West College Scotland

CORPORATE DEVELOPMENT COMMITTEE

TUESDAY 14 September 2021 at 4.00 p.m.
Via Teams

AGENDA

General Business

1. Apologies

2. Declaration of Interests

3. Minutes of the meeting held on 1 June 2021   Enclosed   JH
   .1 Actions arising from the Minutes   Enclosed   JH

4. Matters arising from the Minutes (and not otherwise on the agenda)
   None

Main Items for Discussion and/or Approval

5. Committee Remit, membership, and meeting dates 2021-22   Paper 5   SG

6. 2020-21 Financial Year End Update   Paper 6   AR

7. Review of College Financial Regulations   Paper 7   AR

8. Estates Outline Business Case Update   Paper 8   MJ

9. IT Security Update   Paper 9   MJ

10. Annual OD and HR Report (2020-2021)   Paper 10   NS

11. Strategic Risk Register Review   Paper 11   AR

Items for Information

12. Marketing and Communications Update Report   Verbal   NT

13. Estates Update Report   Paper 13   MJ

14. IT Update Report   Paper 14   MJ

15. Finance Update Report   Paper 15   AR

16. Accounts Direction for Scotland's Colleges 2020-21   Paper 16   AR

17. Internal Audit Plan 2021-22   Paper 17   AR

18. Schedule of Business 2021-22   Paper 18   AM

19. Any other business

Next meeting: Tuesday 23 November 2021 at 2pm followed by joint meeting with Audit Committee at 4pm (Via Teams)

Shirley Gordon
Secretary to the Committee

CORPORATE DEVELOPMENT COMMITTEE

Minutes: Tuesday 1 June 2021

Present: Waiyin Hatton (Board Chair and in Chair to Minute No CD31), Jim Hannigan (in Chair from Minute No CD32), Liz Connolly, Linda Johnston, John Leburn, David Mark.

Attending: Shirley Gordon (Secretary to the Board), David Alexander (Vice Principal Operations), Alan Ritchie (Director of Finance), Martin Joyce (Director of Infrastructure), Natalie Smith (Director of Organisational Development and HR), Brian Stobbs (Head of IT), Vivienne Mulholland (Head of Finance and Student Funding).

Apologies: Nick Allan, Angela Wilson, Stefana Margarint.

CD22   WELCOME
The Chair welcomed everyone to the meeting and noted apologies. Dr Hatton explained that she would chair the meeting until Mr Hannigan arrived.

CD23   DECLARATIONS OF INTERESTS
The following declarations of interest were recorded and **noted**:
- Waiyin Hatton: Wai Beyond, People and organisational development consultancy; Action Against Stalking; Colleges Scotland (Board member).
- Liz Connolly: Trustee of the West College Scotland Foundation; Member of Developing the Young Workforce (DYW) west regional Board.
- John Leburn: Trustee of the West College Scotland Foundation.
- Jim Hannigan: University of Strathclyde and National Manufacturing Institute Scotland (NMIS); Chair of Developing the Young Workforce (DYW) West regional Board.
- David Alexander: Scottish Funding Council Board member and Chair of the SFC Audit and Compliance Committee.
- Angela Wilson: West Dunbartonshire Council.

CD24   MINUTES OF PREVIOUS MEETING
The minutes of the Corporate Development Committee meeting held on Tuesday 9 March 2021 were **approved**.

CD25   ACTIONS FROM THE MINUTES
The Committee **noted** the actions taken from the minutes, and it was **agreed** those completed could now be removed.

CD26   MATTERS ARISING FROM THE MINUTES
There were no matters arising not otherwise on the agenda.

CD27   VICE PRINCIPAL UPDATE REPORT
The Vice Principal Operations provided an overview of the report highlighting updates in relation to the following:

- 2020-21 Scottish Funding Council (SFC) funding allocations.
- The College voluntary severance scheme.
- Indicative 2021-22 SFC College Sector Funding Allocations.
- Ongoing engagement with the SFC.
- National bargaining.
- Human Resources.
- Infrastructure.
- Implementation of the Pentana system.

Mr Alexander reported that "Indicative 2021-22 SFC College Sector Funding Allocations" as issued by the SFC on 24 March 2021 had since been confirmed as final on 27 May 2021, with a redistribution of 1,659 credits from core delivery back to ESF but no change in the overall total credits required to be delivered in 2021-22 and a £3,000 increase in estate life cycle maintenance funding.

The Committee welcomed the significant activity continuing within the College and with partners to progress and conclude the Greenock OBC for submission to the SFC.

The Committee noted the report.

CD28   MANAGEMENT ACCOUNTS TO 30 APRIL 2021
The Director of Finance presented the Management Accounts for the period to 30 April 2021.

Mr Ritchie explained that the Covid-19 pandemic had continued to have a material impact on ongoing business operations and the April 2021 financial forecast to 31 July 2021 was based upon current information available to the College.

The Director of Finance led the Committee through the accounts drawing attention to the following:

- The Statement of Comprehensive Income and Expenditure which provided a summary of the financial position and showed a comparison of the approved 2020-21 budget with the full year forecast position to 31 July 2021. This statement also included the audited 2019-20 figures for comparison.
- An analysis of key variances that provided detail of the movement between the budgeted and forecast position for 2020-21.
- The Balance Sheet that reflected the assets and liabilities of the College.
- The cashflow analysis that showed the actual cash position to date and forecasts the cashflow to 31 July 2021.
- The student funding analysis that provided a summary of the budgeted and forecast income and expenditure to 31 July 2021 resulting from the processing of student bursary, childcare and discretionary expenditure.
- The financial graphs and performance indicators that provided background information about income and expenditure and highlight the main indicators of financial sustainability.
- The aged debt analysis that showed a summary of the age of the sales ledger.

The Committee thanked Mr Ritchie and his team for their proactive prudent approach throughout another challenging year. Members appreciated that the full impact of Covid-19 on College operations and finances would continue to be kept under review over the period to the end of the financial year. They noted that, with the additional SFC Sustainability Funding, the College expected to be able to deliver a breakeven adjusted financial operating outturn for 2020-21.

The Corporate Development Committee:
- **Noted the current 2020-21 adjusted operating position.**
- **Noted the detailed impact that Covid-19 had had on the operations and financial position of the College.**
- **Noted the cashflow position.**
- **Approved the Management Accounts for the period to 30 April 2021.**

CD29 **2021-22 BUDGET AND MEDIUM-TERM FINANCIAL FORECAST**
The Vice Principal Operations presented the following:

a) The 2021-22 College budget.
b) The 2021-22 Student Association budget.
c) The College financial forecast for the three years to 2023-24.
d) A note of the budgetary and forecast assumptions used.
e) A sensitivity analysis of the key assumptions used.

Mr Alexander led the Committee through the 2021-22 College budget and three-year financial forecast to 2023-24. He explained that the budget and financial forecast were based on the guidance and governance framework with which the College required to comply. Mr. Alexander added the College had only just received notification on 27 May 2021 of the 2021-22 final SFC Grant in Aid allocations and the only change in financial terms was a £3,000 increase in estate maintenance funding which would not impact the overall budgeted position.

It was stated that the College was awaiting the SFC Financial Forecast Return (FFR) guidance which provided the college sector with baseline assumptions for use in preparing the three-year financial forecast. In prior years, the SFC FFR guidance had requested colleges provide a financial budget and forecast to cover a five-year period, however, due to the uncertainty arising from Covid-19 the shorter three-year period was requested. Any changes to the financial forecast to 2023-24 as a result of the SFC FFR Guidance would be reported to the September 2021 Corporate Development Committee meeting.

The Committee reflected on the unprecedented and challenging financial situation arising and welcomed the continued engagement with the SFC particularly around some of the national sector-wide uncertainties. Members recognised the excellent progress made so far by the College finance team in providing a strong baseline with visible planning assumptions and offered their support in any way required.

The Corporate Development Committee considered the basis upon which the 2021-22 College budget and three-year financial forecast to 2023-24 had been created and recommended the following for Board of Management approval:
• The 2021-22 Student Association budget.
• The 2021-22 College budget.

CD30 **IT STRATEGY 2016-2021 ANNUAL UPDATE**
The Director of Infrastructure explained that the College IT Strategy 2016-2021 was recommended for approval at the Finance and General Purposes Committee meeting of 8 March 2016 and subsequently approved by the Board of Management on 21 March 2016. By approving the IT Strategy, it was agreed that an annual update on progress would be provided to the Finance and General Purposes Committee. Following the recent Board of Management Committee restructure, IT Strategy updates now required to be provided to the Corporate Development Committee.

Mr Joyce provided an update on the progress of the 2016-2021 IT Strategy through its final year of implementation and prior to the adoption of a new strategy. He led the Committee through a:

- Summary of activity and progress to date against each of the IT strategic objectives and associated outcomes / indicators of success.
- Summary of key areas and considerations to take forward to the new IT Strategy to continue work in these areas, while also drawing on recent changes and trends across the IT landscape.

- More detailed review, including a BRAG assessment, of the "How do we get there?" indicators of success that were agreed for monitoring progress against each objective within the 2016-21 IT Strategy.

Mr Joyce reported that full migration of the legacy Skype for Business application to Microsoft Teams was underway for completion by the end of July 2021. He described some of the solutions and adaptations made to devices and / or software for any students / staff with additional support needs.

The Corporate Development Committee reviewed and considered the progress made in the five years since implementation of the College 2016-2021 IT Strategy.

CD31 **IT STRATEGY 2021-2025**
The Director of Infrastructure led the Committee through the new IT Strategy for the period 2021 – 2025.

Mr Joyce explained that the IT Strategy 2021-2025 was intended to lend itself to supporting the significant dynamic trends and unforeseen change that was likely to occur across the technology landscape as well as in curriculum delivery over the 5-years following the pandemic. The College had achieved significant progress and outcomes during the period of the 2016-2021 IT Strategy as highlighted earlier (Minute No CD30) the new 2021-2025 IT Strategy sought to build on these strong foundations in setting out how the College would support staff and students going forward.

Mr Joyce reported that the College Digital Strategy Group would monitor and review progress of the 2021-2025 IT Strategy. Feedback would be provided on any aspect which touched on or influenced the IT Strategy to ensure it remained responsive to end-user and curricular needs. It would communicate progress and make recommendations for change to the Senior Management Team and the Corporate Development Committee (including the various work stream outcomes) where appropriate.

The Committee suggested future consideration of a "Technology Condition Survey" and its incorporation into the Strategy.

The Corporate Development Committee reviewed the 2021-2025 IT Strategy and recommended that the Board of Management approve this at its meeting of 14 June 2021.

CD32 **GOVERNANCE COMPLIANCE AND ROA OUTCOMES**
The Director of Finance explained that the Committee's remit included 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'.

Mr Ritchie led the Committee through the report, the objective of which was to provide assurance to the Committee that in fulfilment of its remit, the College was operating in compliance with:

• The Financial Memorandum with SFC.
• The Scottish Public Finance Manual.
• The Code of Good Governance.

Mr Ritchie added there was also a need for the Committee to demonstrate it had, through the Schedule of Business, met its requirements in relation to the relevant areas of the 2020-21 Regional Outcome Agreement and confirm this to the Board of Management.

The Committee extended its appreciation of the efforts made by college staff to provide this assurance.

The Corporate Development Committee considered the:
- **Assurance provided in relation to governance compliance.**
- **Progress that had been made in relation to those ROA areas for which the Corporate Development Committee had responsibility and agreed to provide an update to the Board of Management.**
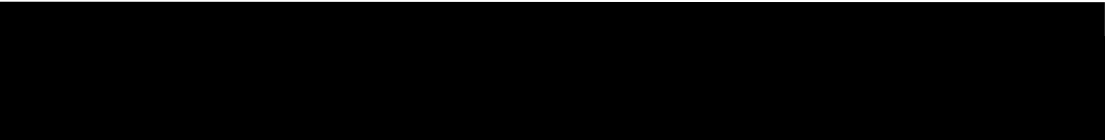
CD33   CONTRACT AWARDS - (RESTRICTED ITEMS)

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CD34 REVIEW OF STRATEGIC RISK REGISTER
The Director of Finance explained that under the Corporate Governance Code, the College Board of Management was tasked with ensuring a framework of risk management and control was in place. Mr Ritchie provided:

- An update on the development of the College Risk Management Strategy.
- The current College Strategic Risk Register for consideration.

The Corporate Development Committee:
- **Noted the update on the development of the College Risk Management Strategy.**
- **Reviewed the current Strategic Risk Register and in doing so considered:**
  o **The risks included in the register**
  o **The revised risk rating both pre and post mitigation**
  o **Whether any other risks should be considered for removal**
  o **Whether any new risks should be considered for inclusion**

CD35 ESTATES AND SUSTAINABILITY 2020-21 UPDATE
The Director of Infrastructure provided an update in relation to estates developments, projects, and funding.

The Corporate Development Committee r**eviewed and noted the report for information.**

CD36 INFORMATION TECHNOLOGY 2020-21 UPDATE
The Director of Infrastructure provided an update in relation to IT developments, projects, and funding.

The Corporate Development Committee reviewed and noted the report for information.

CD37 EXTERNAL AUDIT ENGAGEMENT STRATEGY 2020-21
The Director of Finance presented the Mazars LLP (external auditor) Audit Engagement Strategy and fee proposal for the review of the 2020-21 financial statements. These had been approved by the Audit Committee on 20 May 2021.

Mr Ritchie explained that the Audit Engagement Strategy provided an overview of the external auditor's preliminary audit planning procedures and approach in relation to the financial statements of the College for the year ended 31 July 2021. It also provided an overview of significant risks and key judgement areas and noted the four wider scope areas upon which the auditors were required to make a judgement:

• financial sustainability
• financial management
• governance and transparency
• value for money

Mr Ritchie added that Mazars, had set their fee for the audit at £32,500 (2019-20: £31,000) which was within the fee range set by Audit Scotland with the increase being attributed to the additional work requiring to be undertaken to address the increased risks noted along with the pension and property valuation exercises which required to be validated.

The Corporate Development Committee noted the content of the 2020-21 Audit Engagement Strategy and the proposed audit fee.

CD38   **EQUALITY, DIVERSITY & INCLUSION MAINSTREAMING REPORT**
The Director, Organisational Development & HR explained that Section 149 of the Equality Act 2010 placed a general duty (known as the Public Sector Equality Duty) on public authorities to have due regard to eliminating discrimination, harassment and victimisation; advancing equality of opportunity; and fostering good relations between persons who share a protected characteristic and those who do not.

The legislation required the College to publish a report every two years on the progress it had made. Mrs Smith reported that the Board of Management meeting of 22 March 2021 delegated authority to the Corporate Development Committee to approve the 2021 College Equality Report and it was duly circulated to members by email during April 2021 and approved for finalisation and publication by the required deadline of 30 April 2021.

The Corporate Development Committee noted the publication of the 2021 College Equality Report and the Equality Outcomes 2021 - 2023 both of which could be found on the College website.

CD39   **OVERVIEW OF COLLEGE PENSION ARRANGEMENTS**
The Director, Organisational Development & HR provided an annual overview of the pension schemes currently in operation within the College.

The Corporate Development Committee considered and noted the report.

CD40   **INTERNAL AUDIT REPORTS:**
The Director of Finance explained that as part of the 2020-21 Internal Audit Plan, Wylie & Bisset had conducted several internal audit assignments which had a bearing on the remit of the Corporate Development Committee. Since its previous meeting, the Audit Committee had considered the following reports:

• Overall Financial Controls.
• Absence Management and Reporting.
• External Communications.
• Fraud Response Review.

Mr Ritchie reported that the Audit Committee had noted the content of the reports and approved the recommendations for inclusion and follow up review in the Rolling Audit Action Plan. He presented the four internal audit reports for consideration.

The Committee discussed the proposed implementation dates for the recommendations and Ms Connolly reported that the College had appointed a new Director of Marketing, Communications and Engagement who was taking up post in July 2021. A priority would be to draft a Marketing and Communications Strategy to incorporate many of the issues highlighted in the internal audit review including accessibility and engagement via the College website and its social media platforms.

The Corporate Development Committee considered and noted the contents of the internal audit reports.

CD41   DATES OF MEETINGS 2021-22

The Committee noted and approved its 2021-22 meeting dates.

CD42   SCHEDULE OF BUSINESS 2021-22
The Committee **noted** its schedule of business for 2021-22 as summarised by the Director of Finance.

CD43   ANY OTHER BUSINESS
Mr Hannigan acknowledged Mr Alexander's last CDC meeting before he leaves the College at the end of June 2021 to take up the post of Chief Executive Officer at Gateshead College. He thanked him for his input, support, and rigour in working with Committee.

CD44   DATE OF NEXT MEETING
14 September 2021 by TEAMS at 4.00 p.m.

CORPORATE DEVELOPMENT COMMITTEE – ACTIONS FROM THE MINUTES

Date of Meeting	Min Ref	Matter for Action	Responsible Person	Action Taken	Timescale (where applicable)
1 June 2021	CD28	Management Accounts for the period to 30 April 2021 to go to June 21 BoM.	A Ritchie	**Complete and approved**	June 21 BoM
1 June 2021	CD29	2021-22 College budget and three-year financial forecast to 2023-24 to go to June 21 BoM.	A Ritchie	**Complete and approved**	June 21 BoM
1 June 2021	CD31	2021-2025 IT Strategy to go to June 21 BoM.	M Joyce	**Complete and approved**	June 21 BoM
1 June 2021	CD32	ROA areas for which the Corporate Development Committee had responsibility - agreed to provide an update to the Board of Management.	A Ritchie	**Complete and noted**	June 21 BoM
1 June 2021	CD33	X 3 contract awards (Online Learning, Paisley - Renfrew and Oakshaw Buildings, Greenock - Replacement Windows) to go to June 21 BoM.	A Ritchie / M Joyce	**Complete and approved**	June 21 BoM
16 Sept 2020	EM426	**WDC District Heating System**: An update report to be provided to the December 2020 meeting of the Committee.	M Joyce		Future meeting
3 Mar 2020	EM398	**College Estate Strategy 2016-2026 - Progress Report:** Proposed to refresh the Estate Strategy 2016-2026 document over the course of 2020-21 in order to reflect change, and changing, operating environment.	A McDonald	Refresh of 10-year Estate Strategy document being progressed for presentation to the Committee.	November 2021

Date of Meeting	Min Ref	Matter for Action	Responsible Person	Action Taken	Timescale (where applicable)
10 Dec 2019	EM389	**Centre for Performing Arts:** Update to be given on the Centre for Performing Arts project.	M Joyce		Future meeting
28 May 2019	EM352	**Paisley OBC** – College to continue collaborative discussions and to progress dialogue with SFC, Renfrewshire Council and UWS regarding possible opportunities for collaboration.	L Connolly A McDonald		Future meeting
19 Nov 2019	FPM291	**Business Transformation Plan -** Committee to be kept informed of progress with discussion with SFC.	L Connolly	Updates will continue to be provided to the Corporate Development Committee and the Board of Management on College engagement with the SFC regarding implementation on the Business Transformation Plan.	Ongoing – Future Meetings

1

Title:	**Committee Remit, Membership and Dates of Meetings in 2021/22**
Background:	The Committee is asked to consider and approve the following attachments:

- Corporate Development Committee Remit (appendix A)
- Current membership list (appendix B)
- 2021/22 meeting dates (appendix C)

These are presented to the first Committee meeting of each new academic session for review, and approval.

Action:	The Committee is asked to consider and approve the:

- Corporate Development Committee Remit (appendix A)
- Current membership list (appendix B)
- 2021/22 meeting dates (appendix C)

Lead:	Shirley Gordon, Secretary to the Committee
Status:	Open

West College Scotland

Board of Management

Corporate Development Committee

Statement of Purpose

The Board of Management provides the principal governance mechanism through which all activities are managed in accordance with relevant legislation and regulations, as well as ensuring that systems are in place to provide efficiency, effectiveness, and economy. The Board of Management has delegated some of its responsibilities to certain committees.

The main purpose of the Corporate Development Committee is to:

- Have strategic oversight of finance, procurement, human resources and organisational development, communications, marketing and matters of a general nature that do not fall to other standing Committees, ensuring solvency, sustainability, efficiency, and innovation.

- Advise on the strategic implementation, review and development of required strategies and policies that reflect best practice and improve organisational performance, ensuring appropriate and effective controls and processes are in place.

- Ensure the College manages all assets and resources in accordance with Scottish Government and Scottish Funding Council requirements.

1.   Remit

a) To have strategic oversight of the overall management of the College's resources – finance, people, procurement, information technology and property.

b) To consider and advise the Board of Management on the development and implementation of College policy and strategy, including but not limited to the following areas:
- Communication and Marketing
- People
- Health and Safety
- Estate
- Carbon management and sustainability
- Information Technology
- Finance
- Procurement

Ensuring progress is monitored in delivering strategic outcomes in these areas.

Finance

c) To consider and advise the Board of Management on key strategic financial and management matters including:
- solvency of the College
- cashflow
- effectiveness and appropriateness of the utilisation of College resources
- financial strategy, budgeting, financial monitoring and forecasts
- banking arrangements and approval of bank signatories

- investments and borrowing
- taxation
- pension arrangements
- approval of contracts between the values of £250,000 and £500,000

d) To consider and recommend the College's annual financial statements and associated reports for approval to the Board of Management at a joint meeting with the Audit Committee.

e) To ensure adherence to statutory requirements related to the College's financial affairs and compliance with the Financial Memorandum, Scottish Public Finance Manual (SPFM) and related guidance (including Accounting Policies in the Financial Statements) and to provide the Board of management with assurance on these matters.

f) To review College Financial Regulations on an annual basis, or more frequently if required and recommend these to the Board of Management for approval.

Human Resources and Organisational Development

g) To have strategic responsibility for oversight of and compliance with employment, health and safety, data protection and freedom of information legislation, advising the Board of Management on the operation and implementation of effective and efficient policies and systems in the following areas, advising the Board of Management on these areas as required:
- equality, diversity and inclusion
- learning and development
- employee relations
- health, safety and wellbeing
- workforce planning
- payroll
- voluntary severance schemes
- freedom of information and data protection

Assets and Infrastructure

h) To consider and advise the Board of Management on key strategic infrastructure matters including:
- monitoring and review of the overall management and development of College property and information technology, ensuring that a comprehensive register of land, buildings and infrastructure assets is maintained and assurance in given to the Board of Management that the correct procedures are followed in respect of Exchequer funded assets.
- maintenance of estate and information technology in an efficient and effective manner, in accordance with a planned maintenance programme which is consistent with approved strategy and associated financial projections.
- the implementation and development of carbon management and sustainability plans to address Scottish Government climate change requirements and ensure awareness of local, national, and global environmental matters.
- consideration and approval of information technology initiatives and innovations as required and the promotion of the effective and efficient use of IT services and assets.

Marketing and Communications

i) To consider and advise the Board of Management on key strategic matters relating to marketing and communications including:
- the implementation, development and review of marketing and communication strategies
- policies which enable the College to build its reputation.

j) To consider risk relating to the matters that fall within the Committee's remit and to agree what mitigating factors/actions are in place and what further action, if any, needs to be taken to address such matters of risk.

k) Any other matters as required by the Board of Management.

l) The Committee can request representatives of other organisations to attend meetings if/as required.

2. **Membership**

Category
The Principal and a minimum of four members of the Board of Management, one of whom will Chair.
One Staff member (non-teaching)
One Student member
The Committee is empowered to co-opt additional members, subject to approval by the Nominations Committee. Such members will normally be appointed for one year, will be subject to annual review, and may be re-appointed annually up to a maximum of 8 years.

In Attendance
Vice Principal Operations
Secretary

Directors / Senior Management Team as Required
Director of Finance
Director of Infrastructure
Director of Communications, Policy & Planning
Director Organisational Development & HR
Internal Auditor (Wylie Bisset)
External Auditor (Mazars)

The Chair and Vice Chair of the Committee will be members of the Board of Management.

Chair, Vice Chair, and members appointments to the Committee will be between 3 to a maximum of 5 years, providing systematic opportunities for Committee members to serve on another Committee.

Members of the Audit, Corporate Development and Learning and Teaching Quality Committees can request to attend other Committees' meetings as observers, providing opportunities to gain more understanding of the respective Committees' issues.

The Committee is empowered to co-opt additional members, subject to approval by the Nominations Committee. Such members will normally be appointed for one year, will be

subject to an annual review, and may be re-appointed annually for up to a maximum of 8 years.

The Chair of the Board of Management will be an ex- officio member of the Committee.

The Committee is empowered to invite other members of the Executive / Senior Management Team to attend meetings of the Committee.

3. Frequency of Meetings

The Committee will meet at least four times per year.

4. Quorum

A quorum will be no less than 50% of Board members on the Committee.

5. Secretariat

The Secretary to the Board of Management.

Papers for meetings will be sent out electronically 7 days in advance of the meeting.

The Committee will report to the Board of Management and the minutes of its meetings will be circulated to the Board for information.

6. Review

The Remit will be subject to review annually.

Corporate Development Committee Composition (Para 2 of the Remit)
Meetings – 4 per annum plus 1 Joint Audit / CDC

Category	Name
The Principal and **a minimum of four** members of the Board of Management, one of whom will Chair.	Liz Connolly, Principal Jim Hannigan **(Chair)** Linda Johnston John Leburn **(Vice Chair)** Vacancy Vacancy
One Staff member (non-teaching)	Douglas Bayley - Support Staff
One Student member	Paul Sefton
The Committee is empowered to co-opt additional members, subject to approval by the Nominations Committee. Such members will normally be appointed for one year, will be subject to annual review, and may be re-appointed annually up to a maximum of 8 years.	David Mark

In Attendance	Name
Vice Principal Operations	Amy McDonald
Secretary	Shirley Gordon

Directors / Senior Management Team as Required	Name
Director of Finance	Alan Ritchie
Director of Infrastructure	Martin Joyce
Director of Communications, Policy & Planning	Nathan Tyler
Director Organisational Development & HR	Natalie Smith
Internal Auditor (Wylie Bisset)	Graham Gillespie Stephen Pringle
External Auditor (Mazars)	Lucy Nutley Joanne Buchanan

Quorum	A quorum will be no less than 50% of Board members on the Committee.

Chair, Vice Chair and members appointments to the Committee will be between 3 to a maximum of 5 years, providing systematic opportunities for Committee members to serve on another Committee.

Members of the Audit, Corporate Development and Learning and Teaching Quality Committees can request to attend other Committees' meetings as observers,

providing opportunities to gain more understanding of the respective Committees' issues.

Appendix C

At the Corporate Development Committee meeting held on 1 June 2021, the following meeting days for the 2021/22 session were approved:

- Tuesday 14 September 2021 – 4 till 6pm
- Tuesday 23 November 2021 – **2pm**
- Tuesday 8 March 2022 – 4 till 6pm
- Tuesday 31 May 2022 – 4 till 6pm

TITLE: **2020-21 FINANCIAL YEAR END UPDATE**

Background: The purpose of this paper is to provide the Corporate Development Committee with an update in relation to the 2020-21 College financial forecast and cashflow position. This position is subject to the finalisation of the external audit work which is due to commence on 13 September 2021.

Action: The Corporate Development Committee is requested to:

- consider and note the actual adjusted operating position.

- note the updated impact of the global pandemic on the operations and financial position of the College.

- note the updated College cash position.

Lead: Alan Ritchie, Director of Finance

Status: Open

1. Executive Summary - Financial Accounts to 31 July 2021

Adjusted Operating Position

1.1 The Corporate Development Committee has been updated at each meeting on the financial position of the College for the year to 31 July 2021. As previously discussed, the key sustainability metric for the College is the adjusted operating position (AOP) which has moved as noted in the table below. A full explanation of the variances which have resulted in the improved AOP position can be found in section (2) of this report.

	Budget 2020-21 £'000	31 January 2021 £'000	31 July 2021 £'000
Financial accounting deficit	(2,236)	(2,137)	(1,991)
Add back net depreciation	2,790	2,737	2,732
Less: Loan repayments	(527)	(527)	(527)
Adjusted operating position	27	37	214

Student Activity

1.2 The College has delivered its Scottish Funding Council (SFC) core teaching and European Social Fund (ESF) credit target and thereby guaranteeing its core funding for 2020-21.

