; and
- The further development of the College risk management framework.

**Lead:** Alan Ritchie, Director of Finance and Estates

**Status:** Open



**Strategic Risk Register**  
**2018/19**

## Strategic Risk Register Dashboard Report

Risk register reference date:  
Board / Committee review date:

May-19  
May-19

Top 5 Risks Post Mitigation				
Ref	Risk	Probability	Impact	Score
WCS 1	Inability to clearly forecast the volatility and impact of SFC funding and funding methodology changes in relation to core-grant-in-aid, credit activity model; reduction in European funding; student support funding and estates maintenance.	6	4	24
WCS 3	Business cases for development of the College estate are continually delayed, which impacts upon the ability of the College to recruit students, retain staff and address legislative requirements.	5	4	20
WCS 2	Failure to secure adequate estates maintenance / capital funding for future investment or refurbishment of IT and physical infrastructure.	4	4	16
WCS 16	Failure to prepare for the anticipated impact upon the College of Brexit including loss of European funding, loss of students / staff and access to exchange programme funding.	5	3	15
WCS 4	Failure to deliver SFC Regional Outcome Agreement targets at a time of limited resource results in future credit and/or funding adjustments.	4	3	12

Risk Score	Feb-19	May-19
24	1	1
20	0	1
16	2	1
15	1	1
12	4	4
9	4	4
6	4	3

The most significant risk faced by the College continues to be the volatility of SFC funding.

Continued delays to the business cases for the development of the College estate has moved up the risk register based on the latest developments in Renfrewshire and Inverclyde. This risk is closely linked to the next highest risk which is the failure to secure adequate maintenance funding.

The impact of the UK exit from Europe continues to be a significant risk faced by the College as the level of uncertainty continues.

### WEST COLLEGE SCOTLAND STRATEGIC RISK REGISTER 2018-19

Risk No.	Risk Reference	Strategic Priority	Risk	Assessment pre mitigation			Mitigating Controls and Actions	Assessment post mitigation			Executive Responsible
				Risk Probability	Risk Impact	Risk Score		Risk Probability	Risk Impact	Risk Score	
1	WCS 1	1,2,3,11	Inability to clearly forecast the volatility and impact of SFC funding and funding methodology changes in relation to core-grant-in-aid, credit activity model; reduction in European funding; student support funding and estates maintenance.	6	4	24	1) Detail of 2019-20 indicative SFC funding received 28 February 2019. This shows a level of core funding which is not greater than in 2018-19; a change in the estates funding methodology which will impact upon College operations; and no specific funding in order to meet the cost of any annual pay increases. The College will continue to face a number of financial challenges arising from this settlement. 2) 2018-19 budget approved in conjunction with 5 year future financial scenario planning and detailed assumptions. 3) Transformation Plan submitted to SFC in order to address future financial challenges. Initial version of Plan submitted to SFC in August 2018 with further update provided to SFC in November 2018 following on from Board of Management consideration in October 2018. 4) Robust financial forecasting including production and review of monthly management accounts. 5) Estates Strategy including objective to improve / rationalise the College estate utilising estate maintenance funding. 6) Financial modelling of next 5 years being undertaken based upon SFC FFR assumptions. Allows the College to identify funding gap and to continue to take necessary steps to address the gap. 7) Commercial Development Group reporting to Corporate Development Committee with focus on maintaining and growing income including ESF activity. 8) Robust monitoring of current and future curriculum delivery plans (CMAP) including staffing requirements. 9) Active College representation and involvement in external SFC review groups - funding methodology, CDN Finance network; credit review; access and inclusion; rural and remoteness premium and student funding.	6	4	24	VP Operations / VP Educational Leadership
2	WCS 3	1,2,3,11	Business cases for development of the College estate are continually delayed, which impacts upon the ability of the College to recruit students, retain staff and address legislative requirements.	6	4	24	1) The College continues to actively engage with SFC, SFT and other key stakeholders re investment and in relation to implementation of national estate condition survey review and future direction of travel. 2) Approved Estate Strategy highlights required estate investment for consideration by SFC and Scottish Government. 3) Draft Outline Business Case for Paisley estate submitted to the SFC. Response received from SFC in regard to Paisley OBC and the College is currently engaging with partners in relation to the collaborative aspects of any proposals. 4) Outline Business Case for Greenock updated and submitted to the SFC in December 2018 following Board of Management approval. SFC have confirmed receipt and willingness to work with College to take forward OBC 5) Inverclyde local development plan now finalised leading to restrictions on future College developments on preferred site. College continues to engage with partners to find suitable way forward. 6) Ongoing prioritisation of College estates funding in a way which links to priority projects, with update reports being provided to each meeting of the Board of Management Estates Committee. 7) Ongoing involvement in sector/SFC capital working group enables WCS input to ongoing discussions in relation to SFC estates maintenance allocation methodology and capital allocations. 7) Ongoing engagement with SFC	5	4	20	VP Operations