1.3 The College was only made aware of the funding for Young Person Guarantee Fund (YPGF) / National Transitional Training Fund (NTTF) programmes in January 2021 with a requirement for all activity to have been delivered by 1 August 2021. The College had created and resourced a programme of activity which would have delivered 1,800 credits but due to lack of student engagement, the College was unable to meet the target. The shortfall in funding will require to be repaid.

	Budget Credits	31 January 2021 Credits	31 July 2021 Credits
Core teaching	152,855	152,855	152,955
ESF	5,838	5,838	5,838
YPG / NTTF	0	2,761	704
Total Credits	158,693	161,454	159,497

Cash at Bank

1.4   Given the improved adjusted operating position, the College cash balance remains healthy as noted in the table below even after accounting for funds owed to third parties:

	31 January 2021 £'000	31 July 2021 £'000
Bank Balance	5,300	8,776
Estate / IT commitments	(1,000)	(2,400)
IT Commitments – Student digital poverty	0	(900)
SFC – Other Funds (FWDF, mental health)	(1,200)	(450)
SFC – YPG / NTTF	0	(600)
ESF provision	0	(480)
Other provisions including dilapidations	0	(450)
Underlying cash balance	**3,100**	**3,496**
Days	**20**	**23**

1.5   The College continues to have cash in place to support ongoing College operations and has an underlying balance of 23 days as of 31 July 2021. The College will continue to ensure cashflow is monitored on an ongoing basis to identify, mitigate, and manage any risk which may emerge.

Financial Accounting Position

1.6   The Board of Management approved budget for 2020-21 forecast an adjusted operating surplus of £27,000, effectively a break-even position. In accounting terms, this would have resulted in a financial accounting deficit of (£2,237,000) as of 31 July 2021 - after adjusting for depreciation and loan repayments.

1.7   Given the improved College adjusted operating position of £214,000, there is also movement in the forecast relating to the overall financial accounting position and the College is now projecting a financial accounting deficit of (£1,991,000) as of 31 July 2021.

1.8   It should be noted that the overall financial deficit of (£1,991,000) is prior to the impact of the annual pension valuation, the outcome of which will not be known until September 2021

2.   Income and Expenditure Account

2.1   The College Adjusted Operating Position as of 31 July 2021 is £214,000 subject to the completion of the year end audit by Mazars.

2.2   This represents an improvement of £187,000 on the Board of Management approved budget AOP of £27,000

2.3   The main variances from the 2020-21 budget are noted below:

	£'000
SFC INCOME	
Increase in SFC income from YPGF / NTTF / FWDF	245
Reduction in ESF income due to outcome of prior year audits still pending	(390)
New income from SFC Sustainability Funding 2021	1,300
Reduction in other SFC funding streams	(90)
TUITION FEES AND EDUCATIONAL CONTRACTS	
Increase in Foundation Apprenticeship activity in final quarter of the year	230
Increase in commercial and development funding in final quarter of the year	410
Reduction in level of SDS Modern Apprentices / SVQ activity	(140)
Reduction in HE / FE fees due to lower than anticipated recruitment	(235)
OTHER INCOME	
Reduction in nursery income due to campus closures	(195)
Reduction in catering income due to campus closures	(610)
Reduction in other income including schools work and bookshop income	(30)
New income from the Government Job Furlough Scheme	465
INCREASE IN INCOME	**960**
STAFF COSTS	
Increase in staff costs to support teaching and learning	(245)

	£'000
Cost of voluntary severance costs net of in year staff savings	(170)
Movement in holiday pay provision	(135)
INCREASE IN STAFF COSTS	**(550)**
PROPERTY COSTS	
Reduced estate running costs due to campus closures	220
Increase in premises costs to deal with Covid-19	(205)
Reduction in other premises costs including move from YMCA building	110
SUPPLIES AND SERVICES	
Increase in cost of delivery of learning – consumables, open learning	(365)
Cost of replacement of equipment in preparation for return to campus	(275)
Reduction in transport, postal services and other areas due to closures	160
Increase investment in IT equipment	(300)
Reduction in catering costs due to campus closures	200
Other operational cost savings	70
OTHER OPERATING COSTS	
Reduction in exam fees because of change in operational practices	95
Increase in student support costs	(100)
Other operational savings – VAT, student travel	165
Decreased depreciation charge	60
INCREASE IN NON-STAFF COSTS	**(165)**
NET INCREASE IN OPERATING POSITION	**245**
BUDGET FINANCIAL ACCOUNTING DEFICIT	**(2,236)**
YEAR-END FINANCIAL ACCOUNTING DEFICIT	**(1,991)**

2.4   As a result of the closure of onsite operations due to the second Covid-19 lockdown period the College would have faced a position of financial deficit. However, during March 2021 the SFC announced that it would inject £15m into the college sector to assist with financial sustainability. This funding, which was distributed based on 2020-21 initial core activity levels, resulted in West College Scotland receiving an additional core grant allocation of £1.3m. The College is not expected to deliver any additional teaching activity in 2020-21 in being provided with this sustainability funding. Without the injection of this cash resource the College would have returned a financial deficit of closer to (£3.3m) with a resultant reduction in the core cash balance held by the College.

2.5   The College reported to the June 2021 Board of Management that it anticipated an operational catering service deficit of (£386,000) by 31 July 2021 after considering:
   - Furlough income under the UK Government Job Support Scheme.
   - 7.9FTE (8 headcount) to depart from the catering service under voluntary severance.

The catering service deficit for the year to 31 July 2021 was (£375,000) after accounting for voluntary severance and furlough income.

2.6   As with 2019-20, the adjusted operating position has again been adversely impacted by the non-cash provision that the College is required to make for support staff holidays because staff were unable to take holidays due to ongoing lockdown restrictions. The College has been required to increase the level of holiday pay provision as of 31 July 2021 by £135,000 thereby adversely affecting current adjusted operating position. However, as discussed last year, this is a technical adjustment that does not ultimately impact upon College finances or cashflow.

3.   Conclusion

3.1   The full impact of Covid-19 has had a material impact on the College over the course of 2020-21 and will likely continue to impact operations and finances as we move into 2021-22. The College has seen an increase in the level of commercial and other income over the course of the last quarter of 2020-21 which it did not anticipate, and this has gone some way to mitigate the reduction in tuition fees, catering, nursery and other non-SFC income sources.

3.2   The injection of SFC Financial Sustainability funding of £1.3m in March 2021 was welcomed as it has allowed the College to post a positive adjusted operating position for the year as well as maintaining its core cash balance.

3.3 Several of the financial risks identified throughout the year are still relevant at this time and where possible have been mitigated as far as possible in preparing the year end financial statements:

- **Covid-19**
  - o The College has accrued for all known costs associated with Covid-19 within the financial statements.

- **European Social Fund**
  - o 2015-16 is the only year which the SFC have had audited and signed off. This leaves the period from 2016-17 to 2020-21 where there is a potential for a significant clawback of funding to occur. Although the College believes it has complied with all the European programme requirements, it is felt prudent to provide for an element of the total ESF income.

- **National Bargaining**
  - o In line with SFC guidance the College has accrued for the cost of the ongoing support staff job evaluation exercise, whilst at the same time recognising that the cost will be met by funding from the SFC. At this time the College is unable to assess what the overall impact might be and is awaiting further guidance from the SFC and Employers Association.

- **Estate / IT Investment**
  - o The College has where appropriate made provision for dilapidations and other required remedial works as it exits from some parts of the existing estate. At this time no account has been taken regarding the impact of the Outline Business Cases for Greenock and Paisley apart from the recognise the additional SFC funding and associated costs.

3.4 **The robust financial management shown by the College has resulted in a positive movement in the adjusted operating position whilst taking account of some significant variances in both income and costs.**

3.5 The Corporate Development Committee is requested to:
- consider and note the actual adjusted operating position.

- note the updated impact of the global pandemic on the operations and financial position of the College.

- note the updated College cash position.

TITLE: **REVIEW OF COLLEGE FINANCIAL REGULATIONS**

Background: The Corporate Development Committee remit includes the requirement to:

To review College Financial Regulations on an annual basis, or more frequently if required and recommend these to the Board of Management for approval.

The College has undertaken a review of the Financial Regulations based upon current operations and best practice. This report presents an updated set of College Financial Regulations which have been revised on this basis for consideration by the Corporate Development Committee.

Action: The Corporate Development Committee are requested to consider the revised College Finance Regulations and approve the document to the Board of Management.

Lead: Alan Ritchie, Director of Finance

Status: Open

1.   The Financial Regulations

1.1   The College has undertaken a review of the Financial Regulations based upon current operations and best practice.

1.2   The review has resulted in the following main changes:
- The procurement sections have been updated due to the United Kingdom's withdrawal from the European Union.
    - The above changes have not resulted in a change to any of the procurement thresholds contained in the Regulations.
- Update to the College petty cash guidelines to recognise the introduction of new digital request and reconciliation process.
- Inclusion of updated Principles of Public Life.

2.   Proposed Amendments

Overall
- Page, section, and paragraph numbering will be updated once the document revisions have been concluded.

Relevant Documents and Organisations
- This section has been updated to reflect the current relevant documents referred to throughout the Regulations.

Section 17 – Expenditure
- Section 17.5 has been updated based on the latest procurement legislation from the Scottish Government, including relevant information which should be read in conjunction with the legislation.
- Section 17.6 has been updated to omit references to EU procurement limits, based on the United Kingdom's withdrawal from the EU.

Section 18 – Petty Cash, Floats and Project Advances
- Section 18.1 has been revised to update the processes for cash requests.
- Section 18.2 has been revised to update the processes for use of floats.
- Links to the online cash claim form have also been updated.

Appendix 1 – The Nine Principles of Public Life
- Previously, seven Principles had been identified; the Scottish Government identifies a further two – Public Service, and Respect. The update to this section reflects this.

Equality Impact Assessment
- This will be completed following the review by the Board of Management.

3.   Action

3.1   The Corporate Development Committee are requested to consider the revised College Finance Regulations and approve the document to the Board of Management.

Policy & Procedure	Financial Regulations
Policy Area	Finance
Version Number	143
Approving Committee	Board of Management
Date of Approval	SeptemberMarch 2021
Date of Equality Impact Assessment	March 2021
Date of Next Review	March 2022
Responsible Senior Manager	Director of Finance

History of Amendments

Date	Version	Summary of changes
November 2019	11	Updated to current operating procedures and clarification of procurement operations.
August 2020	12	Changes to reflect new structure and updated operating procedures
March 2021	13	Revised Committee structure names amended; links to documents updated
September 2021	14	Updates to Procurement and Petty Cash sections; links updated; Seven Principles of Public Life updated to Nine.

Policy Statement

The current approved version of the College Financial regulations is published on the West College Scotland staff intranet. Any revised version becomes effective as soon as it is published on the staff intranet.

Template documents and procedures associated with these Regulations can be accessed through the staff intranet.

Equality Statement

The College is committed to providing equal opportunities to ensure students, staff, customers and visitors are treated equally regardless of gender reassignment, race, religion or belief; disability; age; marriage and civil partnerships; pregnancy and maternity; sexual orientation; sex.

Please note this document is available in other formats, which can be requested by sending an email to – finance@wcs.ac.uk

Contents

Relevant Documents and Organisations

Noted below are several documents and organisations referred to throughout the Financial Regulations. The relevant weblink is also included to ensure the most up to date documents are available to the users of these Regulations.

Relevant Documents	
FM	**SFC Financial Memorandum with Fundable Bodies in the College Sector** http://www.sfc.ac.uk/web/FILES/Guidance_Governance/Financial_Memorandum_with_the_College_Sector_-_1_December_2014.pdf
FReM	**Financial Reporting Manual** https://www.gov.uk/government/publications/government-financial-reporting-manual-2020-21
SPFM	**Scottish Public Finance Manual** https://www.gov.scot/Topics/Government/Finance/spfm/Intro
Audit Code	**Audit Scotland Code of Audit Practice** https://www.nao.org.uk/code-audit-practice/wp-content/uploads/sites/29/2020/01/Code_of_audit_practice_2020.pdf
SORP	**Statement of Recommended Practice (SORP): Accounting for Further and Higher Educational Institutions** Statement of recommended practice 2019 (universitiesuk.ac.uk)
Risk Management Strategy	**College Risk Management Strategy** risk-management-strategy-v30-final2-4221.pdf (westcollegescotland.ac.uk)
Whistleblowing Policy	**Public Interest Disclosure (Whistleblowing) Policy and Procedure** https://www.westcollegescotland.ac.uk/media/151856/public-interest-disclosure-policy-and-procedure-approved-sept-2017.pdf
Procurement Journey	**Scottish Government Procurement Journey** https://www.procurementjourney.scot/
Procurement Thresholds	**Procurement Thresholds** https://www.gov.scot/publications/new-eu-procurement-thresholds-from-1-january-2020/ Procurement - Procurement Thresholds for Work (westcollegescotland.ac.uk)

Relevant Organisations	
SFC	**Scottish Further and Higher Education Funding Council** http://www.sfc.ac.uk/
ONS	**UK Office of National Statistics** https://www.ons.gov.uk/
SG	**Scottish Government** https://www.gov.scot/
OSCR	**Office of Scottish Charity Regulator** https://www.oscr.org.uk/

A   GENERAL PROVISIONS

1   Introduction

1.1 The College was created under the provisions of the Further and Higher Education Act (Scotland) 1992 and was designated a Regional College under the Post-16 Education (Scotland) Act 2013. The College structure of governance is laid down in the instrument and articles of government, which may only be amended by application to the First Minister for Scotland. The College is accountable through its Board of Management which has ultimate responsibility for the effectiveness of its management and administration.

1.2 The College is an exempt charity by virtue of the Charities and Trustees Investment (Scotland) Act 2005. The College charity number is SCO21185 as registered with the Office of the Scottish Charity Regulator (OSCR).

1.3 The Scottish Funding Council (SFC) is the national strategic body which is responsible for funding teaching and learning provision, research and other activities in Scotland's colleges, universities and higher education institutions.

1.4 The Financial Memorandum between the SFC and the College sets out the terms and conditions under which grant funding is made available. The Board of Management is responsible for ensuring that SFC conditions of grant are met. As part of this process, the College must adhere to the SFC's Regional Outcome Agreement (ROA); the SFC Financial Memorandum (FM); the Scottish Government's Scottish Public Finance Manual (SPFM) (except where any special actions or derogations have been agreed with Scottish Ministers) and the SFC's Audit Code of Practice, which requires sound systems of financial and management control. The Financial Regulations of the College form part of this overall system of accountability and control and more information on wider regulatory documents is contained in Section 2.7.

2   Financial Regulations – Status and Context

2.1   To conduct business effectively, the College needs to ensure that it has sound financial management systems in place and that these systems are strictly adhered to. Part of this process is the establishment of Financial Regulations which set out the financial policies of the College.

2.2   The purpose of the Financial Regulations is to provide control over the totality of College resources and provide management with assurances that these are being properly applied in an accountable manner which:

- Maintains financial sustainability.
- Achieves value for money.
- Fulfils the responsibility for the provision of effective financial controls over the use of public funds.
- Ensures compliance with all relevant legislation.
- Safeguards the assets of the College.

2.3   The Financial Regulations of the College form part of the overall organisational system of accountability and are subordinate to the College's instruments and articles of government and to any restrictions contained within the SFC FM. The SFC's interpretation of the FM will be final.

2.4   Compliance with College Financial Regulations is compulsory for all College staff, members of the Board of Management and members of Board of Management Committees. Any non-compliance with the Financial Regulations may be subject to disciplinary action. The Board of Management will be notified of such breaches as required through the Audit Committee.

2.5   The Corporate Development Committee is responsible for reviewing the College Financial Regulations, through the Director of Finance, and for advising the Board of Management of any changes necessary.

2.6 In exceptional circumstances the Corporate Development Committee may authorise a departure from the detailed provisions herein. Such departure must be reported to the Board of Management at the earliest opportunity.

2.7 The Financial Regulations should be read in conjunction with relevant guidance on accountability and propriety issued by the following bodies:

- The SFC – Financial Memorandum; Regional Outcome Agreement and wider funding guidance.
- Audit Scotland – Audit Code of Practice; Internal Audit Manual.
- National Audit Office or the Scottish Parliament Public Audit and Post-legislative Scrutiny Committee.
- The UK Government - Financial Reporting Manual.
- SORP Board - Statement of Recommended Practice (SORP): Accounting for Further and Higher Educational Institutions.
- Scottish Government – Scottish Public Finance Manual.

Page 8 of this document provides links to the relevant guidance issued by these bodies.

B   CORPORATE GOVERNANCE

3   The Board of Management

3.1 The Board of Management will meet the principles of good governance set out in the Good Governance Code for Scotland's Colleges, and the wider principles identified within these Financial Regulations.

3.2 The Board of Management is responsible for the management and administration of the College to ensure the provision of education that meets the needs of students, communities, and partners. College financial responsibilities are to ensure that:

- Public funds are used in accordance with relevant legislation, the requirements of the SFC Financial Memorandum and for the purpose(s) which they are intended. Strategic, capital, and other grant funding should only be used for the purposes for which it is provided by SFC.

- Subject to any legal requirement to observe confidentiality, the College will be open and transparent with the SFC and other stakeholders, and will give, or be prepared to give, a public justification of its decisions in relation to the use of public funds.

- The College strives to achieve best value and is economical, efficient, and effective in the use of public funding.

- There is effective planning and delivery of the institution's activities in accordance with its mission and its Regional Outcome Agreement agreed with SFC.

- The College plans and manages its activities to remain sustainable and financially viable. A College is being managed on a sustainable basis if, year on year, it generates enough income to cover its costs and allow for maintenance of and investment in its infrastructure (physical, human, and intellectual) at a level which enables it to maintain adaptive capacity necessary to meet future demands.

- The College has a sound system of internal management and control, including an audit committee, an effective internal audit service, and adequate procedures to prevent fraud or bribery.

- The College has an effective policy of risk management and risk management arrangements.

- The College has regular, timely, accurate and adequate information to monitor performance and account for the use of public funds. Such information will be made available to SFC on request, as necessary, for the exercise of its functions and to gain assurance.

- The College is engaged actively in continuously enhancing the quality of its activities and involves students and other stakeholders in these processes.

3.3 The Board of Management's financial responsibilities are also to:

- approve the College strategic plan and SFC Regional Outcome Agreement.

- approve the annual audit report and financial statements.

- appoint, grade, and determine the pay and conditions of service of the Principal.

- approve the appointment of the internal audit service.

- approve an annual budget, financial plans, and regulations.

- approve the acquisition and disposal of property, subject the SFC approval.

- determine tuition fees.

4 The Principal and Chief Executive

4.1 The Principal is accountable directly to the Board of Management for the proper conduct of the College's affairs. The Principal is also accountable directly to the SFC's Accountable Officer for the College's proper use of funds deriving from Scottish Ministers and compliance with the requirements of the SFC's Financial Memorandum. The Principal may be required to justify any of the College's financial matters to the Scottish Parliament Public Audit and Post-Legislative Scrutiny Committee. In particular, the College Articles of Governance charge the Principal with responsibility:

- for ensuring the proper and effective operation of financial, planning and management controls, and for giving effect to the Board's policies for securing the efficient, economical, and effective management of all the College's income, assets and expenditure.

- arranging for presentation to the Board for approval an Annual Budget of income and expenditure, and to give regular updates on income and expenditure account, balance sheet and cash flow statements.

- arranging for the preparation, audit and presentation to the Board the Accounts following the end of each financial year in compliance with the requirements of the Accounts Direction and encompassing Audit Scotland and the Scottish Funding Council direction.

4.2 The Principal shall demonstrate oversight of financial matters by signing the Statement of Corporate Governance, the College Annual Report and Financial Statements and the declaration pages of the Financial Forecast Return (FFR) and Financial Statement Return submitted to the SFC.

4.3 The Principal must inform the SFC's Accountable Officer without delay of any circumstance that is having, or is likely to have, a significant adverse effect on the ability of the College to deliver its education programmes, and other related activity, including delivery of the Regional Outcome Agreement with the SFC. The Principal must also notify SFC's Accountable Officer of any serious weakness, such as a significant and immediate threat to the institution's financial position, significant fraud or major accounting breakdown or any material non- compliance with any requirement of the SFC's Financial Memorandum.

5   Committee Structure

5.1   The Board of Management has ultimate responsibility for College financial matters but has delegated specific powers and processes to College Committees as detailed below. These Committees are accountable to the Board of Management and are as follows:

- Audit Committee.
- Corporate Development Committee.
- Learning, Teaching and Quality Committee.
- Nominations Committee.
- Remuneration Committee.

5.2   The College Articles of Governance outline the purpose and scope of these Committees. A full listing of these Board Committees, their remits and respective delegated authority is available on the College intranet (https://www.westcollegescotland.ac.uk/college/about-us/board-of-management/) or from the Secretary to the Board who can be contacted at Shirley.gordon@wcs.ac.uk

6 Financial Responsibility of Staff

6.1 Executive Team

The Executive Team of the College – which incorporates the Principal and Vice Principals - is responsible for the operational and financial management of the areas and activities they manage and control. They are advised by the Director of Finance on financial matters. The Executive Team is ultimately responsible for establishing and maintaining clear lines of responsibility within the areas they manage for all operational and financial matters including the delegation of day-to-day budget control to other budget managers and team leaders. The Executive Team shall provide the Director of Finance with such information as may be required to enable:

- compilation of the College's financial statements.
- implementation of financial planning and budgeting.
- implementation of audit and financial reviews, projects, and value for money

6.2 Vice Principal Operations

The Vice Principal Operations is responsible for strategic financial management and direction and advice to the Board, Principal, and the Senior Management Team.

6.3 Director of Finance

Day-to-day financial administration is managed and controlled by the Director of Finance, who is responsible to the Vice Principal Operations for:

- preparing annual revenue and capital budgets and financial plans.
- preparing monthly and/or quarterly accounts, management information, monitoring, and control of expenditure against budgets and all financial operations.
- preparing the College's annual accounts and other financial statements which the College is required to submit to other authorities.
- ensuring that the College maintains satisfactory financial systems.
- providing professional advice on all matters relating to financial strategy and planning.
- providing cash and resource returns to the SFC.
- liaising with the internal and external auditors to implement audit strategies.

The Director of Finance will be assisted in carrying out these duties by the Head of Finance and Student Funding.

6.4 Assistant Principals and Directors

These budget holders are responsible to the Vice Principals or Principal (depending on the reporting structure of their roles) for the financial management of the areas and activities they manage and control. They are advised by the Director of Finance in executing their financial duties. The Director of Finance will also supervise and approve the financial systems operating within their departments, including the form in which accounts and financial records are kept. Assistant Principals and Directors are responsible for establishing and maintaining clear lines of responsibility within their departments for all financial matters. Where resources are devolved to other budget holders, they are accountable to their Director or Manager for their own budget.

6.5 All members of staff

All members of staff should:

- be aware of and have a general responsibility for the security of College property, for avoiding loss and for due economy and best value in the use of resources.

- ensure they are aware of the College's delegated authority limits, the value of purchases for which quotations and tenders are required and the associated procurement procedures.

- make available any relevant records or information to the Director of Finance or their authorised representative in connection with the implementation of College financial policies, these Financial Regulations, and the system of financial control.

- provide the Director of Finance and/or Vice Principal Operations with such financial and other information as they may deem necessary, from time to time, to carry out the requirements of the Board of Management.

- immediately notify the Director of Finance whenever any matter arises which involves, or is thought to involve, irregularities concerning, *inter alia*, cash or property of the College. The Director of Finance shall take such steps as considered necessary by way of investigation and report.

7 Risk Management

7.1 The delivery of College objectives is surrounded by uncertainty which poses both threats to success and offers opportunity for improved outcomes. Risk is defined as uncertainty of outcome, whether positive opportunity or negative threat of actions and events.

7.2 In considering risk, the College must recognise the environment within which it operates as a non-departmental public body. This environment includes compliance with the Scottish Public Finance Manual which requires that it is *"…important to develop a framework for assessing risks that evaluates both the likelihood of the risk being realised, and of the impact if the risk is realised. Risk assessment should be recorded in a way that demonstrates clearly the key stages of the process."*

7.3 The SFC Financial Memorandum requires that the Board of Management complies with the principles of good governance set out in the Code of Good Governance for Scotland's Colleges. The SFC also requires the governing body to ensure that:

- The College has an effective policy of risk management and risk management arrangements.
- Internal audit must provide the governing body and senior management of the College with an objective assessment of adequacy and effectiveness of risk management, internal control, governance and value-for- money.
- The College undertakes careful appraisal of risks before accepting any contingent liability.

7.4 The College Risk Management Strategy therefore takes account of the requirements of the SFC Financial Memorandum and SPFM and is subject to independent review by auditors.

7.5 A detailed College strategic risk register is maintained to record risks and how they may be mitigated. In line with the College Corporate Strategy, the Board of Management requires that the Risk Management Strategy and supporting documentation include:

- the adoption of common terminology in relation to the definition of risk and risk management.

- the establishment of College-wide criteria for the measurement of risk, linking the threats to their potential impact and the likelihood of their occurrence, together with a sensitivity analysis.

- a decision on the level of risk to be accepted (risk appetite), together with tolerance levels expressed in terms of measurable outcomes.

- a decision on the level of risk to be covered by insurance.

- regular review at Teaching and Support Department level to identify significant risks associated with the achievement of key objectives and other relevant areas.

- development of risk management and mitigation plans for all significant risks, to include a designated 'risk owner' who will be responsible and accountable for managing the risk in question.

- regular reporting to the Board of Management of all identified risks.

- an annual review of the implementation of risk management arrangements.

8   Whistleblowing

8.1   Whistleblowing in the context of the Public Interest Disclosure Act is the disclosure by an employee (or other party) about malpractice or potential instances of malpractice in the workplace. An individual can raise matters about a crime, civil offences (including negligence and breach of contract), miscarriage of justice, danger to health and safety or the environment, breach of the financial regulations and/or the cover-up of any of these matters. It does not matter whether the information is confidential, and the whistleblowing can extend to malpractice occurring in the United Kingdom and any other country or territory.

8.2   Normally, any concern about a workplace matter at the College should be raised by a member of staff with their line manager(s). However, the College recognises that the seriousness or sensitivity of some issues, together with the identity of the person the member of staff thinks may be involved, may make this difficult. If the member of staff does not wish to raise the matter in this way, it may be raised with a member of the SMT. If the concern relates to a member of the SMT the concern can be reported to the Principal. Any concerns that relate to the Principal can be raised with the Chair of the Board of Management via the Secretary to the Board who can be contacted via email at shirley.gordon@wcs.ac.uk

8.3   Detailed guidance on this is provided by the College Public Interest Disclosure (Whistleblowing) Policy and Procedure
[public-interest-disclosure-october-2019.pdf (westcollegescotland.ac.uk)](public-interest-disclosure-october-2019.pdf)

9   Code of Conduct

The College is committed to the highest standards of openness, integrity and accountability. It seeks to conduct affairs in a responsible manner, having regard to the principles established by the Committee on Standards in Public Life adopted and advocated by the Scottish Government. All Governing Body members and members of staff are expected to observe these principles as set out at Appendix 1.

Board members are also charity trustees and as such are subject to obligations imposed by charity legislation and Office of Scottish Charity Regulator (OSCR).

Members of the Board of Management and all staff members are also required to disclose interests in the College Register of Interests maintained by the Secretary to the Board and the Director of Finance. It is the responsibility of individual Board of Management members and staff to ensure that entries in the register relating to them are kept up to date regularly and promptly as required.

No person shall participate in a College procurement or be a signatory to a College contract where they have an interest in the activities of the other party.

9.1 Receiving and Making of Gifts or Hospitality

A gift is something voluntarily given or donated without the expectation of receiving anything in return and generally without preconditions. In the context of this guidance gifts received can be defined as the donation of cash or other resources or invitations to events with a current market value.

It is an offence under the Prevention of Corruption Act 1906 and the Bribery Act 2010 for Board members, members of Board Committees and members of staff to accept any gift or consideration as an inducement or reward for doing, or refraining from doing, anything in an official capacity or showing favour or disfavour to any person in an official capacity.

The guiding principles to be followed by Board members, members of Board Committees and all members of staff are:
- the conduct of individuals should not create suspicion of any conflict between their official duty and their private interest.
- the action of individuals acting in an official capacity should not give the impression to

any member of the public, to any organisation with whom they deal or to their colleagues - that they have been, or may have been, influenced by a benefit to show favour or disfavour to any person or organisation.

Thus, Board of Management members, Board of Management Committee members and staff should not accept any gifts, rewards or hospitality - or have them given to members of their families - from any organisation or individual with whom they have contact in the course of their work that would cause them to reach a position whereby they might be, or might be deemed by others to have been, influenced in making a business decision as a consequence of accepting such gifts, rewards and/or hospitality. When it is not easy to decide between what is and what is not acceptable in terms of gifts or hospitality, the offer should be declined, or advice sought from the Director of Finance.

All Board of Management members, Board of Management Committee members and staff in receipt of gifts or hospitality are obliged to promptly notify, by email, the Director of Finance where the value of any gift or hospitality is more than £25.

Before any gifts with a value over £25 are made by the College or members of College staff, prior written approval requires to be obtained from the Principal or a Vice Principal.

C FINANCIAL MANAGEMENT AND CONTROL

10 Financial Planning

10.1 Responsibility

The Director of Finance is responsible for preparing annually a rolling medium term strategic financial forecast for approval by the Board of Management and for submitting a financial forecast return and cash forecast to the SFC. Financial plans should be consistent with the strategic plans approved by the Board of Management.

10.2 Budget Objectives

The Board of Management will from time to time, set budget objectives for the College. These will assist the Vice Principal Operations and the Director of Finance in preparing the financial plans for the College.

10.3 Resource Allocation

Resources are allocated annually by the Board of Management on the recommendation of the Corporate Development Committee and based on the above objectives (10.2). The Senior Management Team is responsible for the economic, effective and efficient use of resources allocated to them.

10.4 Budget Process

The Director of Finance is responsible for preparing annually:

- a detailed budget for the forthcoming financial year, for approval by the Board of Management on the recommendation of the Corporate Development Committee.
- a 12-month cash flow forecast, and balance sheet based on the annual SFC funding allocation and the 12-month budget.
- a list of major assumptions used in arriving at the budget and forecast.
- scenario plans to address potential material movements in the above assumptions and how the College would respond to these movements.
- a Financial Forecast Return (FFR) for submission to the SFC.
- a medium-term financial forecast.

Financial plans should be consistent with the SFC Regional Outcome Agreement, the College Corporate Plan and any other relevant College strategy documents as approved by the Board of Management. Following approval by the Board of Management the budget will be communicated to budget holders as soon as possible.

10.5 Budget Review

During the year the Director of Finance is responsible for submitting a revised Statement of Comprehensive Income and Expenditure Profit and Loss account forecast, cash flow forecast and projected year-end balance sheet to the Corporate Development Committee for consideration before submission to the Board of Management for approval as required.

10.6 Capital Expenditure

Capital expenditure includes all expenditure on land, buildings, equipment, furniture, and associated costs, whether they are funded from capital grants or capitalised for inclusion in the College's financial statements.

Where the College receives capital grant funding from the SFC, the Director of Infrastructure in conjunction with the Director of Finance will establish protocols with the College Executive for the inclusion of capital projects in a capital programme for approval by the Board of Management. These protocols will set out the information that is required for each proposed capital project as well as the financial criteria that they are required to meet.

The Director of Infrastructure will also establish procedures for the approval of any variations arising in relation to capital projects, including the notification of variations to the Scottish Funding Council, as laid down in Scottish Funding Council guidelines. The Director of Infrastructure is responsible for providing regular statements concerning all capital expenditure to the Board of Management for monitoring purposes.

Following completion of any major capital project with a value more than £500,000, a post-project evaluation requires to be submitted to the Board of Management including the actual expenditure against budget and reconciling funding arrangements where a variance has occurred as well as any other issues affecting completion of the project.

Where a project has a value more than £3m the SFC requires a formal post occupancy evaluation to be undertaken and submitted for review. Further guidance on the form and content of this type of review can be found at:

http://www.sfc.ac.uk/web/FILES/Guidance/Post-Occupancy-Evaluation-Guidance.pdf

10.7 Estate Development Programme

The estate development programme includes all expenditure on land, buildings, equipment, furniture, and associated costs normally funded by SFC maintenance grants or from College funds. Expenditure of this type is approved by the Senior Management Team normally at the start of each year.

The Director of Infrastructure will establish protocols with the College Executive for the creation of the estate development programme. These will set out the information that is required for each proposed project as well as the financial criteria that they are required to meet. The Director of Infrastructure is responsible for providing regular statements concerning all estate development expenditure to the Senior Management Team, for monitoring purposes.

10.8 Other Major Developments Including Overseas Activity

Any new aspect of business, or proposed establishment of a company or joint venture, which will require an investment of more than £250,000 must be presented for approval to the Corporate Development Committee. The College must have due regard to the relevant guidelines issued by the SFC.

The Director of Finance will establish protocols for any such major developments proposed, to enable them to be considered for approval. These will set out the information that is required for each proposed development including a business plan, using a risk-based approach which considers matters of ownership, accountability, and governance, as well as the financial criteria that requires to be met.

11 Financial Control

11.1 Budgetary control

The control of income and expenditure within an agreed budget is the responsibility of the budget holder, who must ensure that monitoring is undertaken effectively. Budget holders are responsible to their Director/Assistant Principal for the income and expenditure appropriate to their budget. The Accountant allocated to the budget holder will ensure that they receive training in the use of the [College finance system](#) to allow them to actively monitor income and expenditure. Significant variances from agreed budgetary targets must be reported immediately to the Director of Finance by the budget holder concerned and, if necessary, corrective action taken.

A budget holder may delegate their overall budget or a proportion of it to delegated budget holders, subject to the approval of the Director of Finance. In this situation the budget holder and the delegated budget holder are both responsible for ensuring they have awareness of the requirements of the Financial Regulations.

11.2 Financial information

Budget holders are assisted in their duties by management information provided by the Finance Department. The Vice Principal Operations is responsible for supplying budgetary reports on all aspects of College finances to the Corporate Development Committee. These reports are then presented to the Board of Management as required, which has overall responsibility for College finances.

11.3 Changes to the approved budget

Changes proposed to the approved overall College budget surplus / (deficit) will be first considered by the Corporate Development Committee, which will make proposals to the Board of Management as required.

11.4 Virement

The virement of budgets must not lead to any net change in the overall annual budget for the College. Virement between budgets is permitted as set out below:

Movement	Authority
Between staff and non-staff budgets	Director of Finance and or Head of Finance and Student Funding.
Non-staff budgets under a budget holder	Accountant
Between non-staff budgets <£25,000	Principal Accountant
Between non-staff budgets >£25,000 to £100,000	Principal Accountant and Head of Finance and Student Funding
Between non-staff budgets >£100,001	Director of Finance and Head of Finance and Student Funding

11.5 Carry forward of budgets

The carry forward of balances of any budget from one year to another is not permitted.

12 Accounting Arrangements

12.1 Financial Year

The College financial year will run from 1 August until 31 July the following year.

12.2 Basis of accounting

The annual consolidated College financial statements are prepared on the historical cost basis of accounting modified by the revaluation of certain fixed assets, and in accordance with applicable accounting standards, the SFC Annual Accounts Directions and the Scottish Government SPFM.

The Accounts Direction issued by the Scottish Ministers via the SFC require that the annual accounts for a financial year shall:

- comply with the accounting principles and disclosure requirements of the edition of the Government Financial Reporting Manual (FReM), as approved by the Financial Reporting Advisory Board, which is in force for the financial year for which the accounts are prepared.
- give a true and fair view of the state of the affairs of the College as at the end of the financial year, and of the net resource outturn, resources applied to objectives, recognised gains and losses, and cash flow.

12.3 Format of the financial statements

The financial statements are prepared in accordance with the current Statement of Recommended Practice (SORP): *Accounting for Further and Higher Education* and in accordance with applicable Accounting Standards, subject to any specific requirements of the SFC, and in accordance with the provisions of the Companies Act, as appropriate.

12.4 Capitalisation and depreciation

Assets are recorded in the Balance Sheet at depreciated replacement cost for land and buildings and at historic cost less depreciation for equipment in accordance with the Financial Reporting Manual. Buildings will be depreciated in equal instalments over their estimated remaining useful life, but subject to periodic revaluation. Land will not be depreciated.

Expenditure incurred on repair, refurbishment or extension of existing buildings will not be capitalised unless it can be demonstrated that the resultant value of the building, based on depreciated replacement value, is greater than the current book value.

Expenditure incurred on the acquisition of assets other than land and buildings will be recorded in the balance sheet where the acquisition cost including VAT per item is £5,000 or more.

'Grouped assets' are a collection of assets which individually may be valued at less than £5,000 but which together form a single collective asset with a group value in excess of £20,000 because the items fulfil all the following criteria:

- the items are functionally interdependent.
- the items are acquired at about the same date within the same financial year and are planned for disposal around the same date.
- each individual asset thus grouped has a value of over £250.

Examples of such a grouping of assets are:

- Assets acquired during the initial setting up of a new building or on refurbishment may also to be treated as 'grouped' for capitalisation purposes.
- Networked systems - Large collective networked system developments where individual items of computer hardware and/or software are purchased as part of a larger system and which will be used as a part of that system for the duration of their asset life.

The rationale for permitting such a form of 'grouping' is that:

a) smaller items of expenditure may be recognised as having a useful life over several years, and as a result should be capitalised rather than written off in the current year.

b) the College will from time to time receive specific capital grant funding from such bodies as the Scottish Funding Council which it is likely to expend on smaller items of equipment. To comply with such grant conditions and treat these items as capital for accounting purposes, the College must be able to group such items together.

To justify the adoption of this approach, the items should all be purchased within a reasonable time frame (no more than one financial year), and the total combined cost of the individual assets should be no less than £20,000.

Capitalised assets other than land and buildings will be depreciated in accordance with the College's accounting policy on capitalised assets and depreciation.

Certain tangible assets will be revalued, normally land and buildings. Where such a policy is adopted it will be applied consistently to all tangible fixed assets of the same class, and the carrying amount should be the current asset value. A full valuation of land and buildings will take place at least every 5 years with an interim valuation in year 3.

Where an asset is found to have suffered impairment, the prospective impairment and background must be communicated to the SFC at the earliest opportunity. Valuation advice as to the amount of the prospective impairment must be obtained from a suitably qualified Valuer who has enough current local and national knowledge of the market and the skills and understanding to undertake the valuation competently. In all cases, the Valuer used must be a professional member of an appropriate body, such as the Royal Institution of Chartered Surveyors or the Institute of Revenues Rating and Valuation. Depreciation periods will be set as follows:

Asset Class	Depreciation period
Land	Nil
Buildings	5 to 50 years
Leasehold property	Length of lease
Plant and equipment	3 to 10 years
Computers	3 years

Motor vehicles	3 years

12.5 Accounting Records

The Director of Finance is responsible for the retention of financial records. These should be kept in a form that is acceptable to the relevant authorities. Guidance on the retention of financial records which may be required in connection with the preparation and audit of accounts is set out in the SPFM.

The College is required by law to retain certain key documents for six years plus the current year. This list is not exhaustive but includes:

- official purchase orders.
- paid invoices /cheques.
- accounts raised.
- bank statements.
- copies of receipts.
- payroll records.

The Director of Finance will make appropriate arrangements for the retention of electronic financial records. Staff should ensure that retention arrangements comply with any specific requirements of external funding organisations. For auditing and other purposes, all financial documents should be retained for at least three years.

12.6 Public Access

Under the terms of the Freedom of Information (Scotland) Act 2002, the Board of Management is required to supply any person with a copy of the College's most recent financial statements within twenty working days of a request after such date as which the financial statements have been laid before and approved by the Scottish Parliament. The College will also make available the Annual Report and Financial Statements on the College's website. A printed copy will be available on request to the College. Previous annual financial statements are also available on the College website or by request to the Secretary to the Board who can be contacted via email at Shirley.gordon@wcs.ac.uk

12.7 European Structural Funds Funded Projects

An important aspect of European Structural Funds is the retention of all project records, to demonstrate a clear and transparent audit and procurement trail. Documentation relating to ESF funded projects will be retained by the relevant College department for the prescribed period.

12.8 Taxation

The activities of government and public bodies can give rise to tax liabilities, either directly on their own account or through contracts with other bodies where the tax system influences the terms of contracts. In assessing cost effectiveness in activities where tax considerations might be important, it should be borne in mind that savings arising from tax mitigation may arise at the expense of other taxpayers, or other parts of the public sector.

All individuals who qualify as employees for tax purposes must be paid through the College payroll system with tax deducted at source. No payment arrangements should be put in place that could be perceived, reasonably, as seeking to minimise the tax liability of either the individual or the paying organisation concerned.

Proposals to put in place non-standard tax management arrangements must be approved in advance by the SFC. The Director of Finance is responsible for advising managers, in the light of guidance issued by the appropriate bodies and relevant legislation as it applies, on all taxation issues, to the College. Therefore, the Director of Finance will issue guidance and instructions to departments as required on compliance with statutory requirements, including those concerning VAT and other corporate taxes. The Director of Organisational Development and HR is responsible for guidance on PAYE and National Insurance.

The Director of Finance is responsible for maintaining College tax records, making all tax payments, receiving tax credits, and submitting tax returns by their due date as appropriate.

13 Audit Requirements

13.1 General

External auditors and internal auditors have authority to:

- access College premises at reasonable times.

- access all assets, records, documents, and correspondence relating to any financial and other transactions of the College.

- require and receive such explanations as are necessary concerning any matter under examination.

- require any employee of the College to account for cash, stores, or any other College property under their control.

- access records belonging to third parties, such as contractors, when required.

The Director of Finance is responsible for drawing up a timetable for the audit of the financial accounts and will advise the staff and the external auditors accordingly. A joint meeting of the Audit and Corporate Development Committees, chaired by the Chair of the Audit Committee, will review the annual College Financial Statements. On their recommendation, the annual College Financial Statements will be submitted to the Board of Management for approval.

13.2 SFC

Where appropriate, the College must provide data returns requested by the SFC in accordance with the deadlines and standards specified.

13.3 External audit

Under the terms of the Public Finance and Accountability (Scotland) Act 2000, the Auditor General for Scotland is responsible for the appointment of the external auditors for the College. The primary role of external audit is to report on the institution's financial statements and to carry out such examination of the statements and underlying records and control systems as are necessary to reach their opinion on the statements and to report on the appropriate use of funds.

The external auditor is entitled to receive all notices of and other communications relating to any meeting of the governing body which any member of the governing body is entitled to receive. They are also entitled to attend any such meeting and to be heard at any meeting which they attend, on any part of the business which concerns them as auditors.

The external auditor must also be entitled to attend the meeting of the governing body or other appropriate committee at which the College annual report and financial statements are presented. The College's appointed external auditor has the right of direct access to the Principal, Chair of the Board of Management, and the Audit Committee.

The external auditor is expected to attend, as a minimum, any meetings of the Audit Committee where relevant matters are being considered, such as planned audit coverage, the audit report on the financial statements and the audit management letter. It is the responsibility of the Secretary to the Board of Management to notify the external auditor of such meetings.

The external auditors, notwithstanding responsibilities to their clients, are expected to co-operate fully with any enquiries or routine monitoring that the SFC undertakes. The College must not in any way limit SFC's access to the College's external auditors.

13.4 Internal audit

The internal auditor is appointed by the Board of Management on the recommendation of the Audit Committee.

Internal audit provides an independent, objective assurance and consulting activity designed to add value and improve an organisation's operations. Internal audit provides an appraisal of the College's internal control system and takes the actions required to provide the Principal with a continuing assurance that College risk management, control and governance arrangements are adequate and effective. Internal audit assists the College accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control, and governance processes. The operation and conduct of the internal auditors require to comply with Public Sector Internal Audit standards.

The Principal is responsible for ensuring that appropriate internal control systems exist within the College, and for deciding whether to accept and implement internal audit findings and recommendations. The Principal has overall responsibility for ensuring that prompt and effective action is taken on audit recommendations, and that the risks resulting from any inaction are recognised and accepted. The College's appointed internal auditor has the right of direct access to the Principal, Chair of the Board of Management, and the Audit Committee.

Internal audit evaluates compliance with the College's internal control system - including relevant regulations, guidance, and procedures - as part of the review process. However, the primary responsibility for monitoring compliance rests with operational areas and their line management, up to and including the Principal.

Entities or individuals involved in the external audit of the College should undertake non-external audit related work for the College only in exceptional circumstances.

The College must have in place an effective internal audit service. The operation and conduct of the internal audit service must conform to the professional standards of the Chartered Institute of Internal Auditors. For incorporated colleges and Regional Boards, the operation and conduct of internal audit must comply with Public Sector Internal Audit Standards and, where relevant, the SPFM.

The College must inform the SFC when an internal auditor is appointed and must inform SFC immediately if the internal auditor is removed or departs before the end of their term of office.

The internal audit service must provide the governing body and senior management of the College with an objective assessment of adequacy and effectiveness of risk management, internal control, governance, and value-for- money.

The internal audit service must extend its review over all financial and other management control systems, identified by the audit needs assessment process. Internal audit must cover all activities in which the College has a financial interest, including those not funded by SFC. It must include review of controls that protect the College in dealings with organisations such as subsidiaries or associated companies, arms-length foundations, the Student Association, collaborative ventures and/or joint ventures with third parties.

The College appointed internal auditor will produce an annual report for the governing body on its' activities during the year. The report must include an opinion on the adequacy and effectiveness of the College's risk management, internal control, and governance. The report must be presented to the College's Audit Committee and subsequently to the Board of Management, and a copy sent to the SFC.

The internal auditor is expected to attend, as a minimum, any meetings of the Audit Committee where relevant matters of internal reporting and control are being considered.

13.5 Other audit services

The College, subject to the prior approval of the Audit Committee, can procure other audit services as required to comply with external funding or other stakeholder audit requirements.

13.6 Fraud, Bribery and Corruption

The College has made a clear commitment to ethical standards in public life through its [Anti-Bribery and Corruption Policy](). A copy of this policy can be found on the College intranet.

Fraud can be perpetrated by persons outside as well as inside an organisation and by collusion. The term fraud is commonly used to describe a wide variety of dishonest behaviour such as deception, forgery, false representation, and concealment of material facts. It is usually used to describe the act of depriving a person of something by deceit, which may involve the misuse of funds or other resources, or the supply of false information. Computer fraud covers the use of information technology equipment to manipulate programs or data dishonestly – for example by altering, substituting, or

destroying records, or creating spurious records - or where the use of an IT system was a material factor in the perpetration of a fraud. The fraudulent use of computer time and resources is included in this definition.

All staff have a responsibility in relation to the prevention and detection of fraud, but the prime responsibility for designing, operating, and reviewing control systems rests with the managers involved. Managers should consult the College finance function and internal audit where new control procedures are being set up or significant changes to existing procedures are being proposed.

Procedures set up to prevent and detect fraud must be carefully followed and monitored. Many frauds are due to failure to comply with existing control systems.

It is the duty of the Board of Management, Senior Management, and all members of staff to notify the Director of Finance immediately whenever any matter arises which involves, or is thought to involve, irregularity, including fraud, corruption, or any other impropriety. Further details can be found in the [Fraud and Corruption Policy](#) and the Public Interest Disclosure (Whistleblowing) Policy and Procedure.

The Director of Finance shall immediately invoke the fraud response plan, which incorporates the following key elements:

- the Principal and the Audit Committee (through its Chair) will be notified of the suspected irregularity and shall take such steps as considered necessary by way of investigation and report.
- the Principal shall inform the Police Scotland if a criminal offence is suspected of having been committed.
- any significant cases of fraud or irregularity shall be reported to the Scottish Funding Council in accordance with their requirements as set out in the audit code of practice.
- the Audit Committee shall commission any such investigation as may be necessary of the suspected irregularity, by the College, internal audit service or others, as appropriate.

- the internal audit service, or others commissioned to carry out an investigation, shall prepare a report for the Audit Committee on the suspected irregularity. Such report shall include advice on preventative measures.

If the suspected fraud is thought to involve the Principal, Vice Principal and/or the Director of Finance, the member of staff shall notify the Chair of the Audit Committee directly of their concerns regarding irregularities.

Under the terms of the SFC FM, the College is required to submit a report to SFC of each incidence of fraud loss that exceeds £5,000.

13.7 Value for Money

Value for Money provides a common framework for continuous improvement in public services in Scotland and is a key foundation of the Scottish Government's Public Service Reform agenda. The Principal has a specific responsibility to ensure that arrangements have been made to secure Value for Money. In addition, the Board of Management has a corporate responsibility for promoting the efficient and effective use of staff and other resources by the College in accordance with the principles of Value for Money. Under the terms of the Public Finance and Accountability (Scotland) Act 2000 the implementation of the Value for Money duty by relevant public service organisations is subject to scrutiny by the Auditor General for Scotland.

Guidance for Accountable Officers on Value for Money is available on the Scottish Government website. The guidance identifies the themes which an organisation needs to focus on to deliver the duty of Value for Money and provides detail on what organisations should be aiming for and points to related support and guidance material. Value for Money should be appropriate to, and proportionate to, an organisation's priorities, operating environments and scale/nature of business and should be implemented accordingly.

It is a requirement of the FM between the SFC and the College that the Board of Management is responsible for delivering value for money from public funds. The Board of Management should keep under review arrangements for managing all the resources under its control, considering guidance on good practice issued from time to time by the SFC or other relevant bodies. The College has a Value for Money Policy which sets out the arrangements in place.

The College, as part of its internal audit arrangements, must obtain a comprehensive appraisal of management arrangements for achieving value for money. This forms part of the Audit Committee annual report.

13.8 Other Auditors

The College may, from time to time, be subject to audit or investigation by external bodies such as the SFC, Accounts Commission, European Court of Auditors, HM Revenue and Customs. They have the same rights of access as external and internal auditors.

14 Cash Management

14.1 Cash Management Policy

All bodies to which the SPFM is directly applicable are required to have their core bank accounts with the Government Banking Service (GBS).

The College should take appropriate steps to prevent bank account fraud. Banking operations should be annually reviewed by the Head of Finance and Student Funding.

Cash on site should be kept to minimum levels agreed by the Head of Finance and Student Funding. Cash reserves held during the year should be kept to the minimum level consistent with the efficient operation of the College and the level of funds required to meet any relevant liabilities at the year-end. Grant-in-aid shall not be paid into any restricted reserve held by the College. Transfers to arms-length-foundations are permitted and will require the agreement of the SFC.

14.2 Borrowing

All borrowing will require the approval of the Scottish Ministers. Requests to borrow must be submitted to the SFC for consideration in the first instance.

14.3 Banking Arrangements

The Director of Finance is responsible, on behalf of the Board of Management Corporate Development Committee, for liaising with the College's bankers in relation to bank accounts and the issuing of cheques. All cheques shall be ordered on the authority of the Director of Finance, who shall make proper arrangements for their safe custody.

The following conditions will apply to the operation of the College banking arrangements:

- Only a combination of two from the Principal, Vice Principals and/or the Director of Finance may open or close a bank account for dealing with College funds. All bank accounts shall be in the name of the College.
- All automated transfers on behalf of the College, such as BACS or CHAPS, must be authorised by two persons drawn from the Principal, Vice Principals, the Director of Finance, Head of Finance and Student Funding, Finance Manager, Principal Accountant and/or Accountant/System Accountant.

- All BACS payment reports must be approved for payment by either the Head of Finance and Student Funding, Finance Manager, Student Funding Manager and/or the Principal Accountant.

- All cheques drawn on behalf of the College must be signed by two authorised persons.

- Details of authorised persons and limits shall be provided for in the College's banking mandates, copies of which are available from the Finance Department and will be reported annually to the Corporate Development Committee.

14.4 The Head of Finance and Student Funding is responsible for ensuring that all bank accounts are subject to regular reconciliation and that large or unusual items are investigated as appropriate.

14.5 Investments

The College must not make any investments without the prior written approval of the SFC.

15 Income

15.1 General

The Director of Finance is responsible for ensuring that appropriate procedures are in operation to enable the College to receive all income to which it is entitled. All receipt forms, invoices, tickets or other official documents in use and electronic collection systems must have the prior approval of the Director of Finance.

The Director of Finance is responsible for:

- the prompt collection, security and banking of all income received.

- ensuring that all grants notified by funding bodies are received and appropriately recorded in the College accounts.

- ensuring that all claims for funds are made by the due date.

15.2 Repayment of SFC Grant

If the College fails to comply with the requirements of the SFC FM, or any other specific terms and conditions attached to the payment of grant from the SFC, it may be required to repay the SFC any sums received from it and to pay interest in respect of any period during which a sum due to the SFC remains unpaid. If, in the reasonable opinion of the SFC, any provision set out in the FM is not observed by the College, the SFC will be entitled to take the following action:

- In the case of funding by way of SFC grant: to require immediate repayment of all grants or any part or parts of any grants at any time after the SFC becomes aware of such failure to observe (without prejudice to further demands until the whole of all sums made available by way of grant shall have been paid in full).

- In the case of funding by way of loan (notwithstanding the terms of any agreement attached to the same): to require immediate repayment of the whole or part of each such loan at any time after SFC becomes aware of such failure to observe (without prejudice to further demands until the whole of all sums made available by way of loan shall have been repaid in full).

15.3 Maximisation of Income

It is the responsibility of all staff to ensure that revenue to the College is maximised by the efficient application of agreed procedures for the identification, collection and banking of income. This requires the prompt notification to the Finance Department of sums due so that collection can be initiated.

15.4 Tuition Fees

Except for those which are set by SFC or Student Awards Agency for Scotland (SAAS) the College must charge student tuition fees at the levels prescribed within the Fee Policy document. A copy of the Fee Policy can be found on the College internet.

15.5 Receipt of Cash and Cheques

All monies received within departments from whatever source must be recorded by the department daily together with the form in which they were received, for example cash, debit/credit cards, cheques, and other negotiable instruments.

All monies received must be paid to the Finance Department promptly, and in accordance with any timetable stipulated by the Finance Manager. The custody and transit of all monies received must comply with the requirements of College insurers.

All sums received must be paid in and accounted for in full and must not be used to meet miscellaneous departmental expenses or be paid into the departmental petty cash float. Personal or other cheques must not be cashed out of money received on behalf of the College.

15.6 Receipts by credit or debit card

The College can receive payments by debit or credit card in person, over the telephone using merchant terminals or through a hosted payment facility. The terminals support primary account number (PAN) truncation where the card number is partially obscured on the customer receipt. A copy of the receipt should be retained to support evidence of payment.

In operating this facility, the College is bound by the Payment Card Industry Data Security Standard (PCI DSS), which is designed to ensure cardholder information is stored, processed, and transmitted securely.

The Director of Finance is responsible for ensuring the College maintains PCI DSS compliance, which is monitored by the merchant services unit.

15.7 Collection of Debts

The Head of Finance and Student Funding should ensure that:

- debtor's invoices are raised promptly on official invoices, in respect of all income due to the College.
- invoices are prepared with care, recorded in the ledger, show the correct amount due and are credited to the appropriate income account.
- any credits granted are valid, properly authorised and completely recorded.
- VAT is correctly charged where appropriate and accounted for.
- monies received are posted to the correct debtors account.
- swift and effective action is taken in collecting overdue debts, in accordance with the protocols noted in the financial procedures.
- outstanding debts are monitored, and reports prepared for management.
- correction of an error using a credit note requires Finance Manager approval i.e. posting/text/coding/amount/VAT/withdrawal of student.