Risk No.	Risk Reference	Strategic Priority	Risk	Assessment pre mitigation			Mitigating Controls and Actions	Assessment post mitigation			Executive Responsible
				Risk Probability	Risk Impact	Risk Score		Risk Probability	Risk Impact	Risk Score	
3	WCS 2	1,2,3,11	Failure to secure adequate estates maintenance / capital funding for future investment or refurbishment of IT and physical infrastructure.	5	4	20	1) College Estate Strategy submitted to SFC, reviewed by internal audit and subject to annual review on implementation and progress by Board of Management Estates Committee. 2) 2019-20 indicative funding for estates has seen a reduction in lifecycle maintenance and priority maintenance funding. The continued reduction in lifecycle maintenance does present an operational challenge as financial modelling assumed flat cash settlement in future years. There is also a need to understand the basis of estates maintenance funding allocation beyond 2019-20. 3) WCS participation in SFC/sector Capital Working Group. 4) Outline Business Case for Greenock updated and submitted to the SFC in December 2018 following Board of Management approval. SFC have confirmed receipt and willingness to work with College to take forward OBC. Implications of recently published Inverclyde local development plan now being considered and College is engaging with 5) Outline Business Case for Paisley submitted to the SFC and feedback received from the SFC. Discussion with partner organisations remains ongoing in relation to the collaborative aspects of the proposals, and an updated OBC for Paisley will require to be submitted to SFC. 6) SFC have issued the outcome of a national College estate condition survey. College has discussed and obtained agreement with SFC as to how the 2018-19 high priority maintenance funding will be applied.	4	4	16	VP Operations
4	WCS 16	1, 3, 5, 6, 11	Failure to prepare for the anticipated impact upon the College of Brexit including loss of European funding, loss of students / staff and access to exchange programme funding.	5	3	15	1) College undertaken review of possible impacts of Brexit on operations. Output has been discussed at senior management level and with relevant Board Committees. To note potential impact on EU funded programmes (Modern and Foundation Apprentices). 2) The College is a member of a sector working group on Brexit allowing access to latest intelligence specific to the College sector. 3) Close liaison with SFC on future funding arrangements post 2021 when current ESF funding is due to end.	5	3	15	Principal
5	WCS 4	1, 3, 5, 6	Failure to deliver SFC Regional Outcome Agreement targets at a time of limited resource results in future credit and/or funding adjustments.	5	4	20	1) Positive engagement with SFC in relation to ROA development and monitoring for current and future years. 2) Effective internal monitoring and reporting procedures in place, including operational planning process, and monitoring through the Board of Management and all Committees. 3) Good working relationships with local authorities and school head teachers in order to access attainment funding in support of College activities in this area. 4) Detailed curriculum development planning and review process which has been subject to positive review by internal audit. 5) Blended approach to delivery of teaching and learning including online learning allowing College to address changes in recruitment and delivery. 6) Curriculum offering is reviewed to ensure employer and student needs are met and appropriate courses delivered. 7) The Board of Management considered the updated College ROA during the meeting in January 2019, and considered the outcomes that will be delivered at that time. The ROA will be further considered once the 2019-20 SFC final funding is confirmed, with a final version agreed with SFC prior to summer 2019.	4	3	12	VP Educational Leadership

Risk No.	Risk Reference	Strategic Priority	Risk	Assessment pre mitigation			Mitigating Controls and Actions	Assessment post mitigation			Executive Responsible
				Risk Probability	Risk Impact	Risk Score		Risk Probability	Risk Impact	Risk Score	
6	WCS 5	3, 11	Impact and outcome of National Pay Bargaining for both teaching and support staff.	6	3	18	1) WCS representation and involvement in national college Employers Association and national joint negotiating committee (NJNC). 2) Financial impact assessment / planning scenarios with the financial impacts of National Bargaining subject to ongoing discussion with the SFC. National Bargaining funding distribution for 2019-20 amended in year and agreed with Colleges Scotland and the Scottish Funding Council. 3) 2018-19 final SFC funding included an allocation in order to meet the cost of national bargaining. 4) Business Continuity Planning considers impact of industrial action, with specific plans in place. 5) Local trade union consultation and negotiating committees for support and teaching staff continuing to meet on an ongoing basis in order to maintain positive College industrial relations. 6) Robust college sector and WCS communications plan including liaison with Student Association on impact on students. 7) Local workforce planning arrangements subject to positive internal audit review (June 2018). 8) Support staff pay award until September 2019 been settled.	6	2	12	Principal
7	WCS 6	2, 3	Failure to maintain or acquire and use IT systems and infrastructure to support the digital ambitions of the College.	4	4	16	1) IT Strategy, Policies / Procedures and system access processes in place. The Finance and General Purposes Committee have reviewed progress achieved in delivering the IT Strategy as at Year 2 and are satisfied with progress given the level of resource available to the College - although recognise that the College digital ambitions are being constrained by the level of SFC funding. Strategic dialogue with the SFC is ongoing in an effort to secure the required level of funding in order to deliver College digital ambitions. 2) Staff and student feedback and evaluation procedures in place. 3) IT Contingency Plan in place with regular review. 4) College has achieved Cyber Essentials Plus accreditation as required.. 5) College Digital Strategy has been reviewed by SMT and sets out digital ambitions for the College. To be presented to the Board for approval in coming period. 6) Funding bid developed based for submission to SFC to ensure IT systems are fit for purpose. Initial discussions have been held with SFC on IT condition survey and College offered to be model for such a survey. 9) College HR department providing support to staff undertaking national support staff job evaluation, with role profile documentation to be completed by 28 June 2019.	4	3	12	VP Operations
8	WCS 15	1,2,3,11	Failure to deliver the financial and/or non-financial objectives outlined in the College Transformation Plan "Future Proofing Our College".	4	4	16	1) Transformation Plan has been developed by the College and discussed in detail with the SFC. 2) Board of Management have approved the Plan and financial objectives are monitored through the F&GP Committee. Board of Management monitor overall plan achievement. 3) Projects have been initiated in line with the plan and are directed by a specific member of SMT. 4) Detailed delivery plan has been created to allow milestones to be set and monitoring to take place. 5) College on track to meet financial objectives outlined in the plan during 2018-19. However future years remain challenging and the plan will require to be further reviewed/updated. SFC indicative funding figures have been published and have crystallised the financial challenges faced by the College. No guidance on future years.	3	4	12	Principal

Risk No.	Risk Reference	Strategic Priority	Risk	Assessment pre mitigation			Mitigating Controls and Actions	Assessment post mitigation			Executive Responsible
				Risk Probability	Risk Impact	Risk Score		Risk Probability	Risk Impact	Risk Score	
9	WCS 8	2, 9, 11	Unable to develop and commence implementation of an Estate Strategy that achieves the agreed criteria for size, quality, flexibility and carbon emissions	3	4	12	1) Estate Strategy 2016-2026 approved by Board of Management and submitted to SFC and now being implemented. 2) Improvements to infrastructure and equipment are actioned and updated annually based on funding available. 3) Minimise possibility of unplanned closures through regular maintenance of physical assets. 4) On going discussions with funders and other stakeholders to identify potential funding / development opportunities. 5) College wide condition survey work undertaken to assist with identification of areas of investment . 6) Internal audit review (May 2017) of Asset Management included positive review of work undertaken to develop and implement the College Estate Strategy 2016-26. 7) 2018-19 final funding for estates now split into lifecycle maintenance and high priority maintenance. Reduction in lifecycle maintenance will present College with operational challenges as financial modelling assumed flat cash settlement in future years. Discussions with the SFC on nature of spend under high priority maintenance and agreement reached on areas of priority spend. There is also a need to understand the basis of estates maintenance funding allocation beyond 2018-19. 8) Board of Management Estates Committee consider progress in implementing the Estate Strategy on an ongoing basis, with an annual review undertaken to demonstrate progress achieved.	3	3	9	VP Operations
10	WCS 9	3, 4, 11	Inability to maintain positive staff relations	4	3	12	1) Approved Workforce Plan in place to address Audit Scotland recommendations. 2) Internal audit on internal communications reported that that the College had effective internal communication channels to staff and students 3) Clear procedures for communication and engagement with Trade Unions and College staff. 4) Staff engagement session and staff surveys undertaken on regular basis allowing issues to be addressed early. 5) Local trade union consultation and negotiation committees in place for teaching and support staff. 6) College is supportive of staff involvement in national job evaluation scheme and has open dialogue with Unions as to how staff can be supported.	3	3	9	Principal
11	WCS 11	5, 6, 8, 11	Failure to implement strategic objectives in relation to delivery of non-SFC income	4	3	12	1) Alternative Income Strategy currently under development in response to requirements of Transformation Plan objectives. Strategy will be subject to review by Corporate Development Committee. 2) Annual financial budget agreed and monitored by the Corporate Development Committee. 3) Strong partnerships with local employers and stakeholders. 4) Operation planning process used to identify potential opportunities for income growth. 5) Adaption of course portfolio to meet student / employer needs. 6) Financial strategy and planning in place to address resource needs and redirect as required. 6) Review of resources required within Curriculum Development Planning procedure. 7) Commercial Development Group meets bi-monthly to review and address challenges of delivering alternative income.	3	3	9	VP Educational Leadership