The Director of Finance will implement procedures for the collection of debts including any instalment arrangements the periods in which different types of invoice must be paid.

A bad debt is a debt that is not collectable. A bad debt can also arise where the cost of pursuing the debtor is more than the amount that can be collected. Debt write off must be carried out in line with the authorisation levels stated below:

Value of Debt	Authorising Official
Up to £1,000	Finance Manager
£1,001 to £5,000	Head of Finance and Student Funding
£5,001 to £50,000	Director of Finance or Vice Principal
Over £50,000	Corporate Development Committee

15.8 Student Fees

The Policy for collecting tuition fees (Fee and Pricing Policy (westcollegescotland.ac.uk)) must be approved annually by the Senior Management Team. The Director of Finance is delegated to ensure that all student fees due to the College are received.

Any student who has not paid an account for fees or any other item owing to the College may not receive the certificate for any degree, diploma or other qualification awarded by the College until all outstanding debts have been cleared. Such students may be prevented from re-enrolling at the College and from using any College facilities until appropriate arrangements have been made.

The College seeks to minimise any possibility of money laundering in accordance with the Money Laundering Regulations. For further advice and guidance see the Governments advice page at https://www.gov.uk/topic/business-tax/money-laundering-regulations Where refunds are required, they should be made to the original payer and follow the method by which the money was received.

16 Other Income-Generating Activity

16.1 Private Consultancies and Other Paid Work

Unless otherwise stated in the contract of employment of a staff member:

- outside consultancies or other paid work may not be accepted without the consent of the Principal and Chief Executive.

- outside consultancies must not conflict with the work of the College.

- applications for permission to undertake work as a purely private activity must be submitted to the Principal, as appropriate, and include the following information:
  - the name of the member(s) of staff concerned.
  - the title of the project and a brief description of the work involved.
  - the proposed start date and duration of the work.
  - any remuneration received for the outside consultancy or paid work.
  - full details of any College resources required (for the calculation of the full economic cost).
  - an undertaking that the work will not interfere with the teaching and normal College duties of the member(s) of staff concerned.

- any outside consultancy or other paid work may require to be listed in the College Register of Interest.

16.2 Off-Site Collaborative Provision

If the off-site collaborative arrangement goes beyond the provision of premises, physical resources, and administrative support a formal partnership and course delivery agreement may be required. This is especially relevant for any arrangement whereby the College provides education to students away from College premises with the assistance of persons other than the College's own staff or with independent contractors/partner organisations. The following procedure must be followed:

- There shall be a signed contract in place setting out the responsibilities of each party to the agreement before any educational provision is delivered.

- The impact of any collaborative contract shall be subject to scrutiny and considered by the appropriate College Committee. They shall consider the risk factors associated with the proposed partnership.

- Where the partnership would represent a significant departure from the College strategic plan, the Board of Management shall approve the departure and the Principal shall inform the SFC and seek their view.

16.3 European Union (EU) and other Matched Funding

Any such project requires the approval of the appropriate Vice Principal or member of SMT prior to any commitment being entered. Such approval shall be dependent upon the relevant Manager being able to demonstrate that eligible matching funds are available and that the project is financially viable by the application of the College's costing and pricing model.

Individual applications for funds where projects are more than £250,000 shall be the subject of a report to the Corporate Development Committee which will set out the potential risks and opportunities generated by the project. If the College agrees such EU contacts for provision the relevant member of SMT shall ensure that:

- this is based on a written contract which allows for full audit access to detailed records.
- appropriate monitoring procedures are in place to ensure that the outputs are achieved, and the provision is of suitable quality.
- payments are only made against detailed invoices.

The SPFM also provides guidance on funding from the European Union (EU) and related expenditure and the College requires to take cognisance of this.

16.4 Profitability and Recovery of Overheads

All other income-generating activities must be self-financing or surplus-generating unless it is intended that a new course is to be launched as a loss leader. If that is the case, the reason for it must be specified and agreed by the relevant Assistant Principal / Director.

Other income-generating activities organised by members of staff must be costed and agreed with the relevant Assistant Principal / Director and the Director of Finance before any commitments are made. Provision must be made for charging both direct and indirect costs, for the recovery of overheads.

16.5 Donation of surplus funds to arms-length foundations

The College may donate any surplus on its income and expenditure account as at 31 March each year to an arms-length foundation. The donation must take place in the fiscal year in which it arises and is subject to sufficient cash and resource cover being available. Authorisation for any donation to a Foundation requires the approval of the Board of Management and the SFC.

16.6 Deficits

Any unplanned deficits incurred on other income-generating activities will be charged against the respective departmental budget.

16.7 Additional Payments to Staff

Any proposal which involves additional College payments to members of staff should be supported by a schedule of names and values and must be approved by the appropriate Assistant Principal / Director / Vice Principal and the Director of Organisational Development and HR. Any payment to a Vice Principal or the Principal must be approved by the Chair of the Board of Management. The tax treatment of such proposals must be confirmed with the Finance Department in advance of the agreement being signed off.

17 Expenditure

17.1 General

The Director of Finance is responsible for making payments to suppliers for goods and services supplied to the College. External business and Management Consultancies greater than £100,000 and operating leases (non-property) greater than £250,000 require SFC approval.

17.2 Scheme of Delegation/Financial Authorities

Budget holders are responsible for purchases within their department. In exercising this delegated authority, budget holders are required to observe these Financial Regulations. The Director of Finance shall maintain a register of authorised signatories. Under procedures agreed by the Director of Finance, central control shall be exercised over the creation of requisitioners and authorisers and their respective limits (for electronic systems). Any changes to the authorities to commit expenditure must be notified to the Head of Finance and Student Funding immediately.

The Head of Finance and Student Funding is authorised to approve payments, regardless of value, in respect of:

- payroll and VAT returns, this includes payments to HMRC, pension funds and other outside bodies in respect of deductions made from employees' pay.
- capital and interest repayments made to financial institutions in respect of loan agreements taken out by the College.
- transfers between College bank accounts and investment accounts.

These payments will be validated and authorised by the Finance Manager or Principal Accountant before seeking the Head of Finance and Student Funding authorisation.

The SPFM requires the College to seek prior approval from the SFC for:

- Any new voluntary severance scheme.
- Any change to a previously approved voluntary severance scheme.
- Any payment, forming part of any scheme, considered to be sensitive or high profile.
- Any use of settlement agreements; and

- Any payment to an individual more than contractual entitlement out with an approved voluntary severance scheme.

Subject to the payments being made in relation to an approved voluntary severance scheme, the Director of Organisational Development and HR is authorised to approve severance payments made to employees, except for the Principal and Vice Principals. Any severance payment to the Principal or Vice Principals must be authorised by the Chair of the Board of Management and approved by the SFC. There is a delegated limit of up to £1,000 for special severance payments and any value above £1,000 requires prior SFC approval.

The Scottish Government have also stipulated that:
- where appropriate, it is expected that notice should be worked rather than a payment being made in lieu of notice.
- a maximum payback period of 24 months will apply in all cases (i.e. the time taken to recover the compensation costs against normal salary costs). This will be applied at an individual rather than scheme level.
- an individual leaving because of a voluntary severance resignation secured by a financial consideration may not return to employment within the same employer for a period of at least 12 months, including as a temporary agency worker or via a procurement route.

17.3 Purchase Orders

College orders must be placed for the purchase of all goods or services. Only in exceptional circumstances should petty cash be used to purchase goods or services.

Purchase orders may not be split to lower the value per order with a view to reducing the authorisation level required.

Budget holders are not authorised to commit the College to expenditure without first reserving enough funds to meet the purchase cost.

Purchasing directly from online sites is not advised as the College has limited protection when purchasing from this source. Purchasing from eBay and Amazon is prohibited unless authorised in advance by either the Head of Finance and Student Funding or the Director of Finance.

The following purchase order approval limits for individual items of expenditure will be applied within the finance system:

Expenditure	Authoriser
£0 to £250	Budget Holder/delegated budget holder
£251 to £10,000	Principal Accountant
£10,001 to £50,000	Director of Finance/Head of Finance and Student Funding
£50,001 to £250,000	Vice Principal / Principal
£250,001 to £500,000	Corporate Development Committee
➢ £500,000	Board of Management

A request for a special payment is used to make payments to suppliers without the requirement to set up full supplier details on the finance system, and may only be used under the following conditions:

- For non-recurring purchases up to £1,000 (including VAT) where the supplier does not accept bank or credit card payments.
- For payments to groups of individuals, who may only ever be paid once. This includes nursery or specific membership refunds.

It is the responsibility of the Director of Finance to ensure that all purchase orders refer to the College's conditions of contract.

The College will not utilise on-line payment transaction systems – such as PayPal - for payment of on-line goods and services as there is limited recourse against the provider of the goods/services.

17.4 Credit Cards

Where appropriate, the Principal and the Vice Principal Operations may approve the issuing of College credit cards to senior staff. The operation and control of the College's credit cards is the responsibility of the Director of Finance. There will be appropriate oversight of the distribution of such cards and the associated card limits provided by the Vice Principal Operations.

Holders of credit cards must use them only for the purposes for which they have been issued and within the authorised purchase limits. Such cards shall be used for the payment of valid business expenses only, and the misuse of such cards shall be grounds for disciplinary action. Cards must not be loaned to another person, nor should they be used for personal or private purchases.

Cardholders should obtain approval to purchase from the relevant budget holder and should ensure that there is sufficient budget available to meet the costs. The Director of Finance shall determine what information is required on purchases made with cards from cardholders and deadlines for receipt in the Finance Department to enable financial control to be maintained. There should be appropriate segregation of duties, with those reviewing and reconciling cards not holding and using those cards.

All items purchased on the College credit card must have an approved purchase order before the goods or services are procured. The Director of Finance/Head of Finance and Student Funding will approve and sign credit card reconciliations at least quarterly.

17.5 Procurement

The College requires all budget holders, irrespective of the source of funds, to obtain supplies, equipment, and services at the most economically advantageous cost (MEAT). This should be consistent with quality, delivery requirements, sustainability and equalities legislation and in accordance with the College's Procurement Strategy (final-procurement-strategy-2021-2025.pdf (westcollegescotland.ac.uk)) considering procurement framework agreements as appropriate. Budget holders should engage with the College procurement function at the earliest possible opportunity.

The Director of Finance is responsible for:

- ensuring that the College procurement procedures and requirements are known and observed by all involved in purchasing for the College.
- advising all stakeholders on matters of College procurement process and practice.
- advising and assisting departments on specific departmental purchases.
- developing appropriate standing supply arrangements on behalf of the College to assist budget holders in meeting their value for money obligations.
- the drafting and negotiation of all large-scale purchase contracts undertaken by the College, in collaboration with the responsible department.
- ensuring that the College complies with all relevant public procurement policies.

Guidance on procurement matters is available on the procurement area of the College intranet. College procurement processes reflect the relevant guidance issued by Advanced Procurement for Universities and Colleges (APUC); and the requirements of the Procurement (Scotland) Regulations 2016, Procurement Reform (Scotland) Act 2015 and the Public Contracts (Scotland) Regulations. The Scottish Procurement Policy Handbook must also be followed, andfollowed and should be read in conjunction with the Procurement Journey (a toolkit providing practical guidance on procurement procedures). The Scottish Government's Construction Procurement Manual for managing or delivering construction / works projects is also mandatory. Scottish Government Consultancy Procedures should be taken into account as relevant good practice guidance when appointing consultants, and they require that consultants can only be justified where required knowledge and expertise is not available in-house.relevant policy and advice issued by the Scottish Procurement and Commercial Directorate; and European Union directives

Any proposal to award a contract without competition (non-competitive action) at a level above £25,000 must be approved in advance by SFC.

Goods and services should firstly be sourced through APUC and Government framework agreements, prior to any alternative procurement route being taken.

Strategy Development and Authorisation

The Procurement Department will create a procurement strategy for all tendering activities above £25,000 total contract value in line with best practice. This procurement strategy will detail the methodologies applied when tendering a commodity or category including the suggested route to procurement and tendering approach.

Procurement strategies will be authorised by the following staff for estimated contract values of:

Estimated Contract Value	Authorised By
£25,000 to £50,000	Budget Holder and Head of Finance and Student Funding
£50,001 to £100,000	SMT Member and Director of Finance
>£100,000	SMT Member and Vice Principal ~~Operations~~

17.6 Scottish ~~and EU~~ Procurement Regulations

The Director of Finance is responsible for ensuring that the College complies with its legal obligations concerning ~~Scottish and EU~~ procurement legislation.~~. Scottish and EU procurement regulations apply to written contracts for all forms of procurement, purchase or hire with a total value exceeding the EU threshold value.~~

The Director of Finance will advise Senior Management Team on the financial thresholds that are currently in operation. Any breach of these ~~Scottish and EU~~ regulations could be liable to action by a supplier or potential supplier.

It is the responsibility of Senior Management Team to ensure that their members of staff

comply with the Scottish ~~and EU~~ procurement regulations by notifying the Director of Finance of any purchase that is likely to exceed the thresholds. This will need to be done well in advance where tenders are of a higher value in order to permit advertisements in relevant procurement portals ~~journals such as the Official Journal of the European Union (OJEU) if this i~~as required.

17.7 Quotations and Tenders

Delegated budget holders must comply with the College's procurement guidance contained within these Regulations and the Scottish Government Procurement Journey. Tendering procedures for the contract values noted below require to be followed:

Goods and Services

Total Contact Value	Action	Responsibility / Notes	Contract Authorisation
<£5,000	At least 2 written quotations where no current contract / framework is in place.	Department A balanced approach being undertaken based on the nature and level of the transaction involved. Value for money must always be achieved.	The Budget Holder
£5,001 to £25,000	Endeavour to obtain at a minimum 3 written quotations where no current contract / framework is in place.	Department The procurement must demonstrate best value, due diligence and transparency in the selection process in line with corporate and statutory regulations.	A member of SMT and Head of Finance and Student Funding
£25,001 to £50,000	At a minimum 3 quotes via PCS 'quick quote' require to be obtained where no current contract / framework is in place.	Procurement The procurement must demonstrate best value, due diligence and transparency in the selection process in line with corporate and statutory regulations.	A member of SMT and Director of Finance and / or Head of Finance and Student Funding
£50,001 to £250,000	Open tender via PCS / PCS-T endeavouring to obtain at least 3 responses.	Procurement Where a suitable procurement framework exists, a mini competition or direct award may be carried out. If no suitable framework is available, it will be necessary to carry out an open	Director of Finance and Vice Principal / Principal

Total Contact Value	Action	Responsibility / Notes	Contract Authorisation
		tender exercise. The exercise should also be carried out in a manner that will allow any resulting contract to be formed on the Colleges' terms and conditions.	
£250,001 to £500,000	Open tender via PCS-T	Procurement Where a suitable framework exists, a mini competition or direct award may be carried out. If no suitable framework is available, it will be necessary to carry out an open tender exercise. Procurements falling into this category must be advertised as per the current relevant procurement regulations.	Corporate Development Committee
>£500,000	Open tender via PCS-T	Procurement Where a suitable framework exists, a mini competition or direct award may be carried out. If no suitable framework is available, it will be necessary to carry out an open tender exercise. Procurements falling into this category must be advertised as per the current relevant procurement regulations.	Board of Management

The College is required to include a Community Benefits clause where the contract value is ~~in excess of~~more than £4m as per the current procurement statutory regulations. For all contracts above ~~the OJEUProcurement Thresholds~~ this limit the College will seek a Ceommunity bBenefits clause where considered relevant and appropriate.

For Works

Works are defined as under Schedule 2 of the Public Contracts (Scotland) Regulations

~~2015~~2016.

Total Contact Value	Action	Responsibility / Notes	Contract Authorisation
<£25,000	Endeavour to obtain at least 3 written quotations where no current contract / framework is in place.	<u>Department</u> A balanced approach being undertaken based on the nature and level of the transaction involved. Value for money must always be achieved.	The Head of Estates
£25,001 to £250,000	Written quotations require to be obtained via PCS / PCS-T where no current contract / framework is in place. Where an open tender is not conducted a minimum of 5 suppliers will be invited to respond and it is expected that a minimum of three bids will be assessed.	<u>Procurement</u> The procurement must demonstrate best value, due diligence and transparency in the selection process in line with corporate and statutory regulations.	Director of Infrastructure, Director of Finance and / or Vice Principal
£250,001 to £500,000	Open tender via PCS / PCS-T	<u>Procurement</u> If no suitable framework is available, it will be necessary to carry out a competitive exercise. The exercise should also be carried out in a manner that will allow any resulting contract to be formed on the Colleges' terms and conditions. Advertising for procurements falling into this category is compulsory except when using a framework.	Corporate Development Committee

Total Contact Value	Action	Responsibility / Notes	Contract Authorisation
>£500,001	Open tender via PCS-T	<u>Procurement</u> An open tender exercise must be carried out if a framework is not available. Where a suitable framework does exist, a mini competition or direct award may be carried out in accordance with the framework rules. Advertising for procurements falling into this category is compulsory except when using a framework. Tenders for works above a total contract value of £4m must include provision for achieving Community Benefits as part of their outcomes.	Board of Management

The College is required to include a Community Benefits clause where the contract value is ~~in excess of~~more than £4m as per the current procurement statutory regulations. For all contracts above ~~Procurement Thresholds,~~ this limit ~~the OJEU limit~~ the College will look to include a Community Benefits clause where considered relevant and appropriate.

17.8 Building Contracts

Building contracts more than £250,000 are the approval responsibility of the Corporate Development Committee, with contracts above £500,000 requiring Board of Management approval, with advice provided by the Vice Principal Operations, Director of Infrastructure and Director of Finance and where necessary external professional advisors.

Proposals will be initiated because of required and planned capital developments. Managing consultants may be appointed if the project is of a scale or specialism that requires this. All such appointments shall be subject to tendering and other procurement procedures as appropriate.

Proposals for building contracts that require Board of Management approval shall be presented in the form of an options appraisal including relevant costings as appropriate, prepared by the Vice Principal Operations and Director of Infrastructure. Option appraisals should comply with Scottish Funding Council guidance.

Following consideration, and approval by the Board of Management, option appraisals should be forwarded to the Scottish Funding Council where appropriate. If the required agreement is secured from the Scottish Funding Council, the relevant procedural rules should be followed. Scottish Funding Council guidance on best practice should be followed even when Scottish Funding Council approval is not required.

The achievement of value for money will be an objective in the awarding of all contracts.

17.9 Receipt of Goods and Services

All goods received shall be checked for quantity and/or weight and inspected for quality and specification. A delivery note shall be obtained from the supplier at the time of delivery and signed by the person receiving the goods. All persons receiving goods on behalf of the College must be independent of those who negotiated prices, its terms and placed the official order.

All goods and services received shall be entered onto the finance system as soon as practicable after receipt or delivery. If goods are deemed to be unsatisfactory, the record shall be marked accordingly, and the supplier immediately notified so that they can be collected for return as soon as possible. Where goods are short on delivery, the record should be marked accordingly, and the supplier immediately notified.

17.10 Payment of invoices

The procedures for making all payments shall be in a form specified by the Director of Finance.

Payments to UK suppliers will normally be made by BACS transfer and will only be varied after consulting with the Head of Finance and Student Funding.

Budget Holders are responsible for ensuring that expenditure within their departments does not exceed funds available.

Suppliers should be instructed by the budget holder to submit invoices for goods or services directly to the Finance Department by electronic means where possible.
Care must be taken by the budget holder to ensure that discounts receivable are obtained.
Payments will only be made by the Finance Manager against invoices that have been certified for payment by the appropriate budget holder and that can be matched to a receipted order. Certification should be done electronically through the [finance system](#).

Certification of an invoice or receipting of an electronic order will ensure that:

- the goods have been received, examined, and approved for quality and quantity, or those services rendered, or work done is satisfactory.
- where appropriate, it is matched to the order.
- invoice details (quantity, price discount) are correct.
- the invoice is arithmetically correct.
- the invoice has not previously been passed for payment.
- where appropriate, an entry has been made on a stores record or departmental inventory.
- an appropriate cost centre is quoted; this must be one of the cost centre codes included in the budget holder's area(s) of responsibility and must correspond with the types of goods or service described on the invoice.

17.11 Staff Reimbursement

The College's purchasing and payments procedures are in place to enable most non-pay supplies to be procured through the purchase ledger system without staff having to incur any personal expense. However, on occasion, staff may incur expenses, most often in relation to travel, and are entitled to reimbursement. Where such purchases by staff are planned, Senior Management Team members may approve advances to staff that are going to incur expenditure on the College's behalf. Advances by bank transfer may be requested from the Finance Team.

Upon completion of the travel or project to which the advance relates, a staff expenses claim must be prepared to demonstrate how the advance was disbursed and any unspent balance repaid and returned to the Finance team. Under no circumstances will a second advance be approved when the final accounting for an earlier advance to an individual is still outstanding.

For all other expense reimbursement, the College Travel and Subsistence Procedure applies, and this document is available on the [College staff intranet page](#).

17.12 Late Payment Rules

The Late Payment of Commercial Debts (Interest) Act 1998 as amended by the Late Payment of Commercial Debts Regulations 2002 gives businesses the statutory right to claim interest on late payments from large organisations and public authorities, including the College. Key points in relation to this are:

- small businesses can charge interest on overdue invoices.
- the rate of interest is currently 8% per annum above the official daily rate of the Bank of England.
- late payment compensation of £40 per invoice.

In view of the penalties in this Act, the Board of Management requires that invoices must be passed for payment when received, and payment made in accordance with the Prompt Payment Code (http://www.promptpaymentcode.org.uk/).

17.13 Losses and Special Payments

In principle, the College will always attempt to pursue the recovery of overpayments, irrespective of how they came to be made. In practice, however, there will be both practical and legal limits to how cases should be handled. Each case will therefore be dealt with on its individual merits.

The College will only take a decision not to seek recovery of an overpayment based on a cost benefit analysis of the options. A decision not to pursue recovery will be exceptional and will only be taken after a careful appraisal of the relevant facts. A Vice Principal or the Director of Finance must authorise the non-pursuance of an overpayment. The decision not to pursue an overpayment must consider the guidance in the section of the SPFM on Losses and Special Payments. Any decision not to pursue recovery, or not to pursue recovery in full, should be defensible in the public interest.

Losses should only be written off after careful appraisal of the facts. All reasonable action must have been taken to affect the recovery of losses. Where there is a request to write off a loss or make a special payment exceeding £250,000 this will require to be authorised by the SFC prior to instigating the write off or making the payment.

Losses and special payments have been grouped into several different categories and include the following:
• Cash and bookkeeping losses.
• Losses of assets, stores and equipment.
• Extra-contractual payments.

These are payments which, although not legally due under the original contract or subsequent amendments, appear to place an obligation on a public sector organisation which the courts might uphold. Such obligations will usually arise from administrative action or inaction in relation to the contract. A payment is regarded as extra-contractual even where there is doubt whether the organisation is liable to make it, for example, where the contract provided for arbitration, but a settlement is reached without recourse to arbitration. A payment made because of an arbitration award is contractual. Compensation payments are ones made in respect of unfair dismissal or in respect of personal injuries, traffic accidents, and damage to property suffered by staff. Ex gratia payments are payments made where there is no legal obligation to pay.

There must always be good public policy grounds for making such payments. Within this category may fall out of court settlements, such as cases where the pursuer has no legal case, but the College wishes to stop the litigation because it may be costly in time and resources. Other examples of ex gratia payments would be payments as compensation for distress or loss arising from a perceived failure of the College but where there was no legal obligation to pay, or awarding a dismissed office holder a gratuity, that goes beyond any legal entitlement by virtue of his/her employment.

Losses incurred by the College of more than £3,000 each year should be reported annually to the SFC. The report should detail the number of such losses and the total cost.

17.14   Bankruptcy / Liquidation / Receivership

When the College learns of a bankruptcy / liquidation or receivership, it will stop all payments pending confirmation of the individual / organisation status. Once the bankruptcy / liquidation or receivership has been confirmed it is essential for the College to ensure that any payment due by them is made only to the proper person, and that any claim by them is properly lodged. The College should also consider, in consultation with legal advisers as required, whether any contract should be terminated. Any amounts to be written off because of bankruptcies will be subject to the SPFM guidance on Losses and Special Payments.

18 Petty Cash, Floats and Project Advances

18.1 Cash Requests

College purchasing and payment procedures are in place to enable most non-pay supplies to be procured through the finance system without staff having to incur personal expenses. The use of advances, petty cash and departmental float cash should only be used where cash expenditure may be unavoidable. ~~Where a single item is for less than £25 and is not an existing supplier it should be paid from petty cash if possible. The reimbursement must be supported by receipts or vouchers.~~

An online ~~petty~~ cash claim form is available on the College intranet and must be used for ~~recording~~ requesting all ~~petty~~ cash transactions. The Director of Finance shall make available to departments float imprests as considered necessary for the disbursements of incidental expenses. However, it is important for security purposes that imprest floats are kept to a minimum. All expenses must be supported by receipts and vouchers.

Requisitions for reimbursements must be sent via the online form found on the staff intranet which has workflow in place for authorisation by Budget holder in the first instance. If the amount requested is above £250 authorisation is required by SMT. The authorised form will be received electronically ~~to~~ by the Finance Department, together with appropriate receipts or vouchers. ~~, before the total amount held has been expended, in order to retain a working balance pending receipt of the amount claimed.~~ for processing. Reimbursements will be made via Bank transfer

18.2 Floats

Floats are provided to departments for incidental expenses, which can be requested ~~using the~~ through the online cash form~~.~~. ~~The~~ A designated member of staff will be granted a float and is personally responsible for its' safe keeping. The petty cash box must be kept locked in a secure place in compliance with the requirements of College insurers when not in use and will be subject to periodic checks by the Finance Manager or another person nominated.

College float reconciliation sheets are supplied by the Finance Department and must be used for recording all imprest accounts. Reimbursements of floats must be sent via ~~can be requested using~~

t the online form where staff must~~have to~~ account for and provide all the receipts/supporting documents for the expensed items.

Interim annual audits will be undertaken by the Finance Department of floats and certificate of the balances held should be completed by the member of staff responsible for the float and counter-signed by the budget holder. At the end of the financial year all floats must be returned to Finance and requested again at the start of the new financial year.

18.2 Project Advances

The Head of Finance and Student Funding and the relevant budget holder may jointly approve project cash advances where projects are carried out away from the College. These specifically relate to situations where cash expenditure may be unavoidable, especially in relation to student day trips.

Other forms of payment will be expected to be used wherever possible, such as an official purchase order and subsequent payment or a College credit card. College purchasing and payments procedures are in place to enable most non-pay supplies to be procured through the finance system without staff having to incur any personal expense.

Advances will not be issued to cover normal staff expenditure incurred in relation to travel and subsistence. Reimbursement for this will be sought in accordance with the College Travel and Subsistence Procedure with reimbursement through payroll.

Cash advances should be requested using the online cash claim form found on the staff intranet. Receipts or paid invoices will be retained for all sums expended in this way. Upon completion of the project to which the advance relates, within one month a final account must be prepared to demonstrate how the advance was disbursed and any unspent balance repaid. Under no circumstances will a second advance be approved when the final accounting for an earlier advance to a project or individual is outstanding.

Where cash advances more than £250 are requested, then these require to be further approved by a member of SMT. If a member of SMT is making the request the approval should be sought from their line manager.

19 Checking Financial Transactions

The responsibility for the propriety, regularity and accuracy of financial transactions cannot be avoided by relying on the work of internal or external auditors. The College will carry out appropriate reviews at operational area level as/if required. This includes checking the arithmetical accuracy of invoices raised / received; claims or other vouchers; fulfilment of the terms of a contract; professional verification for validity; physical checking of goods invoiced; checking of invoices against orders; and application of VAT. Any reviews will be undertaken by finance staff who will have no direct involvement in entering commitments for related goods and services.