Risk No.	Risk Reference	Strategic Priority	Risk	Assessment pre mitigation			Mitigating Controls and Actions	Assessment post mitigation			Executive Responsible
				Risk Probability	Risk Impact	Risk Score		Risk Probability	Risk Impact	Risk Score	
12	WCS 7	2, 11	Inadequate business continuity / cyber resilience planning leading to material interruptions to service delivery.	3	4	12	1) Business Continuity webpage created to inform all staff and stakeholders of College approach to business continuity planning. 2) Business Continuity Plan available to relevant staff on OneDrive along with associated documents to assist during any incident (including creation of "battle boxes"). 3) College has achieved Cyber Essentials Plus accreditation and has in place IT recovery plans as part of overall business continuity planning process. 4) Training and scenario planning sessions undertaken on a quarterly basis with involvement from both teaching and support staff. Externally facilitates and lessons learned shared with staff. 5) Adequate insurance cover to assist in recovery after an incident. 6) Risk assessment process well embedded at strategic level now being further embedded at operational level.	3	3	9	VP Operations
13	WCS 10	3, 4,	Failure to embed Workforce Plan resulting in lack of appropriate resources and skills being developed to achieve College strategic objectives and outcomes	4	3	12	1) College Workforce Plan and associated reporting requirements approved by the Board of Management. 2) Detailed teaching resource planning through use of curriculum mapping tool (CMAP). 3) Resourcing of support staff structures reviewed on an ongoing basis by Executive Management Team to ensure alignment with operational and strategic priorities. 4) Itrent HR and payroll software developed to provide staff data and reports including an establishment report. 5) Professional Development Policies are aligned to strategic priorities. 6) Roll out of College CPD review process is ongoing and supports succession planning, leadership development and assists in mitigating the impact of the loss of key staff. 7) Internal audit reviewed workforce planning as part of 2018-19 audit plan. Internal audit recommendations are subject to final report from OD&HR Committee to the Audit Committee in May 2019 to allow the closure of the issues raised. 8) Staff skills survey being developed to allow the College to identify and address future skills gaps.	3	2	6	Principal
14	WCS 13	11	Inability to ensure a holistic response to data and information governance, including compliance with the General Data Protection Regulations (GDPR).	3	3	9	1) Data Protection Officer (DPO) appointed in compliance with legislative requirement. DPO is part of shared services agreement allowing the College to work collaboratively with other institutions. 2) DPO is undertaking review of departmental compliance with data legislation and addressing issues as required. Reports provided to working group on progress and issues identified / rectified. 3) College has a working group covering GDPR and data management issues with involvement from senior staff. The Group has oversight of the information risk assessment process. 4) Data Protection concepts and principles embedded within the operations of the College.	3	2	6	Principal