To ensure that the review/checking procedures are both effective and economical they must be monitored. At operational area level records should be analysed regularly to identify the underlying reasons for any errors - such as the need for improvements in form design or training - and to take remedial action as necessary. In addition, internal audit should report on cases of excessive or ineffective financial checking and where appropriate checking procedures should be adjusted considering any findings.

Reviews will consider the extent of and the need for checks carried out in operational areas. Analysis of the results may suggest underlying inadequacies in the procedures or supporting systems which need to be addressed separately.

20 Pay Expenditure

20.1 Remuneration Policy

All College staff will be appointed to College salary scales in accordance with appropriate conditions of service. All letters of appointment must be issued by the Organisational Development and HR Department.

The salary and other benefits for the Principal and Vice Principals will be determined by the Remuneration Committee set up by the Board of Management but will have due regard to Public Sector Pay Policy. The salary and other benefits for Assistant Principals, Directors and Heads will be determined by the Principal but will have due regard to Public Sector Pay Policy.

20.2 Appointment of Staff

All contracts of service shall be concluded in accordance with College approved HR practices and procedures. All offers of employment with the College shall be made in writing by the Director of Organisational Development and HR. Budget holders shall ensure that the Director of Finance and the Head of Organisational Development and Human Resources are provided promptly with all information they may require in connection with the appointment, resignation, or dismissal of employees.

All permanent posts/contracts require to be authorised by a Vice Principal and then by the Director of Organisational Development and HR prior to the position being advertised.

20.3 Salaries and Wages

The College must have regard to Public Sector Pay Policy set by the Scottish Ministers. The Director of Organisational Development and HR is responsible for all payments of salaries and wages to all staff including payments for overtime or services rendered. All timesheets and other pay documents, including those relating to fees payable to external examiners and visiting lecturers will be in a form prescribed or approved by the Director of Organisational Development and HR.

The Director of Organisational Development and HR will also be responsible for keeping the Director of Finance informed of all matters relating to personnel for budgeting and forecasting purposes. These include:

- appointments, resignations, dismissals, supervisions, secondments and transfers.
- absences from duty for sickness or other reason, apart from approved leave.
- changes in remuneration other than normal increments and pay awards.
- information necessary to maintain records of service for superannuation, income tax and national insurance.

The Director of Organisational Development and HR is responsible for the monthly BAC's payments to employees and non-employees (pay over of payroll deductions). The Director of Organisational Development and HR is responsible for informing the appropriate authorities of such payments.

All employees will be included on the College payroll.

The Director of Organisational Development and HR shall be responsible for keeping all records relating to payroll including those of a statutory nature. All payments must be made in accordance with the College's detailed payroll financial procedures and comply with HMRC regulations.

20.4 Pension Schemes

The Board of Management is responsible for undertaking the role of employer in relation to appropriate pension arrangements for employees. The College provides access to two defined benefit pension schemes. Support staff are eligible to join the Local Government Pension Scheme administered by the Strathclyde Pension Fund. Teaching staff are eligible to join the Scottish Teachers Superannuation Scheme administered by the Scottish Public Pensions Agency.

The Director of Organisational Development and HR is responsible for day-to-day superannuation matters, including:

- paying contributions to various authorised superannuation schemes.

- preparing the annual return to various superannuation schemes.

- administering the College's pension fund.

The Director of Organisational Development and HR is responsible for administering eligibility to pension arrangements and for deciding when deductions should begin or cease for staff.

20.5 Travel, Subsistence and Other Allowances

All claims for payment of subsistence allowances, traveling and incidental expenses shall be completed and submitted electronically or in exceptional circumstances – for example a failure of the IT system - on the forms available on the HR system. These claims must be made in accordance with the requirements of the [College Travel and Subsistence Procedure](#).

20.6 Non-salary Rewards

The College may make non-salary rewards.

When making such awards care will be taken to avoid any criticism of unfair preference being given. The recipient of the reward will be given some choice or third-party suppliers will be used where, for example, voucher schemes are introduced.

In making the award the College will actively consider whether the non-salary reward schemes represent an appropriate use of public funds.

The College will be open and transparent in the way it deals with non-salary rewards. Should the College introduce such awards, a clear policy on disclosure of information about the awards which have been made and the procedures adopted for making those awards will be approved and widely disseminated.

20.7 Overseas Travel

All arrangements for overseas travel must be approved by a Vice Principal in advance of committing the College to those arrangements or confirmation of any travel bookings. Arrangements for overseas travel by Vice Principals will require to be approved by the Principal. Arrangements for overseas travel by the Principal or members of the Board of Management shall be approved by the Chair of the Board of Management. Arrangements for travel by the Chair of the Board of Management shall be approved by the Corporate Development Committee.

Where spouses, partners, or other persons unconnected with the College intend to participate in a trip, this must be clearly identified in the approval request. The College must receive reimbursement for the expected costs it may be asked to cover for those persons in advance of confirming travel bookings.

20.8 Travel and Expenses for Members of the Board of Management

Claims for members of the Board of Management will be authorised by the Secretary to the Board. Claims for the Chairperson will be authorised by the Chair of the Remuneration Committee. Only reasonable expenses can be reimbursed for attending meetings.

20.9 Severance and Other Non-Recurring Payments

In considering terms for severance, early retirement, or redundancy packages - whether compulsory or voluntary - public bodies to which the SPFM is directly applicable – including the College - should ensure that issues of legal and regulatory compliance, propriety and value for money are fully considered, alongside employee relations issues. Specifically:

- public funds must not be used wastefully or to underwrite inequitable or over-generous conditions of service, including severance.
- notice of termination of appointments should not be delayed to generate compensation payments in lieu of notice.
- where appropriate, ex-gratia severance or redundancy packages should be based on the arrangements set out within relevant extant terms and conditions of employment. Prior consideration should be given to the availability of pension and compensation benefits within these conditions.

- any special payments should be transparent and negotiated in such a way as to avoid conflicts of interest.

- offers of subsequent employment or consultancy work should be exceptional and only made where they represent value for money.

- any undertakings about confidentiality should leave transactions open to proper public scrutiny.

In line with the requirements of the SPFM, the College's severance scheme must be approved by SFC. The SFC issued 'Guidance on seeking approval for severance schemes and settlement agreements' (SFC/GD/01/2016) which incorporates the SPFM requirements. Provided a severance payment is within the parameters of a scheme, which has been approved by the SFC, there will be no need for the College to seek approval to the individual payment from SFC. Approval lasts for the duration of the scheme.

The College must follow the requirements of the SPFM and the SFC in determining settlement agreements, severance, early retirement and redundancy arrangements and payments.

Special severance payments more than £1,000 must be approved by SFC, except where provision for such payments has been included in a severance scheme approved by SFC.

Under the terms of the FM, the College is required to submit an annual report to SFC of any compensation payments that exceed £5,000 or ex- gratia payments that exceed £1,000. The report should describe the number of instances and total cost.

21 Assets

21.1 Overall Responsibility

The Board of Management has a duty to ensure that the assets for which they are responsible such as land, buildings, or other property - including stores and equipment - are properly and well managed. Robust systems should be put in place to ensure that the accuracy and integrity of information held on registers, databases and inventories is safeguarded and readily available for inspection.

21.2 Land, buildings, fixed plant and machinery

The purchase of land, buildings or fixed plant can only be undertaken with authority from the Board of Management and with reference to SFC requirements where exchequer-funded assets or exchequer funds are involved. Lease or rental agreements with a total agreement value of £250,000 or more must be approved by the Corporate Development Committee. Lease or rental agreements with a total agreement value of £500,000 or more will require the approval of the Board of Management.

Expenditure should be incurred in a way which represents value for money, considering potential risks to regularity and propriety. Effective control over payments must be maintained at all stages. Expenditure should be authorised in the operational area which entered the commitment, with due consideration to separation of duties.

21.3 Fixed Asset Register

The Director of Finance is responsible for maintaining the College register of land, buildings, fixed plant, and machinery. Managers will provide the Director of Finance with any information required to maintain the register.

Under resource accounting and budgeting, asset registers are a key part of financial management systems and must be capable of delivering the accounting requirements of the Government Financial Reporting Manual. The registers should contain details of all assets (both current and non-current) owned, whose value or original purchase price is more than the College's capitalisation threshold. The College asset register is computerised and the minimum detail held is:

- purchase price and date.
- asset accounting code.
- asset identification number.
- a physical description of the asset (where appropriate) together with details of serial or registration number.
- Locations.
- evidence of physical verification of the asset's existence.
- a depreciation profile.

21.4 Inventories

Managers are responsible for maintaining inventories, in a form prescribed by the Director of Finance, for all plant, equipment, furniture and stores in their departments. The inventory must include items donated or held on trust and must be checked at least annually.

The IT Department must maintain an inventory register of all ICT equipment.

When transferring equipment and plant between departments, a transfer record must be kept, and the inventories amended accordingly.

21.5 Stocks and Stores

Managers are responsible for establishing adequate arrangements for the custody and control of stocks within their departments. The systems used for stock accounting in departments must have the approval of the Director of Finance.

Managers are responsible for ensuring that regular inspections and stock checks are carried out. Stocks and stores of a hazardous nature should be subject to appropriate security checks.

Those Managers whose stocks require valuation in the balance sheet must ensure that the stock-taking procedures in place have the approval of the Director of Finance and those instructions to appropriate staff within their departments are issued in accordance with advice contained in the College's detailed financial procedures.

21.6 Safeguarding Assets

Managers are responsible for the care, custody and security of the buildings, stock, stores, furniture, and cash under their control. They will consult the Director of Finance in any case where security is thought to be defective or where it is considered that special security arrangements may be needed.

High value assets owned by the College shall, so far as is practical, be effectively marked to

identify them as College property.

21.7 Personal Use

Assets owned or leased by the College shall not be subject to personal use without proper authorisation.

21.8 Asset Disposal

Holdings of property, plant and equipment should be kept under constant review with a view to disposing of surplus assets as quickly as possible.

Disposal of equipment and furniture must be in accordance with procedures agreed by the Director of Finance. In disposing of plant and equipment assets which is surplus to requirements due consideration should be given to value for money. Payment should normally be required to be made before goods are released for collection or delivery. The law implies that any goods sold are of merchantable quality and fit for the purpose for which they are sold. If there is any reason to believe that goods are faulty or sub-standard, it should be made clear that they are sold as seen and without any implied warranties as to quality or fitness.

Disposal of land and buildings must only take place with the authorisation of the Board of Management. SFC consent may also be required if exchequer funds were involved in the acquisition of the asset. Holdings of land and buildings should be limited to the minimum needed to meet present and planned future requirements.

Land and buildings identified for disposal should be valued professionally. The District Valuer or suitably qualified private sector valuers - and in some exceptional cases in- house valuers - may be used. Advice should also be sought on development potential where required.

In disposing of exchequer funded assets, the College must follow the guidance contained within the SPFM and the relevant procedure notes issued by the SFC website.

21.9 Impairments, Provisions and Write-Offs

Assets must be recorded in the Balance Sheet at Depreciated Replacement Cost for Land and Buildings and at Historic Cost less depreciation for Equipment in accordance with the Financial Reporting Manual (FReM). Where an asset, including investments, suffers impairment, it is important that the prospective impairment and background is communicated to the SFC at the earliest possible point in the financial year to determine the budget implications. Any significant movement in existing provisions or the creation of new provisions must be discussed with the SFC.

21.10 All Other Assets

Managers are responsible for establishing adequate arrangements for the custody and control of all other assets owned by the College, whether tangible, such as stock, or intangible, such as intellectual property, including electronic data.

22 Funds Held on Trust

22.1 Gifts, Benefactions and Donations

The Director of Finance is responsible for maintaining financial records in respect of gifts, benefactions and donations made to the College and initiating claims for recovery of tax where appropriate.

22.2 Student Support Funds

The Director of Finance will prescribe the format for recording the use of student support funds. Records of support funds will be maintained according to funding body requirements. The College must follow SFC's Student Support Guidance.

23 Other

23.1 Maladministration

The College has a set of clear standards and an accessible complaints procedure which can be found at [Complaints - West College Scotland](#). If College services have been found to be deficient the College has a clearly defined procedure in place to ensure that, so far as reasonably practicable, the identified deficiencies are addressed to prevent recurrence.

Any payments of financial redress qualify as ex gratia payments and are therefore subject to the guidance on Losses and Special Payments. Any such payment will require to by authorised in advance by either the Principal or a Vice Principal. Payment on grounds other than actual financial loss or costs should only arise in exceptional circumstances.

23.2 Insurance

Insurance arrangements of all bodies to which the SPFM is applicable should be reviewed from time to time in the context of Risk Management. However, under the Scottish Ministerial policy of self-insurance constituent parts of the Scottish Administration and self-insuring SG sponsored bodies would be justified in taking out commercial insurance only in specified circumstances or if the cost of claims, including in-house and contracted-out administration costs, was calculated as likely to exceed the cost of insurance premiums. All the expected costs and benefits should be considered in establishing a value for money case for commercial insurance. Detailed guidance on conducting a cost-benefit analysis is provided in the Green Book. To show that commercial insurance provides value for money the cost-benefit analysis must show a positive net benefit.

Commercial insurance must be taken out by SG sponsored bodies where there is a legal requirement to do so. The Scottish Ministers have agreed a derogation whereby Colleges can extend their current commercial insurance arrangements for three years to 31 July 2024.

The Director of Finance is responsible for College insurance arrangements, including the provision of advice on the types of cover available. As part of the overall risk management strategy, all risks will have been considered and those most effectively dealt with by insurance cover will have been identified. This is likely to include important potential

liabilities and provide enough cover to meet any potential risk to all assets.

The Director of Finance is responsible for effecting insurance cover as determined by the Corporate Development Committee. He or she is therefore responsible for obtaining quotes, negotiating claims, and maintaining the necessary records. The Director of Finance will keep a register of all insurances effected by the College and the property and risks covered and will also liaise with College insurers and advisers about specific insurance matters.

Managers must ensure that any agreements negotiated within their departments with external bodies cover any legal liabilities to which the College may be exposed. The Director of Finance advice should be sought to ensure that this is the case. Directors and Managers must give prompt notification to the Director of Finance of any potential new risks and additional property and equipment that may require insurance and of any alterations affecting existing risks. Managers must advise the Director of Finance immediately of any event that may give rise to an insurance claim. The Director of Finance will notify the College's insurers and, if appropriate, prepare a claim in conjunction with the head of department for transmission to the insurers.

The Director of Finance is responsible for keeping suitable records of plant which is subject to inspection by an insurance company and for ensuring that inspection is carried out in the periods prescribed.

All staff using their own vehicles on behalf of the College shall maintain appropriate insurance in accordance with the requirements of the College Travel and Subsistence Procedure.

23.3 Companies and Joint Ventures

In certain circumstances it may be advantageous to the College to establish a company or a joint venture to undertake services on behalf of the College. Any member of staff considering the use of a company or a joint venture should first seek the approval of the Director of Finance who will consult and seek approval from the Board of Management. Approval from the SFC will also be required.

It is the responsibility of the Board of Management to establish the shareholding arrangements and appoint directors of companies wholly or partly owned by the College. These and other arrangements will be set out in a memorandum of understanding.

The directors of companies where the College is a shareholder must submit, via the Corporate Development Committee, an annual report to the Board of Management. They will also submit business plans or budgets as requested to enable the Committee to assess the risk to the College.

Where the College is the majority shareholder in a company, the SFC requires that the company's financial year must be consistent with that of the College.

23.4 Security

Keys to safes or other similar containers are to be retained securely. The loss of such keys must be reported to the Director of Finance immediately.

The Director of Infrastructure shall be responsible for maintaining proper security and privacy of information held on the College's computer network. Appropriate levels of security will be provided, such as passwords for networked personal computers together with restricted physical access for network servers. Information relating to individuals held on computer will be subject to the provisions of the relevant data protection legislation. A College Data Protection Officer shall be nominated to ensure compliance with relevant legislation and the safety of documents.

The Principal's Office is responsible for the safekeeping of official and legal documents relating to the College. The Principal's Office will make the necessary arrangements to ensure the safe keeping of such documents as copies of deeds, leases, agreements and contracts. All such official and legal documents shall be held in an appropriately secure location.

23.5 Contingent Commitments

The College must seek SFC's prior written consent if it intends to lend or give a guarantee,

indemnity, or letter of comfort. The value of the guarantee should be equal to the total contingent liability over the term of the guarantee. In all cases, the College must take steps to restrict the contingent liability to a minimum and should undertake a careful appraisal of the risks before accepting any contingent liability.

The College should also provide assurance that, in the event of the contingent liability arising, it can be met from College resources, or that appropriate insurance cover has been arranged.

SFC written consent is not required for such arrangements if the indemnity is of a standard type contained in contracts and agreements for day-to-day procurement of goods and services in the normal course of business.

23.6 Students' Association

The Students' Association is a separate legal entity from the College and is recognised as fulfilling a valuable role in supporting and representing the student community. Subject to any constraints imposed by the SFC, the Board of Management shall determine the level of grant to be paid annually to the Students' Association.

The Board of Management requires the Students' Association to provide for information including details of its' proposed budget to assist in determining the appropriate level of grant in accordance with an agreement between the College and the Students' Association. The College's internal / external auditor shall have access to records, assets, and personnel within the Students' Association in the same way as other areas of the College. At the year end the Students' Association financial statements will be independently examined by an appropriately qualified member of staff or firm of auditors and will be presented to the Board of Management for information.

The College will assist the Students' Association by maintaining its financial records and assisting in preparing its annual financial report to the Board of Management.

23.7 Provision of Indemnities

Any member of staff asked to give an indemnity, for whatever purpose, should consult the Director of Finance before any such indemnity is given.

24 Intellectual Property Rights and Patents

24.1 General

Certain activities undertaken including research and consultancy may give rise to ideas, designs and inventions which may be patentable. These are collectively known as intellectual property.

24.2 Patents

The Board of Management is responsible for establishing procedures to deal with any patents accruing from inventions and discoveries made by staff during their research.

24.3 Intellectual Property Rights

Intellectual Property is the product of thought, creativity, and intellectual effort. During their studies at the College, students may generate Intellectual Property which is of some commercial value. A variety of legal rights protect applications of ideas and information that may be of commercial value. Those most relevant to the College's activities include patents, registered designs, copyright and 'know how'. The law is clear that intellectual property created by staff 'in the course of their employment' belongs to the College. Students are not normally employees of the College. Any assignment of student Intellectual Property must be done by a specific contract. Colleges must seek to strike a balance between a duty of care to the student and a duty not to exploit (e.g. sell, transfer, assign or license) Intellectual Property for the College's good, this balance being best achieved by selective assignment arising out of a specific contract in cases where the College's input in the creation of the Intellectual Property is very clear.

In the event of the College deciding to become involved in the commercial exploitation of inventions and research, guidance should be sought from the College legal advisors. The Director of Finance requires to authorise any agreement between the College and the students concerned.

24.4 Intellectual Property Rights by Students

Where a student generates Intellectual Property, the student has a duty to promptly inform the College of the Intellectual Property. The College will explain to the Student the matter of ownership in respect of all types of Intellectual Property through the development of appropriate documentation. When considering any Intellectual Property generated by one of its students, the College will seek to strike a balance between fulfilling its duty of care to the student and exploiting intellectual property for the good of the College. In each case the College will be mindful of protecting any third-party rights that may be relevant in the generation of the Intellectual Property.

Appendix 1: The Nine Principles of Public Life

Public Service

You have a duty to act in the interests of the public body of which you are a member and in accordance with the core tasks of that body.

Selflessness

You have a duty to take decisions solely in terms of public interest. You must not act in order to gain financial or other material benefit for yourself, family or friends.

Integrity

You must not place yourself under any financial, or other, obligation to any individual or organisation that might reasonably be thought to influence you in the performance of your duties.

Objectivity

You must make decisions solely on merit when carrying out public business.

Accountability and Stewardship

You are accountable for your decisions and actions to the public. You have a duty to consider issues on their merits, taking account of the views of others and must ensure that the public body uses its resources prudently and in accordance with the law.

Openness

You have a duty to be as open as possible about your decisions and actions, giving reasons for your decisions and restricting information only when the wider public interest clearly demands.

Honesty

You have a duty to act honestly. You must declare any private interests relating to your public duties and take steps to resolve any conflicts arising in a way that protects the public interest.

Leadership

You have a duty to promote and support these principles by leadership and example, to maintain and strengthen the public's trust and confidence in the integrity of the public body and its members in

conducting public business.

Respect

You must respect fellow members of your public body and employees of the body and the role they play, treating them with courtesy at all times.

Appendix 2: Summary of Protocols for Proposed Projects

The proposal should be supported by a plan for a period relevant to the size of the project which sets out:

- a demonstration of the proposal's consistency with the strategic plans approved by the Board of Management and with the College's powers under current legislation.
- details of the market need and the assumptions (based on reference data) of the level of business available.
- details of the business and what product or service will be delivered.
- an outline plan for promoting the business to the identified market and achieving planned levels of business.
- details of the staff required to deliver, promote and manage the business, together with any re-skilling or recruitment issues.
- details of any premises and other resources required.
- a financial evaluation of the proposal together with its impact on revenue and surplus, plus advice on the impact of possible alternative plans and sensitivity analyses in respect of key assumptions.
- contingency plans for managing adverse sensitivities.
- consideration of taxation and other legislative or regulatory issues.
- a financial forecast for the proposal including a monthly cash flow forecast and details of the impact on the College cash flow forecast for the financial years in question.

WEST COLLEGE
SCOTLAND

Name of policy/procedure/decision:
Financial Regulations

Provide a brief summary of the aims of the policy/procedure/decision and main activities:
The overall aim of this Policy is to ensure that West College Scotland has sound financial management systems in place and that these systems are strictly adhered to. This should lead to effective control over the totality of the College's resources and provide management with assurances that the resources are being properly applied for the achievement of the College's strategic plan and business objectives, namely: ● financial viability.   ● achieving value for money.   ● fulfilling its responsibility for the provision of effective financial controls over the use of public funds.   ● ensuring that the College complies with all relevant legislation.   ● safeguarding the assets of the College.

Assessed By:	Clare Fraser	**Date:** 19 March 2021

This stage establishes whether a policy, procedure or decision will have a differential impact from an equality perspective on people who share protected characteristics or whether it is "equality neutral" (i.e. have no effect either positive or negative).

The protected characteristics are: age, disability, gender reassignment, pregnancy or maternity, race, religion or belief, sex and sexual orientation.

1. Who will benefit from this (students/staff/stakeholders)? Is there likely to be a positive impact on people who share protected characteristics, and if so, how? <u>Or</u> is it clear at this stage that it will be equality "neutral"? i.e. will not have a differential impact on any equality group/s?

Ultimately all stakeholders – students, staff, partners and the general public will benefit from these Regulations given that they provide for good financial management and proper use of public funds. It is not anticipated that there will be any differential positive impact, that is, each group should benefit equally.

2. Is there likely to be an adverse impact on people who share protected characteristics? If so, who may be affected and why? <u>Or</u> is it clear at this stage that it will be equality "neutral"? There is little likelihood that this Policy will have an adverse impact on people who share protected characteristics. In fact, the policy itself could advance equality and prevent discrimination due to the fact that it focuses on robust and transparent systems and processes. Such transparency and openness could reduce the risk of unfairness.

It is also noted that the policy refers to ethical standards which are synonymous with good practice in equality, diversity and inclusion. Additionally, given that the nine Principles of Public Life include specific reference to integrity, objectivity, openness, and respect, and the fact that equal opportunity arrangements are a characteristic of Best Value, there is evidence that this Policy mainstreams good practice in equality.

Finally, this Policy sets out responsibility for ensuring that the College complies with legislation, which includes the Equality Act 2015 and the Specific Equality Duties. This should also reduce the risk of unfairness or discrimination taking place.

3. What action will you take to ensure that you are monitoring the impact of this policy?
Any complaints about the implementation of this Policy will be monitored, and we will also review monitoring information relevant to each of the separate activities/areas referred to within this Policy.

1 | P a g e

TITLE: ESTATES OUTLINE BUSINESS CASE UPDATE

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Status: **Restricted**

TITLE: **INFORMATION TECHNOLOGY SECURITY UPDATE**

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Status: Restricted

TITLE: **ANNUAL (JANUARY 2020 – JULY 2021) HR REPORT**

Background: This paper provides the Corporate Development Committee with updates on a range of activities covered by the Organisational Development and HR Directorate from January 2020 to July 2021 and reviews a number of key performance indicators.

       Historically this report has been based on a calendar year, however in future years the report will be aligned to the financial year and therefore this report bridges the gap and covers a 19 month period from January 2020 to July 2021.

Action: The Corporate Development Committee is requested to review and note the content of the report.

Lead: Natalie Smith, Director of Organisational Development & HR

Status: Open

DRAFT

HUMAN RESOURCES REPORT

JANUARY 2020 – JULY 2021

Contents

1. Introduction

The Human Resources Report provides an update to the Board of Management on a range of activities covered by the Organisational Development and HR Directorate from January 2020 to July 2021. Performance indicators are also included for Organisational Development and HR indicators.

Where possible these indicators are compared externally against relevant data from the Scottish Government, Chartered Institute of Personnel and Development (CIPD), Scottish Funding Council (SFC), XpertHR and the Office for National Statistics.

This report covers a 19-month period from January 2020 to July 2021 and going forward will align with academic and financial year.

The Human Resources Report will be circulated to the recognised trade unions and made available to all staff on the College intranet following member review and approval.

1.1 The Impact of COVID-19

As with all organisations, the global COVID pandemic has presented all sorts of challenges in terms of service delivery. The Organisational Development and HR directorate has played a major support role throughout the crisis with every sub function within the team playing their part.

- **Health and Safety:** Providing a range of advice, detailed guidance, organisational/activity-based/individual risk assessments, identifying PPE, responding to issues on site, suggesting solutions to COVID related problems etc.
- **HR:** Processing the individual aspects of furlough, communication with staff and providing support, advising managers on individual issues, adapting HR processing to virtual platforms e.g. recruitment and onboarding processes carried out using Teams.
- **Payroll:** Processing furlough payments and "top ups", processing COVID related expenses.
- **OD:** Enabling the move to online platforms with the provision of appropriate staff learning and development.
- **Data Protection:** Providing advice on the storage and handling of personal COVID-related data.
- **EDI:** Offering workshops relating to vulnerable groups affected by COVID.

2. Summary Information

2.1 Summary of Key HR Metrics

Table 1: HR Metrics	31st December 2019	31st July 2021	External Benchmark
Headcount	1185	1148	n/a
Staffing costs as a percentage of income	84% (31 July 2020)	82%	n/a
Employee turnover	9.8%	13.1% (18 months)	17.1%*
Male/female ratio	40/60	42/58	39/61**
Percentage of BME staff	1.5%	1.7%	2.2%**
Percentage of staff with a disability	6.9%	6.9%	6.0%**
Sickness absence	5.3%	3.6%	2.8%***
Age bracket highest number of staff	30-49	30-49	30-49****

*Labour Turnover Rates Survey, XpertHR, 2020
**College Staffing Data AY 18/19, SFC, published March 2020
***Absence Rate and Costs, XpertHR Survey, 2021
**** Scotland's Census, 2011

2.2   HR Report Summary

2.2.1 Staffing Profile

The staff headcount as at 31st July 2021 was 1148, 3% down on the previous year of 1185. All recruitment goes through a rigorous approval process which includes a member of the Executive, the Director of Organisational Development and HR and the Director of Finance providing financial approval for the employment request.

The staffing costs as a percentage of income have reduced slightly from 84% at end of July 2020 to 82% at end of July 2021 although staff costs increased £1.8m year on year.

2.2.2 Employee turnover

Employee turnover appears to be higher this year but we are reporting over a longer period so we would expect more staff to leave within that timeframe. Nonetheless our turnover rate for that extended period still looks reasonable compared to the benchmark.

2.2.3 Length of Service

The length of service of the majority of teaching staff is in excess of 10 years which has been the case for many years, but, for support staff, the majority of staff have less than 10 years' service.

2.2.4 Sickness Absence

The sickness absence rate for the reporting period dropped to 3.6% from 5.3% in 2019. This has been the period of the global COVID-19 pandemic with homeworking and furlough likely masking a certain proportion of absences.

2.2.5 Equality, Diversity and Inclusion

This Section provides key highlights of actions we have taken to advance equality, including the development of CPD and tools to enhance practice during remote working, developing an effective response to Gender Based Violence, and showcasing our EDI work to the national FE and HE sectors.

Our equality data compares well with the sector, and there have been indications of positive change, with ongoing incremental increases in the diversity of our staff. We are pleased to note a decrease in the gender pay gap, which is lower than the national benchmark.

2.2.6 Learning and Development

A move to online delivery of curriculum and support services has required a huge effort in providing online face-to-face training, e-learning and other resources relating to Microsoft Teams.

Staff wellbeing has also featured significantly with awareness of mental health issues and mindfulness being key themes and will continue to do so over the coming year. Additional funding has been received to support this area.

2.2.7 Employee Relations

The strike action which took place in the Spring of 2021 by EIS/FELA was the dominating employee relations issue of the reporting period. This was resolved at the end of April with an NJNC agreement.

2.2.8 Resourcing and Talent Planning

The College used the governments furlough scheme for staff who were not able to do their work from home.

The College ran a voluntary severance scheme with 23 staff leaving the College on that basis.

The Catering Team was significantly reduced in size following 16 staff leaving under voluntary severance and 1 being redeployed, reflecting the reduced demand for on-campus catering. The voluntary severance cost £450k and annual savings of £600k (including on-costs) will be delivered as a result.

2.2.9 Health and Wellbeing

The reporting period (January 2020 - July 2021) was one of the most challenging we ever faced, especially as far as Health, Safety and Wellbeing was concerned. As an organisation we reacted very quickly to the demands of the outbreak and we implemented a number of control measures early on, with continuous adjustments and monitoring thereafter. These now embedded processes are supporting greatly as we start the new academic year.

2.2.10 Data Protection and Freedom of Information

The Data Protection Toolkit continues to track progress in terms of compliance – it is noted that many of these items overlap with the requirements of the Scottish Government's Cybersecurity Framework document, and work will continue to consider these items as requirements for both areas of compliance (data protection and cybersecurity). ICO's recently released Accountability Framework is being assessed, with a view to adoption for tracking the College's accountability work as required by UKGDPR Article 5, (2).

3. College HR Metrics

3.1 College Staffing Profile

The staff headcount as at 31st July 2021 was 1148. This compares to an end of year figure in 2019 of 1185 which means that headcount in the College continues on a slight downward trend. This is partly due to 23 staff taking voluntary severance and a rigorous approval process before recruitment can be undertaken, including for replacement of leavers.

The staffing profiles shown below (Figures 1 and 2) compare 31st December 2019 and 31st July 2021 headcount figures for Teaching and for Support Staff.

Figure 1: Teaching Staff
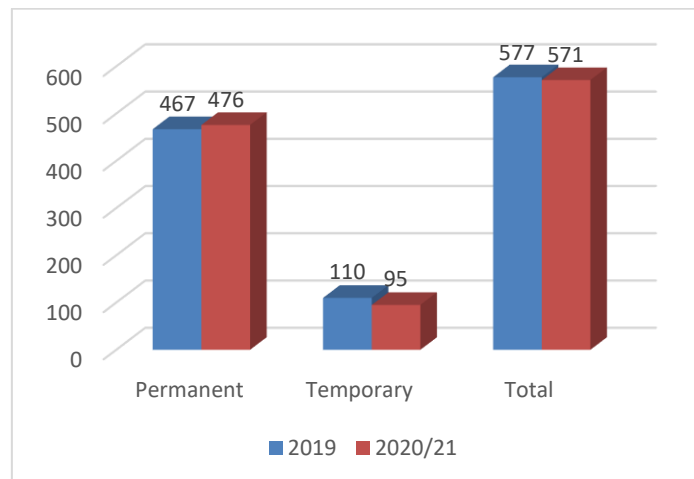
There are some migrations from temporary to permanent staffing as lecturers reach two years of continuous service. Overall numbers have been reduced by 4 members of teaching staff leaving under voluntary severance.

Figure 2: Support Staff
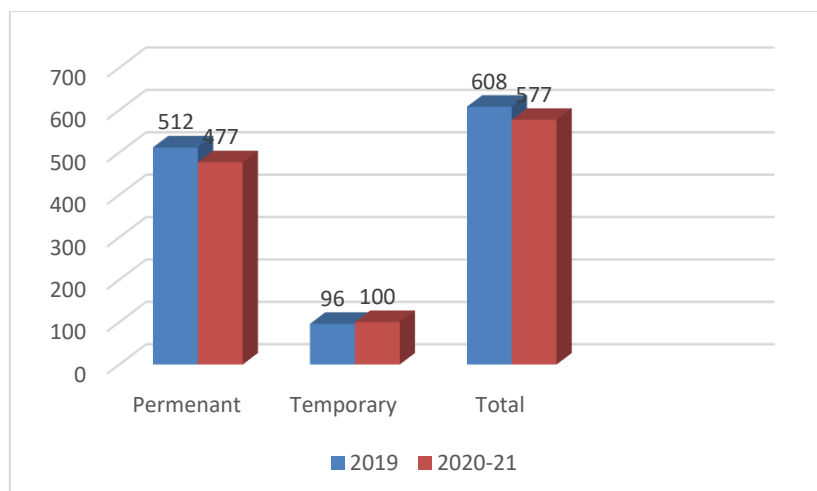
Support staff headcount savings have been made from 19 staff taking Voluntary Severance. The Catering Service has contributed to this due to a reduction in demand for catering services driven by an increased range of alternative external provision available, particularly at the Paisley Campus.

3.2 Employee Turnover

The College average employee turnover (Figure 3) was 13.1% for January 2020 – July 2021 which is higher than 2019, when it was 9.8%. If you pro-rata average employee turnover

during this 19 month period, then an equivalent turnover figure for a 12 month period would be 8.3% which is slightly lower than in 2019.

Even with this extended time period, our retention of staff compares favourably with the average rate of employee turnover detailed in the XpertHR Labour Turnover Rates Survey 2020, which was 17.1% for all industries. However, the same survey showed a rate for the public sector alone of 9.5% which is more comparable with our figures

It should be noted that the turnover figures for both Support Staff and Teaching Staff does not include those on temporary, fixed term, contracts.

The majority of turnover is attributable to employees leaving voluntarily and the turnover rate is higher amongst Support staff (18.2%) than Teaching staff (8.0%), reflecting the fact that there are more opportunities for Support staff to join other organisations outwith the sector.

Figure 3: Employee Turnover
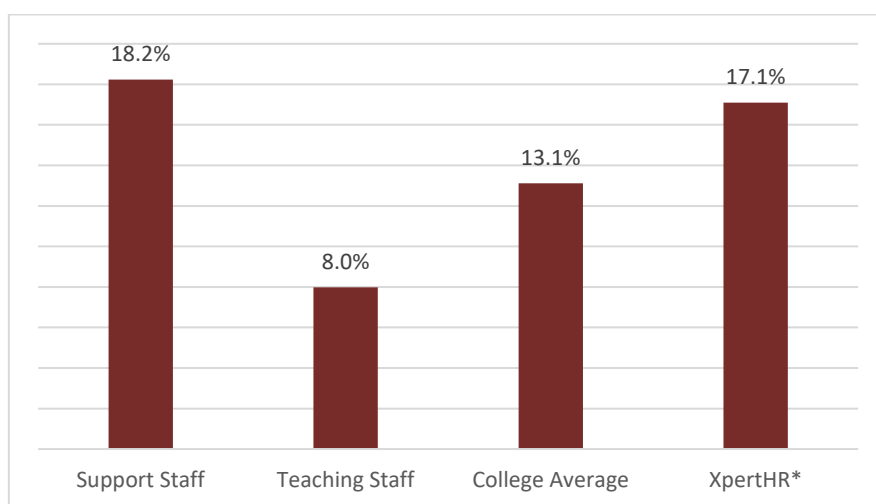
*XpertHR, 2020

The top three reasons for staff leaving West College Scotland between January 2020 and July 2021 are resignation, retirement and voluntary severance (see figures 4 and 5).

Unfortunately we have had some deaths in service that have been linked to the pandemic, despite not having any College outbreaks. All deaths in service have a significant impact on the teams the individual members of staff belonged to and the wider College community they may have worked with. We reflect upon these losses with great sadness and are thankful for the contribution these staff brought to enriching the lives of all within our College community. The Staff Association will be donating a remembrance bench to each

campus to allow a place for staff and students to reflect and remember colleagues reflective of the depth of feeling both among students and staff.

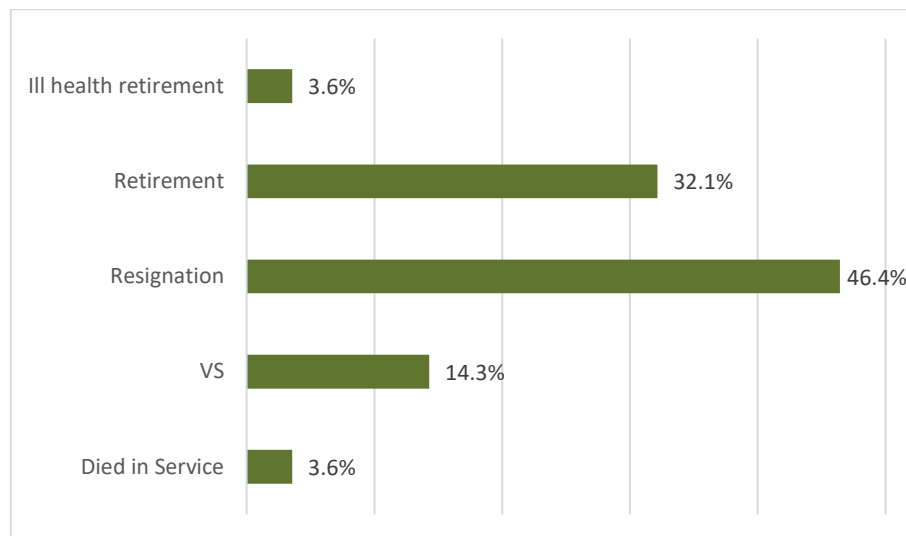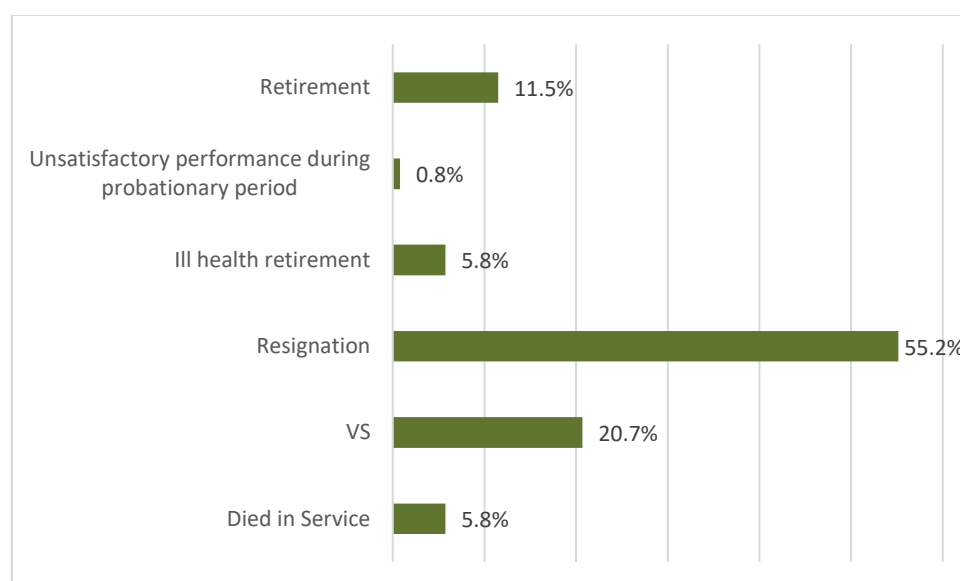**Figure 4: Reasons for Teaching Staff Leaving (proportion of those who have left)**

Figure 5: Reasons for Support Staff Leaving (proportion of those who have left)

3.3 Length of Service

The length of service of teaching and support staff are included as Figures 6 and 7. Service is with West College Scotland and does not include previous public sector service.

The length of service of the majority of teaching staff (55.5%) is in excess of 10 years which has been the case for many years, but, for support staff, the majority of staff (53.7%) have less than 10 year's service. There are also large differences between clusters on the charts for Teaching Staff and Support Staff. For example, after the 0-4 years service peak, there is a large cluster on the teaching chart at 15-19 years service (20.5%) and a large cluster on the support chart at 5-9 years service (21.7%).

The relatively long service amongst West College Scotland employees, particularly teaching staff, could be related to the vocational nature of the teaching profession as well as the competitive terms and conditions of employment in the College Sector such as pension, holidays and flexible working. Long service leads to an ageing workforce over time however we have the opportunity to retain good staff and grow knowledge further. Consequently, as an integral part of the College's workforce planning activity, the implications and opportunities of the long service staffing profile are taken into account.

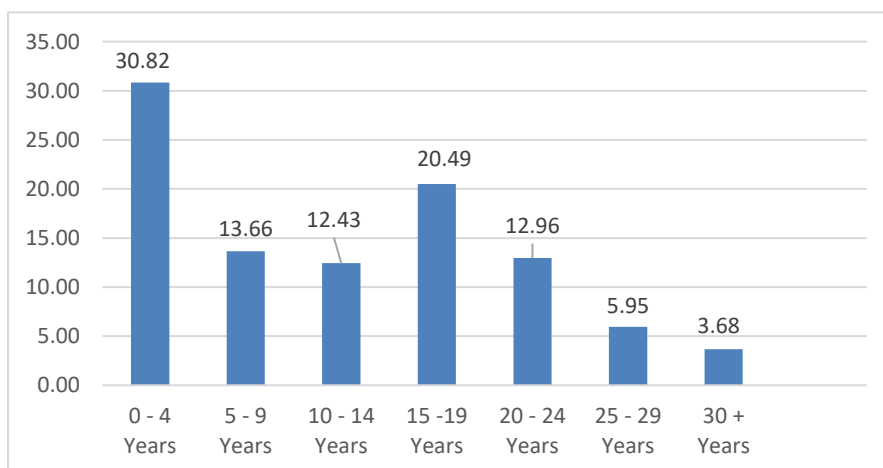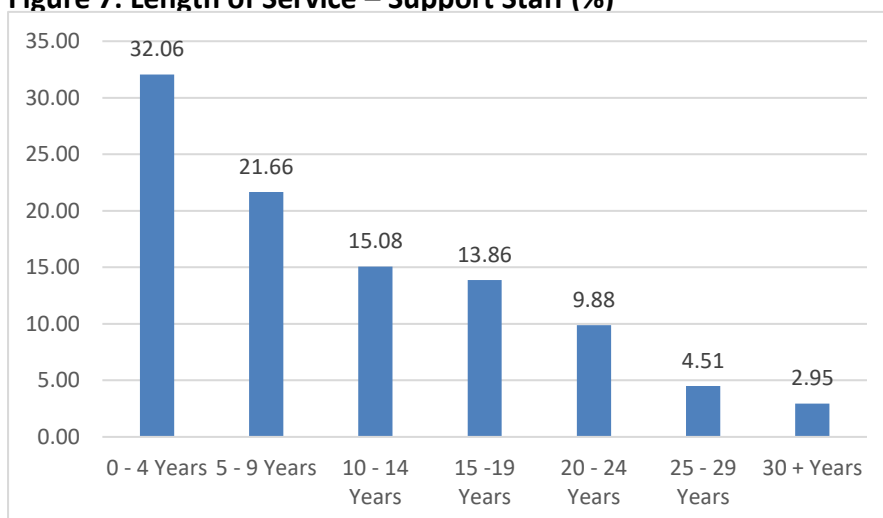**Figure 6: Length of Service – Teaching Staff (%)**

Figure 7: Length of Service – Support Staff (%)

3.4 Sickness Absence

3.4.1 Instances of Sickness Absence

In reporting on the levels of sickness absence within the College, from 1st January 2020 to 31st July 2021, it is important to highlight that the majority of staff, 61%, have had no sickness absence at all within that timeframe.

The table below illustrates how many staff were affected by increasing instances of sickness absence (note that the staff numbers are in FTE, not headcount).

Table 2: Instances of Sickness Absence

Instances of sickness absence	Total sick days lost (FTE)	No. of permanent staff (FTE)
0	0	621
1	6287	238
2	3770	109
3	1717	35
4	206	8
5	39	2
6	0	0
7	0	2
8	0	0
9	0	0
10	0	0
11	112	1

3.4.2 Absence Rates

The average level of sickness absence for the period 1st January 2020 - 31st July 2021 was 3.6%. The average level of sickness absence for 2019 was 5.3%. This is a difference of 1.7%.

Unfortunately, it is impossible to measure the extent to which COVID-19 and "stay at home" measures have affected the absence rate. Other organisations who have implemented remote working have also seen a reduction in their sickness absence during the pandemic. We believe that this reduction is due to many factors, including that some individuals working from home, who may have called in sick if they were working from the College premises, decided not to do so as they felt able to work at home; and that the "stay at home" arrangements have reduced the spread of other illnesses, such as seasonal flu resulting in less sickness absence. It could also be that, for some staff, "furlough" has meant they haven't been at work and therefore haven't had sickness absence.

The average level of employee sickness absence for the public sector based on the latest survey from XpertHR (the 2021 Survey based on 2020 figures) was 2.8%. Please note that

this is based on the number of days' absence per employee per annum, which is the basis of the West College Scotland figures. Against this figure, the College's current rate of 3.6% is higher but we need to be mindful of the difference in reporting periods – it is not a direct comparison.

The split in percentage absence for teaching and for support staff in 2019 compared to January 2020 to July 2021 is shown in Figure 8.

Figure 8: Sickness absence for 2019 compared to January 2020 to July 2021
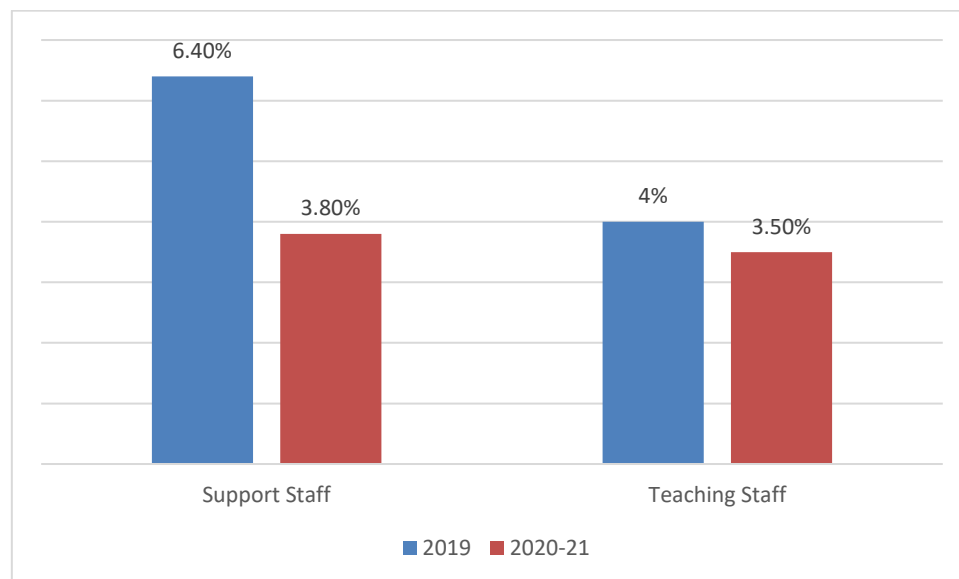
It is easy to see that the absence rate for support staff has varied significantly more than the rate for teaching staff with staff being furloughed thought to be the main factor here.

Staying at home has also made minor illnesses such as absences due to the cold or flu significantly less common, reducing from 62.5% to 49.8% of teaching staff absence and from 62.1% to 53.3% of support staff absence.

3.4.3   Causes of Absence

Short-term absence is an absence of less than twenty working days. Long-term absence is twenty days or more.

In this Section it should be noted that the percentages (shown in figures 9, 10, 11 and 12) relate to the proportion of overall absence which that cause of absence represents. It is not the percentage of employees affected by that cause of absence.

3.4.3.1 Causes of Short-Term absence

The main cause of short-term absence within West College Scotland, for both Support Staff and Teaching Staff, remains minor illnesses (for example colds/flu, stomach upsets, headaches and migraines). This is overwhelmingly the case for most organisations according to the CIPD Health and Well-being at Work Survey 2020. The 2020 survey also cites musculoskeletal injuries (including back pain, neck strain and repetitive strain injury) and stress as among the top causes of short-term absence.

Figure 9: Short-Term Absence (less than 4 weeks) – Teaching
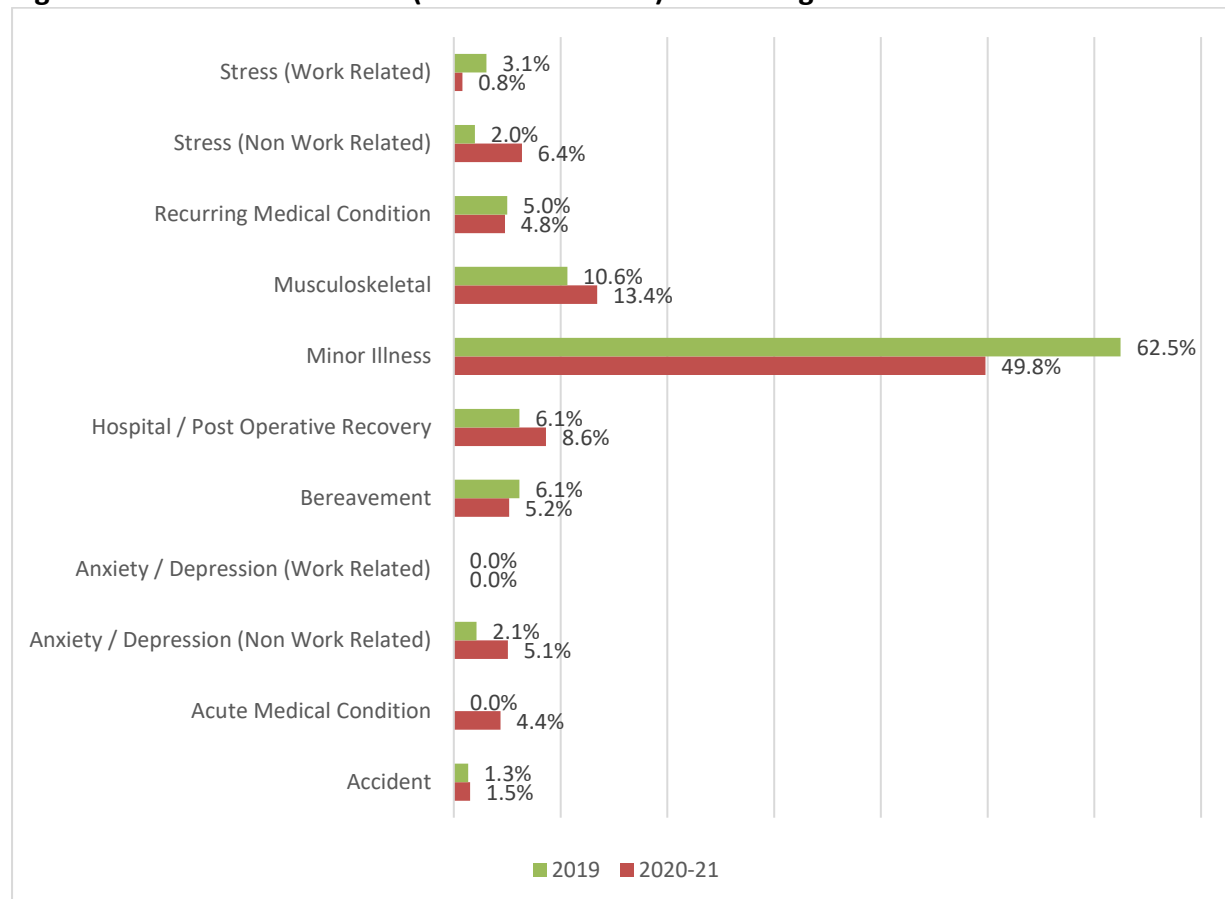
If we look at short term absence reasons for Teaching Staff in WCS (shown in figure 9) we see that minor illnesses and musculoskeletal are the top two reasons for absence Hospital/Post-Operative Recovery is at number three, which may reflect the fact that WCS has an ageing workforce. Stress, even if work-related and non-work-related are added together, comes in fourth place.

Figure 10: Short-Term Absence (less than 4 weeks) – Support

Category	2019	2020-21
Stress (Work Related)	0.1%	2.8%
Stress (Non Work Related)	4.5%	8.0%
Recurring Medical Condition	2.5%	2.5%
Musculoskeletal	16.9%	16.8%
Minor Illness	62.1%	53.3%
Hospital / Post Operative Recovery	3.6%	4.7%
Bereavement	4.1%	7.8%
Anxiety / Depression (Work Related)	0.0%	0.0%
Anxiety / Depression (Non Work Related)	4.6%	1.6%
Acute Medical Condition	0.3%	0.9%
Accident	1.3%	1.6%
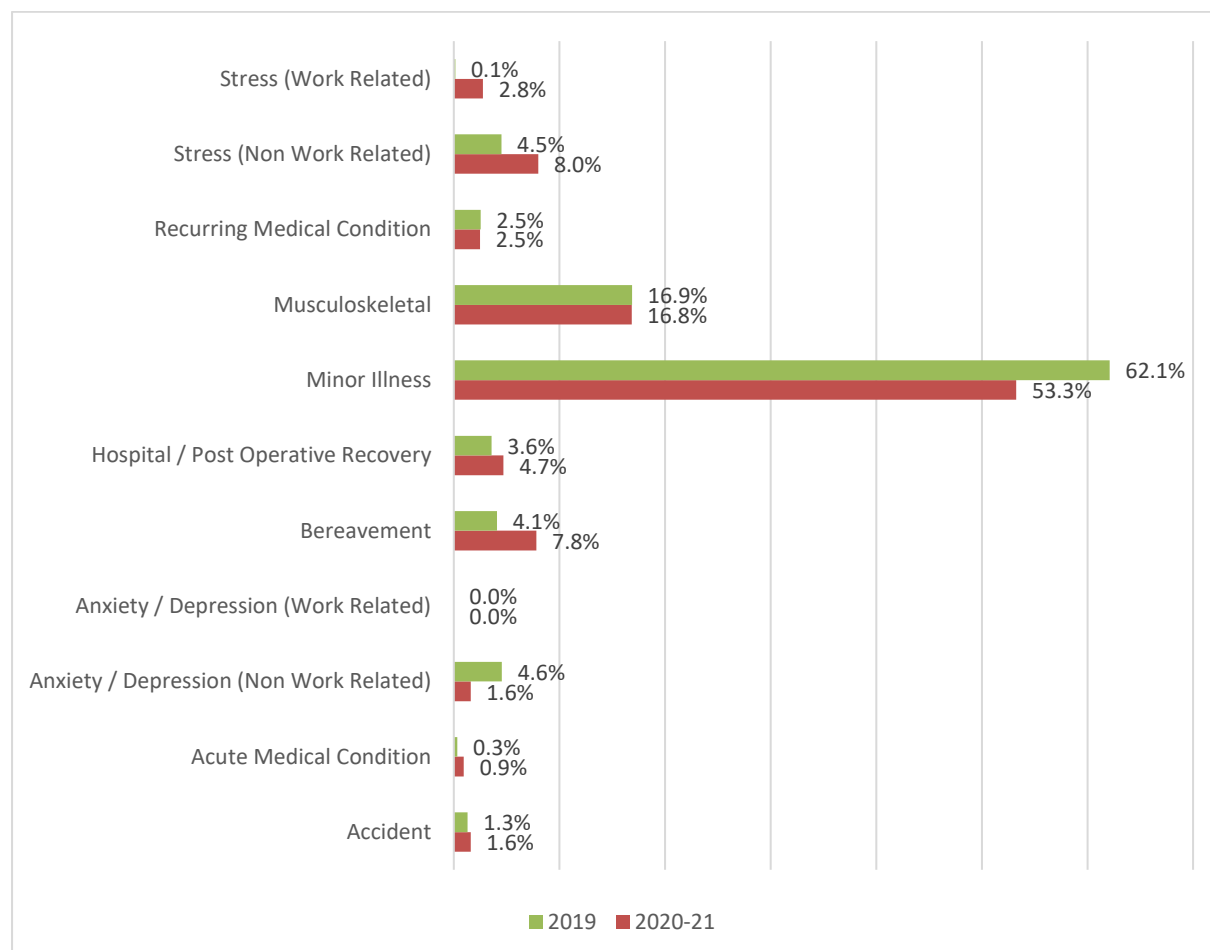
Turning to short term absence for Support Staff, we see that the top three causes of absence are indicative of the top three nationally, as measured by the 2020 CIPD survey. However, it is important to notice the increasing proportion of short-term absence linked to stress – both work-related and non-work-related.