Risk No.	Risk Reference	Strategic Priority	Risk	Assessment pre mitigation			Mitigating Controls and Actions	Assessment post mitigation			Executive Responsible
				Risk Probability	Risk Impact	Risk Score		Risk Probability	Risk Impact	Risk Score	
15	WCS 12	1,2,3,11	Failure to invest sufficient resource (financial / staff) into delivery of College Carbon Management Plan (CMP) resulting in negative publicity and failure to achieve ROA outcomes.	3	3	9	1) Approval of CMP by Board of Management in October 2016 with this subsequently being submitted to the SFC. The Board of Management Estates Committee also consider progress made in implementing the CMP on an ongoing basis, with a formal annual review undertaken. 2) Specific resource – staff and funding – allocated to allow CMP to be implemented. 3) Development of Sustainability Group involving board, staff and student representatives. 4) Annual Scottish Government report on carbon management and wider sustainability issues now reported on for second year. 5) College on target to achieve objectives of CMP including 10% reduction in emissions.	2	3	6	VP Operations
16	WCS 14	1, 3, 5, 6	Normal business activities are unduly affected due to the complexity of sequencing estates investment works	4	2	8	1) Detailed resource planning involving all relevant parties at stage to address any issues in advance of project start date. 2) Staff resource increased during 2018-19 to address the significant increase in level of expenditure and complexity of projects being undertaken. 3) Well embedded project / estate team with knowledge base that allows issues to be identified and addressed. 4) use of external professional advisors to provide oversight and critical review of proposed activities / plans.	3	2	6	VP Operations

## STRATEGIC PRIORITIES

1. We will provide education and training in inspirational and innovative ways to engage and meet the diverse needs of our students.
2. Education and training will be delivered to students in high quality College facilities, in their place of work or through the development and use of digital technologies.
3. We will provide the highest quality of teaching and tailored support to maximise our students' opportunities to achieve success and progress to employment and further study.
4. We will support the development of our staff and teams to achieve successful outcomes for themselves, our students and the College.
5. We will develop our curriculum and services to ensure they align with and support Scotland's key economic sectors. We will ensure that our students are equipped with the relevant training, qualifications and essential skills they need for employment and life.
6. We will develop meaningful partnerships; connections and alliances with business and industry to ensure employers are directly involved and invest in educational and skills development across the west.
7. We will become a strategic resource and valued partner with our stakeholders, building relationships, leveraging resources and capabilities to design, develop and deliver our products and services.
8. We will proactively look for new partners and new areas of activity, which will allow us to grow and develop our income to reinvest in our core business for the benefits of our students, our staff and our communities.
9. We will grow our reputation both nationally and internationally. Our reputation will be based on the quality of our teaching, outcomes for our students and our willingness to strive for and set the highest standards across all areas of our work.
10. We are committed to taking a leadership role in the West Region and together with our partners and stakeholders, tackle the significant social and economic deprivation, which still characterise many of our communities.
11. We will deliver a sustainable, effective and efficient service to our communities, through the implementation of sound governance, leadership, planning and management.

Probability	Score	Impact	Score
Almost Certain	6	Catastrophic	4
Very Likely	5	Critical	3
Likely	4	Marginal	2
Possible	3	Negligible	1
Very Unlikely	2		
Remote Chance	1		

**Risks - Probability x Impact Score Grid**

<b>Almost Certain 6</b>	6	12	18	24
<b>Very Likely 5</b>	5	10	15	20
<b>Likely 4</b>	4	8	12	16
<b>Possible 3</b>	3	6	9	12
<b>Very Unlikely 2</b>	2	4	6	8
<b>Remote Chance 1</b>	1	2	3	4
	<b>Negligible 1</b>	<b>Marginal 2</b>	<b>Critical 3</b>	<b>Catastrophic 4</b>

**TITLE: 2018-19 AUDIT STRATEGY MEMORANDUM AND FEE PROPOSAL**

**Background:** The purpose of this report is to present to the Finance and General Purposes Committee the external auditor's Audit Strategy Memorandum and fee proposal for the audit of the 2018-19 financial statements. The Audit Strategy Memorandum 2018-19 will also be presented to the Audit Committee on 23 May 2019 given there is joint responsibility along with the Finance and General Purposes Committee for approving the College Annual Financial Statements.

The Audit Strategy Memorandum document provides the Committee with an overview of the external auditor's (Mazars LLP) preliminary audit planning procedures and approach in relation to the financial statements of the College for the year ended 31 July 2019. The memorandum sets out their intended approach to the audit of the College and provides an overview of significant risks and key judgement areas in section 4.