3.4.3.2 Causes of Long-term Absence

According to the CIPD Health and Wellbeing at Work Survey 2020, the most common cause of long-term absence is mental ill health (for example clinical depression and anxiety). This is not the case for West College Scotland, neither for Teaching Staff, nor for Support Staff.

Figure 11: Long-Term Absence (20 days+) – Teaching

Figure 11: Long-Term Absence (20 days+) – Teaching

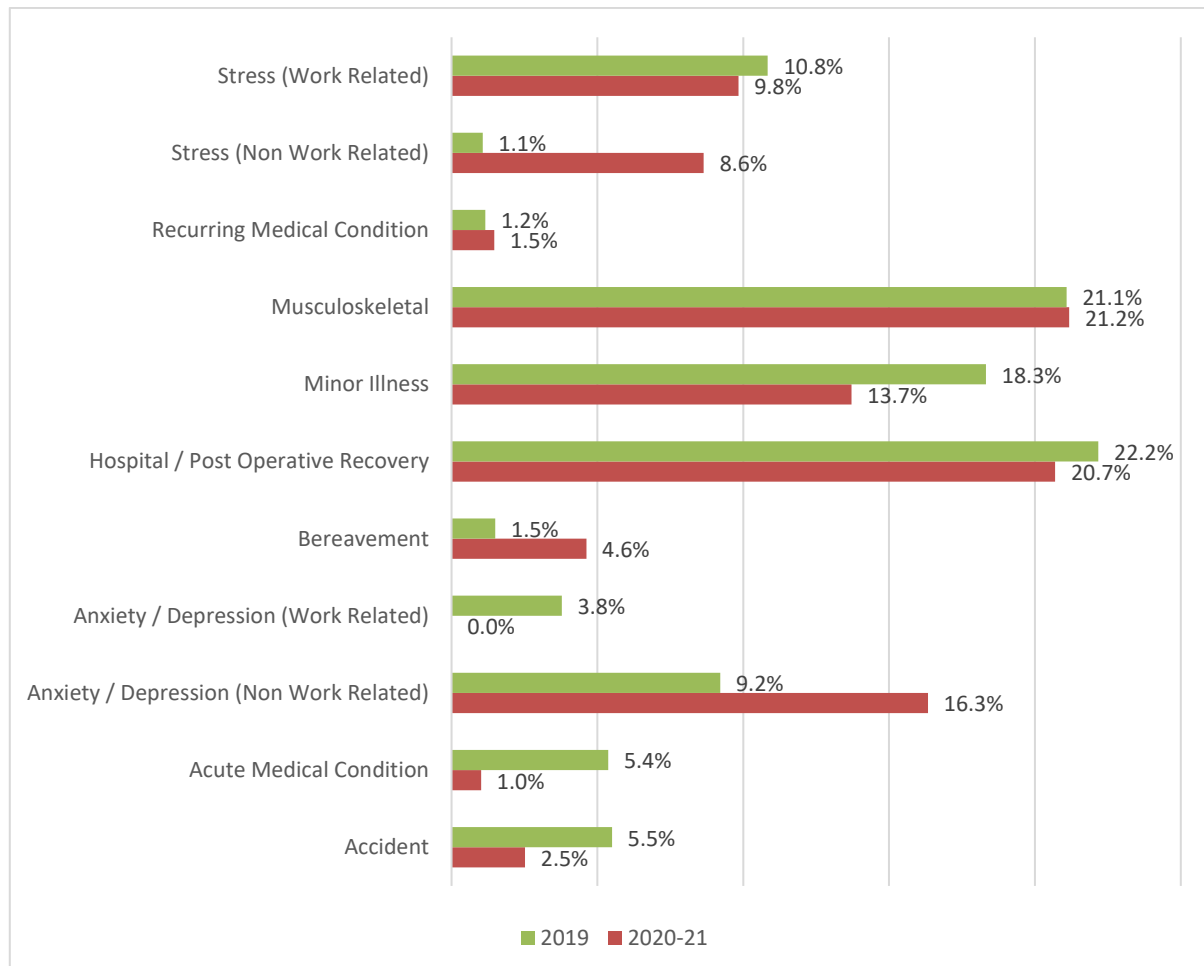| Category	2019	2020-21
Stress (Work Related)	2.9%	3.9%
Stress (Non Work Related)	22.0%	4.3%
Recurring Medical Condition	1.7%	9.6%
Musculoskeletal	4.6%	8.1%
Minor Illness	26.1%	13.9%
Hospital / Post Operative Recovery	12.1%	14.7%
Bereavement	2.0%	6.2%
Anxiety / Depression (Work Related)	1.9%	0.0%
Anxiety / Depression (Non Work Related)	4.1%	10.3%
Acute Medical Condition	8.8%	20.9%
Accident	13.8%	8.0%

If we look at Teaching Staff (figure 11) we find that the most common cause of long-term absence for teaching staff is acute medical conditions (for example stroke, heart attack and cancer). This is followed by hospital and post-operative recovery and then minor illness, even though the contribution of this cause to overall absence has significantly reduced compared to 2020.

A point of note is the significant reduction in the contribution that non-work-related stress made in long-term absences amongst Teaching Staff. In 2019 the proportion was 22%. This has dropped to 4.3% during January 2020 – July 2021, however the proportion of absence due to non-work-related Anxiety/Depression has increased from 4.1% in 2019 to 10.3% during January 2020 to July 2021.

Figure 12: Long Term Absence (20 days+) – Support

Category	2019	2020-21
Stress (Work Related)	10.8%	9.8%
Stress (Non Work Related)	1.1%	8.6%
Recurring Medical Condition	1.2%	1.5%
Musculoskeletal	21.1%	21.2%
Minor Illness	18.3%	13.7%
Hospital / Post Operative Recovery	22.2%	20.7%
Bereavement	1.5%	4.6%
Anxiety / Depression (Work Related)	3.8%	0.0%
Anxiety / Depression (Non Work Related)	9.2%	16.3%
Acute Medical Condition	5.4%	1.0%
Accident	5.5%	2.5%

■ 2019 ■ 2020-21

Turning to support staff we see that musculoskeletal together with hospital/post-operative recovery are the most significant causes of long-term absence. Non-work-related Anxiety/Depression is in third place. This is concerning because it has risen from fifth position in 2019, increasing from 9.2% to 16.3%. It is also worth noting that non-work-related stress has also risen as a proportion of the causes of long-term absence amongst Support Staff from 1.1% in 2019 to 8.6% in the period January 2020 to July 2021.

4. Equality, Diversity and Inclusion

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People Strategy

"We aim to cultivate and maintain an inclusive environment which respects and encourages diversity in all of its activities. We will be proactive in removing barriers to enhance a personalised approach which supports how we adapt and respond to our diverse stakeholders."

</div>

4.1 Introduction

We ask staff to disclose equality data regarding all of the protected characteristics. In this report, we focus on gender, age, race and disability as we are able to benchmark this data within the FE sector. We publish fuller information in our biennial statutory report.

The following information is based upon the headcount of staff as at end of July 2021.

Figure 13: Gender Profile
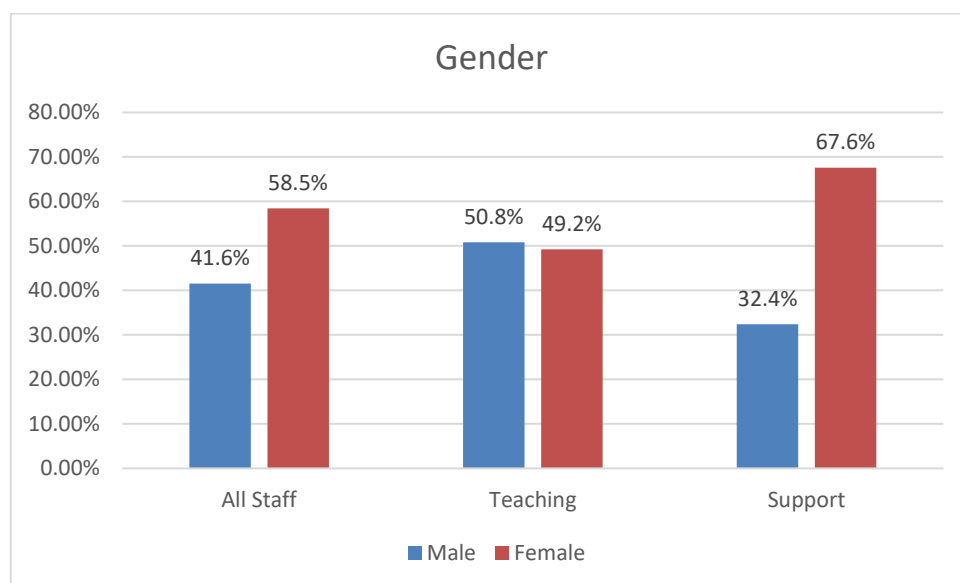
- There has not been a significant change in the overall gender balance of staff, with 58.5% of our staff being female. This is slightly lower than the sector benchmark where females account for 61% of headcount.
- There is a higher rate of proportionality of gender with Teaching Staff compared with Support Staff. The current rates are very similar to national demographics, where 51% of the people in Scotland are female.
- The greatest gender imbalance appears in Support Staff however this is in line with national FE sector data, whereby females account for 68% of non-teaching staff. The

SFC report states that nationally the proportion of females has remained the same since 2015 – this is broadly the same for WCS.

Figure 14: Equal Pay Gap
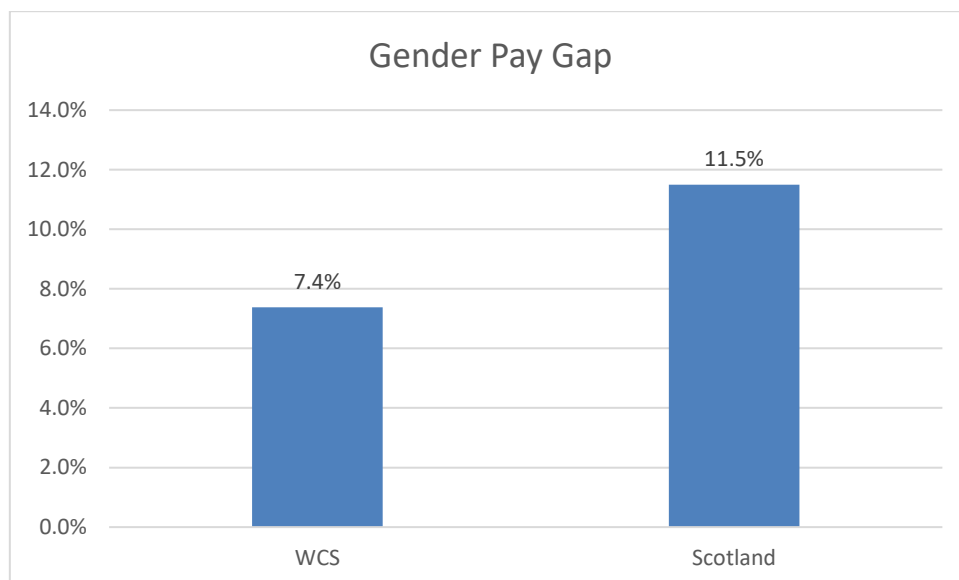
- The gender pay gap is the different between average full time equivalent salaries of male and female permanent staff presented as a percentage.
- The College's gender pay gap has decreased by 1.6 *pp* since December 2019. There has also been a 3.5 *pp* decrease in Scotland's national pay gap over the same period.
- While the College pay gap compares well with the national pay gap, the Equality and Human Rights Commission advise than any pay gap which exceeds 5% is regarded as "significant". The College has developed an action plan to address this gap, including initiatives to address barriers to career development for female staff and the promotion of flexible working which we will monitor over the coming year to understand effectiveness.

Figure 15: Age Profile
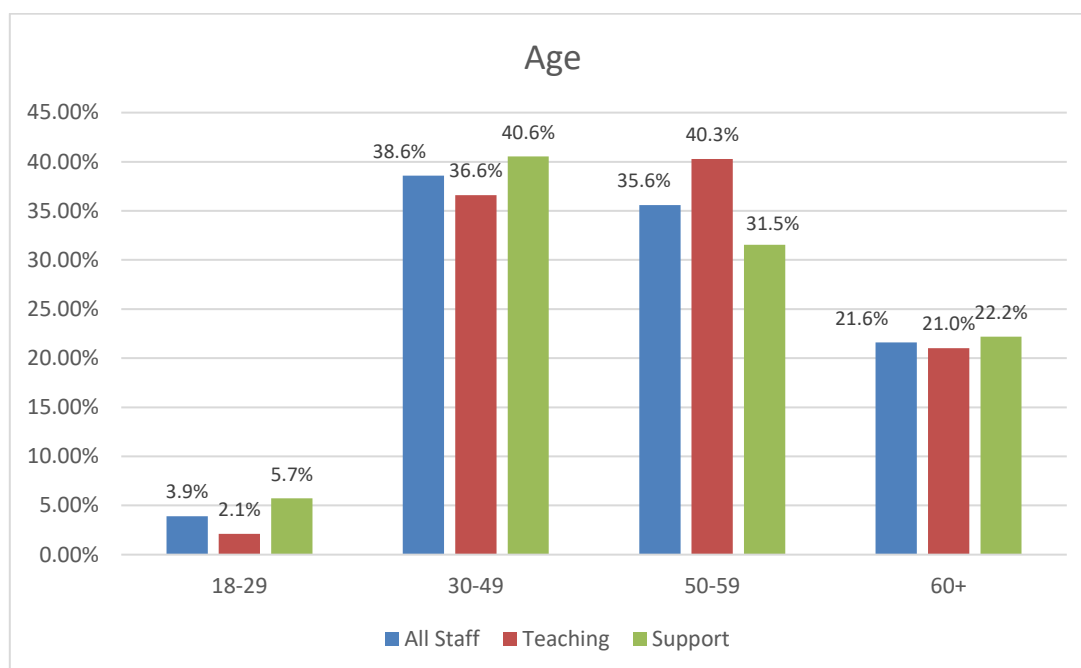
The age data shows similar patterns for Teaching and Support staff. The age bracket with the highest number of staff overall is between 30-49 (38.6%) The second largest age group is aged between 50-59 (35.6%).

- 57.2% of staff are age 50 or older, with 61.3% of Teaching staff and 53.7% of Support staff being 50 or older.
- The overall age profile has remained largely unchanged since last year.
- The staff age demographics broadly aligns with the sector benchmark.
- The College intends to introduce a more formal Youth Programme in 2021/2022 to build succession for anticipated retirals.

Figure 16: Ethnic Profile
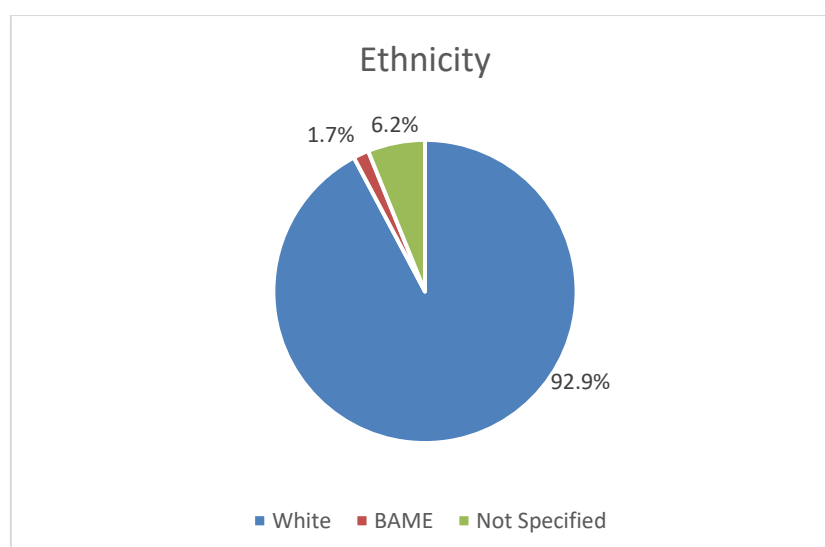
- Teaching and Support staff have been combined for this analysis given the relatively low numbers of ethnic minority staff. Overall, 1.7% of staff are from a Black, Asian and Minority Ethnic (BAME) background. This is a slight increase since last reported, where 1.5% of staff were BAME.
- This can be compared with the demographics of the campus local council areas of West Dunbartonshire, Inverclyde and Renfrewshire, where between 1-3% of residents are BAME. The sector benchmark is 2.1%.
- The College plans to use the newly published Scottish Government's Minority Ethnic Recruitment Toolkit to support our aim to recruit more people from ethnic minority backgrounds and has made race equality a focus on its Equality Outcomes 2021-2023.

Figure 17: Profile of Staff with Disability
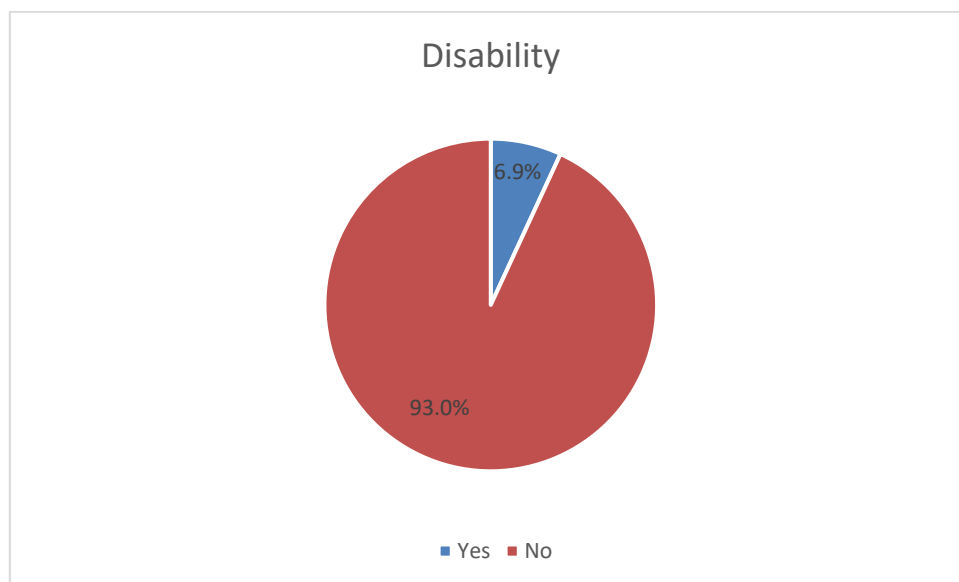
- As the number of staff with a disability is comparatively small, and in order to protect the confidentiality of staff, Figure 5 shows an overall staff profile.
- There has been no significant change in the percentage of staff who have declared a disability since last reported.
- The proportion of staff who have reported a disability is 6.9%, which is lower than national indicators. The Scottish Government estimate that approximately 10% of the population who are economically active have a long term, activity limiting health problem. WCS's proportion is slightly higher than the sector benchmark of 6.0%.
- The College will continue to encourage staff to disclose disabilities through use of the self-service HR system and promotion of the Disability Confident scheme.

4.2 Progress to Date

4.2.1 Continuous Professional Development

We developed online training for managers to support them in meeting the needs of protected groups who have been disproportionately impacted by the pandemic. Other CPD activities which have been available in the past year include An Introduction to British Sign Language, Mental Health First Aid and Dyslexia Awareness.

4.2.2 Focus on Preventing Gender Based Violence

Our Equality, Diversity and Inclusion Manager has been working closely with Student Services and Communities to develop an effective response to Gender Based Violence (GBV). An internal working group has been formed to oversee the implementation of Equally Safe, and awareness raising sessions have been delivered to key groups. We have joined Fearless Glasgow, a partnership of Universities and Colleges in the West of Scotland, which helps raise awareness of sexual violence and offers enhanced support to more than 150,000 students. We also contribute to the Renfrewshire Strategy Group which has been formed to reduce GBV. We promoted White Ribbon Day (which encourages men to stand up to violence against women) and procured specialist training for First Responders. Our Equality, Diversity and Inclusion Manager was a key speaker at a national online conference sharing how the College had developed a strategic response to the prevention of GBV.

4.2.3 COVID-19

We are conscious of the disproportionate impact the pandemic has had on protected groups. We invested in SilverCloud Online CBT Resource, an online mental health support platform covering support tools dealing with COVID-19, anxiety, body image and resilience. Enabling Services has supported an increased number of students in their learning this session. Feedback from students on services and adaptations made by staff has been positive and engagement has been high.

Normal governance procedures for equalities have continued to operate throughout the period January 2020 – July 2021 with scheduled Equality, Diversity and Inclusion Committee meetings being held online, including student representation.

4.2.4 Equality Report and Development of Equality Outcomes 2021-2023

We published our biennial Equality Report in April 21, which detailed progress on Equality Outcomes and provided an analysis of staff and student equality data. A Staff Equality Survey and engagement with the Student Association informed the development of new Equality Outcomes 21-23.

5. Learning and Development

5.1 Teaching Qualifications

A total of 10 Lecturers successfully completed the Teaching Qualification in Further Education (TQFE) programme through the University of Dundee at the end of session 2019/20. A further 11 Lecturers also successfully completed the TQFE programme with the University of Aberdeen at the end of session 2020/21. It has been agreed that WCS will support 25 staff members on the TQFE programme for session 2021/22 with the University of Aberdeen.

College Development Network have recently revised the Teaching in Colleges Today (TiCT) programme and the updated course material and units will be available from September 2021. It is anticipated that WCS will have a cohort of 30 staff commencing the TiCT programme at the start of the 2021/22 academic session. This programme is for staff who are new to teaching or do not hold a recognised teaching qualification.

5.2 Leadership Development

A further cohort of the West College Scotland Leadership Development Programme was successfully delivered by College Development Network (CDN). This programme started with face to face workshops and after a delay due to COVID, the programme recommenced on a virtual basis with 13 staff members successfully completed the programme. The programme objectives are:

- To build understanding of your role as a leader in shaping the future of West College Scotland.
- To work with structured groups to develop your leadership and management style and plan for the future of your area of responsibility.
- To explore frameworks and techniques to integrate culture, performance management and operations.
- To develop your skills as a reflective practitioner and your personal approach to leadership.
- To build your capacity for self-awareness and authentic leadership.

College Development Network were commissioned to deliver a further cohort of the WCS Leadership Development Programme commencing virtually in March 2021. There are 16 staff including Curriculum and Quality Leaders, Support Managers, Team Leaders and aspiring Managers who are undertaking this programme which is due to be completed in September 2021.

5.3 CPD Activity January 2020 – July 2021

The CPD programme of activity over the last year and a half was significantly altered due to COVID-19. All planned face to face CPD activity was cancelled and an alternative virtual programme of delivery was put in place. The focus of the revised programme was on supporting staff working from home and adapting to using Microsoft Teams as the main form of communication throughout the organisation and for teaching staff to adapt their classes to online virtual learning. A total of 2,336 delegates attended 165 internal and 188 external staff development events during this period.

A range of internal workshops, short courses and awareness sessions took place including:

5.3.1 Learning & Teaching

- Teaching in Colleges Today (TiCT)
- L&D9DI Assessor Award
- L&D11 Internal Verifier Award
- Classroom to Virtual Delivery Skills
- Microsoft Teams for Education Intermediate
- Microsoft Teams for Education Advanced
- Teaching Techniques for Virtual Learning Sessions
- TLC - 'Bad Lesson bad day, Good Lesson good day'
- TLC - Professional Support & Discussions for CQLs

5.3.2 Learning Technologies / IT

- Getting the most out of Microsoft Teams and Collaborating
- Introduction to OneDrive
- Microsoft Teams using OneNote & Assignments
- Microsoft Excel Advanced
- Microsoft Teams Essentials
- Quick Guide to Digital Resources for MS Teams & Moodle
- Quick Guide to Wakelet

5.3.3 Policy and Legislative

- Challenging Times - EDI Practice Update
- Complaints Investigation Skills
- Recruitment and Selection Training

5.3.4 Equality, Diversity and Inclusion

- British Sign Language / Deaf Awareness
- Dementia Awareness Workshop

- Helping Learners with Mental Health Problems
- Menopause and the Workplace (for managers)
- Menopause Awareness
- Who Cares? Scotland Staff CPD session

5.3.5 Health, Safety and Wellbeing

Throughout the year various wellbeing, safety and health training sessions were delivered covering topics such as:

- First Aid at Work
- Developing Personal Resilience
- Mental Health Awareness well-being
- Mental Health Awareness: Safeguarding our Wellbeing
- Mindfulness in the Moment
- Mindfulness Moving Forward
- Mindfulness to De Stress
- Stress Management Tools and Techniques
- C.A.L.M in the Curriculum

5.4 Continuing Professional Development Review (CPDR) Procedure

The Continuing Professional Development Internal Audit Report in March 2020 made the following recommendations:

- Alignment of staff training with the College's strategic objectives.
- Alignment of the annual staff development programme to the operational planning cycle.
- Completion of CPDR process review and re-launch of revised approach.
- Alignment of staff objectives and development plans with corporate objectives and operational priorities.
- Quality assurance checks of staff objectives to be implemented.

Due to the ongoing Covid-19 situation, the Audit Committee have agreed an extension for completion of these actions to the 31st March 2022. Good progress is being made towards that target with a substantially different approach to CPDR being developed.

5.5 eLearning Online Training Courses

Staff members have direct access to mandatory eLearning via the Staff Room area in Moodle which can be accessed from the Staff Intranet page or from outside the College. The Organisational Development & HR Team are monitoring progress on completion rates,

which as at end of July 2021 range from 57% to 70% and reminders have been issued to staff who have still to complete the online courses. The mandatory learning modules are:

- Safeguarding Essentials
- Equality & Diversity Essentials
- General Data Protection Regulation (GDPR)
- Information Security Essentials
- Health and Safety Essentials (two mandatory modules)
  - Module 1: Fire Safety
  - Module 7: Understanding Health & Safety

The following eLearning programmes are also available for relevant staff to undertake.

- Personal Safety and Conflict Awareness
- Supporting Student Mental Health & Wellbeing
- Supporting Student Carers at College

Following Internal Audit recommendations there is a further requirement for staff to complete a Fraud Awareness online training course. A new Fraud Prevention online module will be included in the mandatory online training suite at the start of the 2021/22 academic session.

5.6 JISC Digital Discovery Tool

As part of the College Digital Strategy the JISC Digital Discovery Tool has been made available for staff to access. The JISC Discovery Tool is a developmental tool that staff can use to self-assess their digital capabilities, identify their strengths and opportunities to develop their skills further to enhance their practice of learning. It uses a series of reflective questions that relate to the JISC building digital capabilities framework. On completion of the questionnaire, you will receive a personalised report with suggested next steps and links to free resources that can help you develop your digital skills further.

Pilot groups have been testing the discovery tool with the view to having a full launch to all staff early in the academic session in 2021/22.