In section 5 the memorandum notes the four wider scope areas upon which the auditors require to make a judgement:

- financial sustainability;
- financial management;
- governance and transparency; and
- value for money.

Mazars have set their fee for the audit at [REDACTED] This fee is within the fee range set by Audit Scotland.

Lucy Nutley, Director – Public Services Audit, from Mazars will present the contents of the Memorandum to the Audit Committee for their consideration. Following the Audit Committee meeting if there are any proposed changes to the memorandum these will be verbally reported to the Finance and General Purposes Committee.

**Action:** The Finance and General Purposes Committee is requested to note the content of the Audit Strategy Memorandum for the year ended 31 July 2019.

**Lead:** Alan Ritchie, Director of Finance and Estates

**Status:** Open

**TITLE: INTERNAL AUDIT REPORT – FRAUD PREVENTION**

**Background:** As part of the internal audit programme for 2018-19 Scott Moncrieff conducted a review of the process and policies in place to prevent and respond to fraud and corruption. This report presents the findings of that review along with the management response to the recommendations made in the report.

In line with best practice the outcome of internal audit reports is shared with the relevant Committee(s) as required.

**Action:** The Finance and General Purposes Committee is requested to note the contents of this report.

**Lead:** Alan Ritchie, Director of Finance and Estates

**Status:** Open

**TITLE:** SCHEDULE OF BUSINESS 2018-19

**Background:** This paper outlines how the Schedule of Business for 2018-19 enables the Finance and General Purposes Committee to fulfil its' remit.

The schedule has been expended to include an indication of the potential business to be undertaken in 2019-20 for consideration by the Committee. Where the deliverable has been annotated with a 'Y' it is intended that the Committee will receive a report at each meeting. If a report is to be brought to a specific meeting an indicative date has been included.

**Action:** The Finance and General Purposes Committee is requested to note the content of the report.

**Lead:** Alan Ritchie, Director of Finance and Estates

**Status:** Open

**TITLE:** **PROPOSED COMMITTEE DATES OF MEETINGS IN 2019/20**

**Background:** Consideration has been given to the meeting dates for next session, 2019/20. It is proposed that the Committee follow a similar pattern to this year and meet 5 times during the session, 4 meetings plus 1 joint meeting with the Finance and General Purposes Committee. However, there might be a need to hold an additional meeting in early September to consider the financial position and the 5 year financial plans depending on feedback obtained from SFC. The suggested dates for next year are:

- *Tuesday 3 September 2019 – might be required*
- Tuesday 24 September 2019
- Tuesday 19 November 2019 – Committee to meet at **2.00 p.m.** this will be followed by Joint meeting with Audit Committee at 4.00 p.m.
- Tuesday 10 March 2020
- Tuesday 2 June 2020

The meetings will continue to be held at 4.00 p.m. (except the meeting immediately prior to the Joint meeting in November which will be held at 2.00 p.m.) on the Paisley Campus.

The proposed schedule for Board and Committee meeting dates in 2019/20 is attached for information.

**Action:** The Committee is asked to consider and agree the proposed meeting dates for next session.

**Lead:** Gwen McArthur, Secretary to the Committee

**Status:** Open

## Dates of Meetings in 2019/20

Committee	Aug	September	October	November	December	January	February	March	April	May	June
<b>BOARD</b> Mondays at 4.00 p.m.			7 G		9 P		3 P	23 C			15 P
<b>Audit</b> Thursdays at 4.00 p.m.		5			12			12		21	
<b>Joint Audit &amp; Finance</b>				19 4.00 p.m.							
<b>Finance and GP</b> Tuesdays at 4.00 p.m.		3(?) 24		19 2.00 p.m.				10			2
<b>Corporate Development</b> Tuesdays at 4.00 p.m.			22				18			5	
<b>Estates</b> Tuesdays at 4.00 p.m.		10			10			3		26	
<b>OD&amp;HR</b> Wednesdays at 4.00 p.m.		18		6			12			13	
<b>LTD</b> Wednesdays at 4.00 p.m.				13 C			26 P			20 G	

NOTE: the venue for the Board and some Committee meetings will alternate between different Campuses as indicated above.

C = Clydebank; G = Greenock; P = Paisley.

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