6. Employee Relations

6.1 Local Employee Relations

The College has maintained good working relations with local trade union representatives from the recognised trade unions (EIS/FELA, Unison and Unite) based on the values of mutual respect and trust during a period of difficult industrial relations at a national level, as well as overcoming the difficulties of service provision during a global pandemic.

Formal channels of consultation and negotiations were based on the Local Recognition and Procedure Agreements, which include provision for monthly Committee meetings with trade union representatives during term time, chaired by the Principal or another member of the College Executive. Agreed minutes of these meetings were posted on the staff intranet. There was a slight interruption to the sequence of meetings due to COVID-19, however the meetings resumed with attendance on the Microsoft Teams platform.

An additional consultation forum was set up during the pandemic called the Mobilisation Group. As well as key advisors from across the College representing Estates, HR, Health and Safety, Curriculum, Information Technology, Policy and Communications, the group included representatives from the recognised trade unions.

These formal collective arrangements were complemented by regular informal, open agenda meetings with local trade union representatives.

6.2 National Bargaining

All negotiations took place through the National Joint Negotiating Committee (NJNC) and the college had representatives from both the management and staff sides on this forum. The key outcomes and developments during the fifth year of national bargaining were as follows:

Lecturing Staff

Date	Outcome/Development
5 March 2020	EIS/FELA submitted a National Pay Claim for 2020/21 which was for a consolidated flat rate pay rise of £1950
28 August 2020	EIS/FELA formally lodged a failure to agree regarding a belief that Colleges were replacing Lecturers with Instructor/Assessor roles
29 August 2020	Formal Agreement reached with EIS/FELA on 2% pay increase effective from 1 September 2020 -31 August 2021
18 December 2020	EIS/FELA formally notified management side on outcome of indicative ballot of members relating to dispute over Instructor/Lecturing roles. 86% were in favour of strike action.
March – April 2021	Strike action took place Thurs 25th March, Wed 31st March, Thurs 1st April, Tues 20th April, Wed 21st April.
21 April 2021	Action came to an end after EIS and Colleges Scotland agreed to ratify an NJNC Agreement.
17 June 2021	EIS/FELA submitted a National Pay Claim for 2021/22 which was for a consolidated flat rate pay rise of £2000 on all salary scale points, effective 1 September 2021.

Support Staff

Date	Outcome/Development
7 April 2020	Unison Unite GMB lodged a National Collective Dispute on the refusal of Colleges Scotland to negotiate on Annual Leave. After two Dispute meetings an agreement was reached which ended the dispute
10 June 2020	Unite Unison GMB lodged a failure to agree on the implementation of the 1 April 2020 pay settlement.
17 June 2020	Unison, Unite and GMB submitted 2020/21 National Pay Claim "Package for the New Normal" which included £1100 flat rate increase and 4 day working

	week with no loss of earnings based on 32 hour working week.
2 December 2020	Staff Side lodged a dispute in relation to changes to the Job Evaluation Role Analyst Release Agreement. The Dispute was resolved at the meeting.
13 April 2021	Formal Agreement reached with Unison, Unite and GMB effective from 1 September 2020 - 31 August 2021 for a 2% increase on all salary points (min £750 FTE and max £2000); one additional flexible leave day in annual leave year 2020/21; paid morning and afternoon breaks.
3 August 2021	Unison, Unite and GMB submitted 2021/22 National Pay Claim which included a £2000 consolidated flat rate increase; pursuance of negotiations on a strategy to achieve a four-day working week; payment of the homeworking allowances which formed part of the 2020/21 pay claim; two additional support staff career development days per year; two flexible wellbeing days per year to support staff mental health; and agreement on national pay and grading for support staff.

7. Resourcing and Talent Planning

People Strategy

"The College wishes to ensure that it secures, develops, retains and effectively manages sufficient Teaching and Support Staff to provide quality education to students and employer clients within the resources available. It wishes to attract and engage diverse and talented individuals from different backgrounds, heritages and lifestyles. The College wishes to be an "Employer of Choice" by becoming recognised for its positive working environment and conditions of service."

7.1 Furlough

The coronavirus situation has meant that the College has had to make use of the Government's Furlough Scheme for certain categories of staff. The staff affected have been those whose role has meant they cannot work from home. For a period at the start of lockdown, this included cleaners, property maintenance assistants, general assistants, catering staff, technicians, workshop stewards, print room assistants, classroom assistants

etc. As we gradually returned to campus, a number of these staff were brought off furlough, with catering staff remaining on furlough for the longest time.

7.2 Workforce Planning

The priorities identified at the end of 2019 have been the focus for 2020 and into 2021:
- digital literacy of staff (see section 7.3)
- ageing workforce – we have taken a more strategic approach to our youth recruitment and will be launching a Youth Programme in 2021-2022 to ensure a programme of development and support is provided for all our Modern Apprentices, Foundation Apprentices and those on the Kickstart programme. Work will continue more widely in this area as part of the continuing Workforce Planning activity.
- enhancing the bank of teaching staff – we continue to attract new bank staff as required

Our response to the pandemic has meant that a review and refresh of our workforce planning approach will be taken forward in 2021-2022.

7.3 Digital Literacy

This was identified through 2019 workforce planning as an area for focus and became one of the most immediate challenges for the College during the pandemic as teaching and support services had to move to a virtual platform via Microsoft Teams. From the very start of this process, we were offering virtual face-to-face training in Teams along with a large online training and guidance resource. We have continued to expand this offering, developing bespoke training to make the best use of Microsoft Teams in the delivery of the curriculum.

In addition to this we have adopted the JISC Discovery Tool which is an online self-assessment routine which helps users identify gaps in their skills and knowledge and offers resources to support them.

7.4 Voluntary Severance

A voluntary severance scheme was offered to staff during the period 2020-2021. 23 staff left the College as a result of that initiative.

7.5 Catering Team Restructure

Our catering service has not seen sufficient demand for some time as there is a great deal of competition from local food outlets. The pandemic exacerbated the challenges as there have been significantly reduced numbers of staff and students on campus. As a result, we

have reduced the number of staff working in the service which will allow us to deliver an offering more appropriate to demand going forward. This was achieved through voluntary severance and redeployment. There were no compulsory redundancies.

7.6 HR Management Information

Improvements in HR Management Information continue to be made, as we have started to make use of Power BI which will continue over the coming year. Our current focus is on absence reporting and a draft report has been built which will remove the requirement for manual manipulation of data and will save significant time for the HR team.

8. Health, Safety and Wellbeing

People Strategy

"The College will demonstrate that there is a robust system for managing health, safety and risk with clear accountability, to ensure compliance with statutory requirements. The health and safety structure, policy and arrangements will be developed in line with Health and Safety HSG 65 Guidance adopting principles of Plan, Do, Check, Act."

8.1 COVID-19

The reporting period (January 2020 – February 2021) has, unsurprisingly, been one of the most challenging as far as Health, Safety and Wellbeing is concerned. As an organisation we reacted very quickly to the demands of the COVID-19 outbreak and we implemented a number control measures early on with continuous adjustments and monitoring thereafter. These are described as follows.

8.1.1   Advisory and Consultative Forums

We established the Mobilisation Group which is an advisory/consultative group whose role is to make recommendations to the Executive about how to respond to the changing nature of the pandemic. The group consists of senior stakeholders representing OD and HR, Estates, IT, Policy and Communications, and Curriculum as well as representatives from each of the three trade unions.

The Mobilisation Group won the 2021 'Team of the Year' Staff Award for their ongoing efforts.

A second group, the COVID-19 Group, consisting of the Executive Team and key members of SMT, also meet regularly to endorse recommendations from the Mobilisation Group and to

consider key strategic decisions that have been required to be made throughout the pandemic.

8.1.2 Individual Risk Self-Assessment Questionnaire

In collaboration with our Occupational Health Provider, we developed a self-assessment questionnaire so that all staff could assess their level of risk if exposed to COVID-19 (this was based on covid age research and at a later date a similar approach was taken by Scottish Government). This allowed us to deal with individual risk without staff having to disclose sensitive medical information to the College. That also meant we didn't need to hold that sensitive data which avoided the possibility of Data Protection issues.

Those who were a low risk were able to come on campus as allowed in line with Scottish Government guidance. Those who were a moderate risk were referred to Occupational Health for individual consultations, resulting in tailored recommendations for us to implement. Those who were high risk were also referred to Occupational Health, but in addition we also ensured that individuals in this group did not come on site at all until shielding restrictions were eased.

8.1.3 General COVID-19 Risk Assessment

We developed a General COVID-19 Risk Assessment which, in effect, established our site rules during the pandemic, the most significant being 2 metre physical distancing, face coverings at all times, hand hygiene and sanitisation of touch surfaces.

8.1.4 COVID-19 Risk Assessments for Specific Activities

A template was designed to allow individual teams to develop covid related risk assessments for individual activities. Teams were supported by our Health and Safety Advisers in developing these assessments.

8.1.5 COVID-19 Guidance Notes

We developed guidance notes on specific covid related issues e.g.

- Circulation Principles
- Cleaning Principles
- What to do if someone presents on campus with symptoms of COVID-19
- Working from Home Safely

8.1.6 COVID-19 Intranet/Internet Pages

Throughout the pandemic, our guidance and advice has been promoted on our intranet and student web pages. As part of that, staff could raise any question relating to our covid arrangements which were referred to our internal advisors for a published response.

8.1.7 Healthy Working Lives

The College has a proud history of participation in this initiative, and we used the machinery of Healthy Working Lives to develop a range of supports during covid. This included an extensive collection of curated advice and links on a specially developed and dedicated portal, as well as a whole package of initiatives including:

- Mental Health Awareness Training
- Online fitness challenges
- Mindfulness video clips
- The Step Count Challenge
- Virtual coffee and a chat
- Mindfulness training
- Online yoga classes

8.2 CDN Award

Our Healthy Working Lives efforts described above, won WCS the Health Promoting College of the Year Award at the CDN Awards in November 2020.

8.3 Incidents

As at the end of July 2021, the College had no identifiable COVID-19 outbreaks during the pandemic. As case rates rise in the 2021/22 academic year, we do have an expectation that there could be COVID transmission within the College – we have established procedures in place and links to public health to manage this risk for all students and staff.

A total of 62 injuries were reported to the Health and Safety Team in the eighteen-month period January 2020 – July 2021, 35 less than the twelve-month period 2019. This reduction is clearly due to less activity on site during the pandemic. However, it is worth noting that the curriculum activity which did go on during the pandemic, were with practical classes, such as hospitality and construction, which do tend to have the most accident reports.

There were no incidents reportable to the Health and Safety Executive under RIDDOR (Reporting of Injuries, Diseases and Dangerous Occurrences Regulations 2013).

A total of 4 near misses were reported. Remedial action was taken in each case to remove/eliminate the hazard going forward.

There were 109 fewer First Aid /Illness (no injury) related calls during the period January 2020 to July 2021 than in 2019 (Table 3). This is likely due to there being fewer staff and students on site.

All other accidents required minor (first aid) treatment. These are predominantly attributed to the period at the start of an academic session when students are learning to use potentially hazardous equipment such as sharp hand tools in construction, knives within the hospitality department, hammers in the joinery department and hot irons in hairdressing.

Table 3: Accidents and Other Incidents January 2020 – July 2021 Compared to 2019

	2020-21	2019
Minor Injury (Work Activity)	42	57
Minor Injury (Other College Activity)	20	19
Illness/First Aid*	29	138
RIDDOR Reportable	0	2
Near Miss	4	3
Verbal Abuse	1	0
Total	96	219

*No injury

Figure 18: Breakdown of Accidents and Incidents by Group
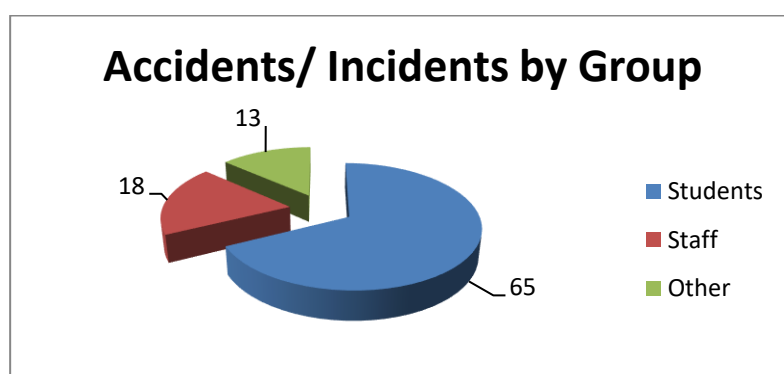
Figure 19: Injuries to Body

Note that one individual can have injuries to more than one part of the body.

Injuries to Body

- Face, head, neck: 14
- Arms, wrists, fingers,: 43
- Foot, leg: 8
- Back, chest: 2
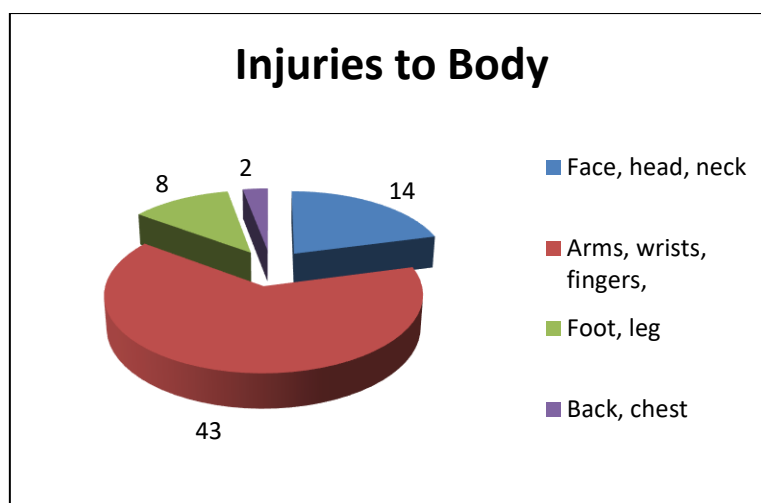
9. Data Protection and Freedom of Information

9.1 Data Protection

Due to the UK's exit from the EU (31/12/20), GDPR generally no longer applies in the UK, and the main data protection laws in the UK now consist of: UKGDPR, and the Data Protection Act 2018. Both items were flagged in 2019 via the Keeling Schedules, which made amendments to the EU GDPR, and the Data Protection Act 2018 in relation to exit from the EU.

On 28th June 2021, the EU Commission adopted an adequacy decision for the UK, both in terms of GDPR and the law enforcement directive. This means that data can continue to flow seamlessly from, and to, the European Economic Area.

9.1.1 Information Request Statistics (January 2020 - July 2021)

Table 4: Subject Access Request Statistics

Nature of Requests

	Student Personal Data	Staff Personal Data	CCTV	Total
Police Scotland	5			5
Solicitors	5	5		10
Staff Member	0			
Student	4 *			4
Local Authority		1		1
Insurance Company		2		2
SAAS	6			6
Commercial Business		1		1
Total	20	9		29

*4 Right to Erasure (or 'Right to be Forgotten') requests.

Table 5: Data Breaches

Nature of Incident

	Number affected	Type of data	Resolved?	Reportable to ICO?
Letter sent to wrong recipient	1 staff member	Special Category (sensitive)	Yes, letter was returned.	No
Ransomware attack.	Student data (multiple, UNITe database)	Mixed, including special category	Yes, with minimal data loss. No further action taken by ICO.	Yes
Student data sent to wrong recipient.	1	Personal data	Yes, apologies made, data deleted by recipient.	No
Student data sent to wrong recipient.	1	Personal data	Yes, apologies made, data deleted by recipient.	No
List of job candidates shared with wrong interview panel	6	Mixed, including special category data	Yes, apologies made, data deleted by recipients.	No
Contract letter sent to wrong individual	1	Personal data	Yes, discussed with recipient, data deleted.	No

9.1.2 Data Protection Compliance

The GDPR Steering Group has been renamed as the Data Protection Steering Group, due to recent statutory changes. It continues to oversee data protection compliance work across the College.

The Steering Group set up a sub-group in 2020, the Data Storage and Communications Group, to make recommendations relating to the compliant use of storage tools across the college; best practice in terms of communications and retention periods; records management issues, including data and document classification systems.

The Data Protection Toolkit continues to track progress in terms of compliance, and the last meeting of the Steering Group considered a short review document which highlighted outstanding, or partially overtaken, items in the Toolkit. It was noted that many of these items overlapped with the requirements of the Scottish Government's Cybersecurity Framework document, and work will continue to consider these items as requirements for both areas of compliance (data protection and cybersecurity). ICO's recently released Accountability Framework is being assessed, with a view to adoption for tracking the College's accountability work as required by UKGDPR Article 5, (2).

The HEFESTIS shared services DPO continues to ensure that developments and resources across the HE/FE sector are pooled wherever possible, to minimise effort in compliance work. The HEFESTIS Chief Information Security Officer (CISO) group will be able to help the DPO in areas where data protection and cybersecurity overlap.

9.2 Freedom of Information (Scotland) Act 2002

The Freedom of information (Scotland) Act 2002 came into force on 1st January 2005 and covers public authorities in Scotland. Under the Act a person who requests information from a Scottish Public authority which holds it is entitled is entitled to be given it by the Authority. The right is subject to certain conditions and exemptions. The Act is enforced by the Scottish Information Commissioner.

As well as responding to requests, Public Authorities must publish certain information on their website.

Public Authorities must provide the information, or tell requestors why they will not provide it, within 20 working days.

The College received 13 FOI requests during 2020. This is significantly less than the 29 requests the previous year with a notable decrease in requests from trade unions. From 1st January 2020 to 31st July 2021 the College received 25 FOI requests. Table 4 provides an indication of the broad areas the requests covered from 1st January 2020 to 31st July 2021.

Table 6: FOI Requests: January 2020 to July 2021

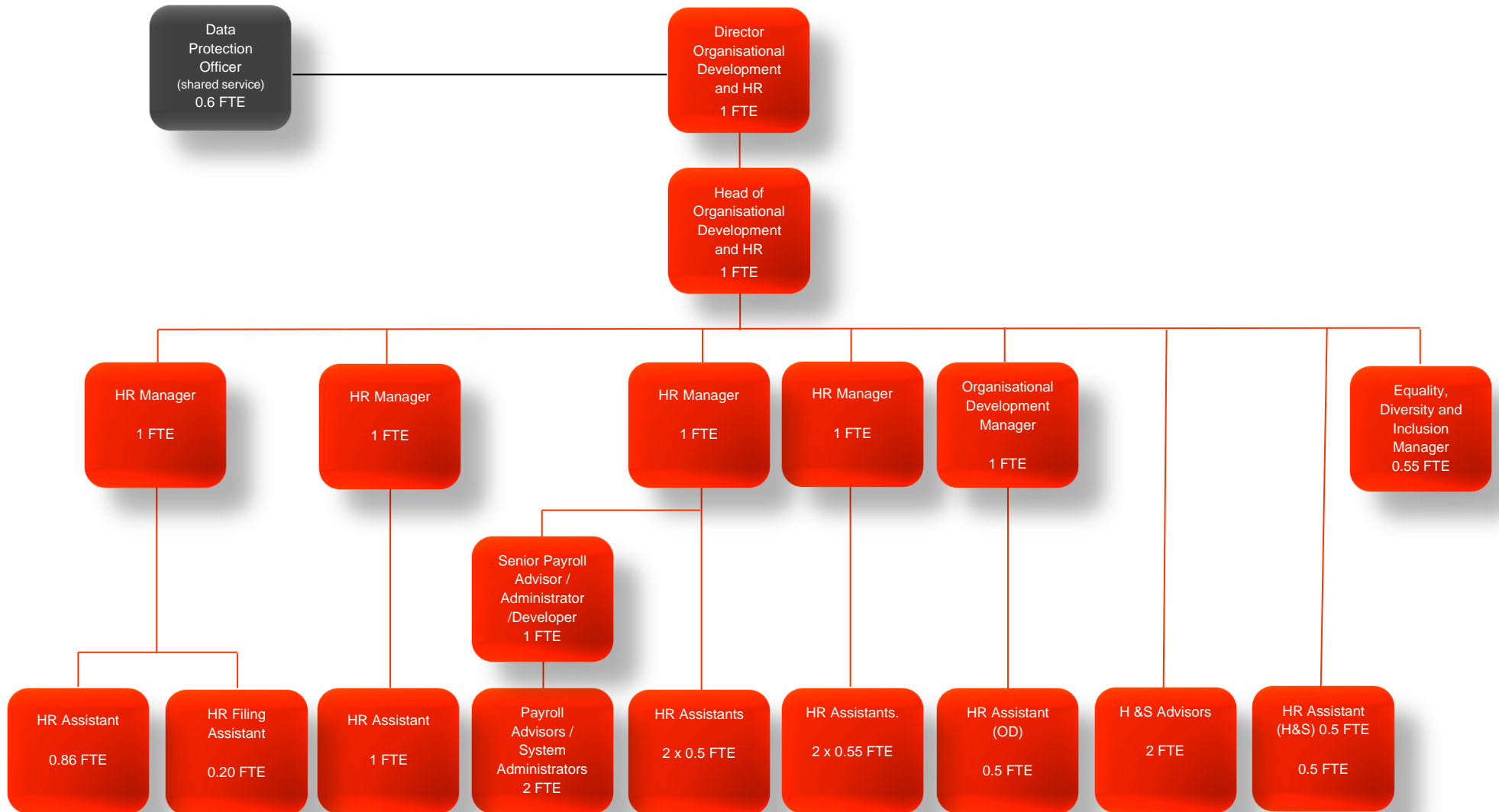|		Procurement Issues	Student Issues and Numbers	HR and Staff Issues	IT Provision and use	Other	Financial Information	Management and Admin of College	Total
Requested by	Commercial Organisations	2	1						**3**
	Journalists		1	1		1			**3**
	Own Students		1						**1**
	Researchers from other institutions			1	1				**2**
	Trade unions		1	2			3	2	**8**
	Not provided	2	2		1		3		**8**
	Total	**4**	**6**	**4**	**2**	**1**	**6**	**2**	**25**

10. Forward Look to 2021-2022 and Beyond

As we move into 2021-2022, the key areas of focus for the Organisational Development and HR Directorate include:

- Enabling the College to reset and restart further to the COVID-19 pandemic, ensuring a safe return to campus for staff and students, and leading on the College's new ways of working
- Reviewing and relaunching the Continuing Professional Development Review process to enable staff to focus their personal development and ensure that their work and outputs are aligned to the WCS Corporate Plan
- Progressing our commitments and Equality Outcomes outlined in the Equality Report 2021, with a focus on race equality
- Introducing a Youth Programme to increase the number of young people we employ and retain within WCS, building succession for future retirals
- Developing a new People Strategy that enables the achievement of the WCS Corporate Plan.

11. Appendix: Organisation Chart, Organisational Development & HR Directorate as at 31 July 2021

Data Protection Officer (shared service) 0.6 FTE

Director Organisational Development and HR 1 FTE

Head of Organisational Development and HR 1 FTE

HR Manager 1 FTE

HR Manager 1 FTE

HR Manager 1 FTE

HR Manager 1 FTE

Organisational Development Manager 1 FTE

Equality, Diversity and Inclusion Manager 0.55 FTE

Senior Payroll Advisor / Administrator /Developer 1 FTE

HR Assistant 0.86 FTE

HR Filing Assistant 0.20 FTE

HR Assistant 1 FTE

Payroll Advisors / System Administrators 2 FTE

HR Assistants 2 x 0.5 FTE

HR Assistants. 2 x 0.55 FTE

HR Assistant (OD) 0.5 FTE

H &S Advisors 2 FTE

HR Assistant (H&S) 0.5 FTE 0.5 FTE

TITLE: **REVIEW OF STRATEGIC RISK REGISTER**

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

Action: The Corporate Development Committee is requested to review the current Strategic Risk Register and in doing so consider:
- o   The risks included in the register.
- o   The revised risk rating both pre and post mitigation.
- o   Whether any other risks should be considered for removal.
- o   Whether any new risks should be considered for inclusion.

Lead: Alan Ritchie, Director of Finance

Status: Open

1.   Risk Management Strategy

1.1   The College Risk Management Strategy details and communicates the College's approach to risk management and assurance. It is an integral part of the College's internal control and corporate governance arrangements. The current [Risk Management Strategy] was approved in December 2020 and is updated annually to reflect required changes.

2.   College Strategic Risk Register Update and Considerations

2.1   The College Strategic Risk Register was approved at the June 2021 Board of Management meeting. A copy of the register is attached at *Appendix A*.

2.2   The SMT has continued to review the Strategic Risk Register with the latest full review being undertaken on 17 August 2021.

2.3   Currently the Senior Management Team (SMT) are not proposing any amendments to the register. The Strategic Risk Register has been augmented by the addition of the 'latest note' section which can be found at the end of each risk. This provides a note of the SMT rational for any movement or not in the overall risk. The section also highlights any matters which should be considered at future reviews.

2.4   The mitigating controls across all risks have been reviewed by the responsible member of the Senior Management Team and where appropriate controls have either been inserted, updated, or removed.

3   Conclusion

3.1   The Corporate Development Committee is requested to review the current Strategic Risk Register and in doing so consider:
   o   The risks included in the register.
   o   The revised risk rating both pre and post mitigation.
   o   Whether any other risks should be considered for removal.
   o   Whether any new risks should be considered for inclusion.

Strategic

Risk

Register

Proximity: when might the risk occur.

Description	Timing
Immediate	Now
Medium-term	Within three to six months
Longer-term	Greater than six months

Impact: this is the estimated effect of the risk on the Strategic Priorities.

Impact		Criteria
Catastrophic	4	Significant and unacceptable impact on objectives that would require a material change to approach, procedure or process.
Critical	3	Moderate impact on Priorities that may require minor changes in approach, procedure or process.
Marginal	2	Minor impact on Priorities, which requires little overall change in approach.
Negligible	1	No real impact on achieving Priorities.

Probability: this is the estimated chance of the risk occurring.

Likelihood		Criteria
Almost certain	6	Extremely likely to occur
Very likely	5	Almost certain to occur
Likely	4	Most likely to occur than not
Possible	3	May occur
Very unlikely	2	Unlikely to occur
Remote chance	1	Extremely unlikely to occur

Risk Score: Impact x Probability

Probability		Result			
Almost certain	6	6	12	18	24
Very likely	5	5	10	15	20
Likely	4	4	8	12	16
Possible	3	3	6	9	12
Very unlikely	2	2	4	6	8
Remote Chance	1	1	2	3	4
		1	2	3	4
Impact		Negligible	Marginal	Critical	Catastrophic

Risk Score: the overall risk level.

Risk level	Score	Description
High	16 - 24	Unacceptable level of risk exposure that requires a review of controls and immediate mitigating action
Medium	6 - 15	Acceptable level of risk exposure subject to regular monitoring
Low	1 - 5	Acceptable level of risk exposure subject to periodic monitoring

Net Risk Score: the overall risk level after controls and mitigating actions are put in place

Trend: after controls and mitigating actions are considered

↑	New or increasing risk
↔	No change to risk
↓	Declining risk

Risk Appetite

	Averse	Minimalist	Cautious	Open	Hungry
Finance		■			
Political			■		
Governance			■		
Competitive Environment				■	
Staffing and HR				■	
Student				■	
Reputational / External				■	
Infrastructure				■	
Learning and Teaching				■	
Digital					■

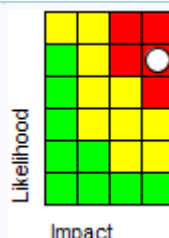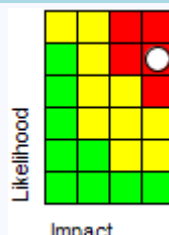| Classification	Description
AVERSE	Avoidance of risk and uncertainty is a key organisational objective.
MINIMALIST	Preference for ultra-safe business delivery options that have a low degree of inherent risk and only have a potential for limited reward.
CAUTIOUS	Preference for safe delivery options that have a low degree of residual risk and may only have limited potential for reward.
OPEN	Willing to consider all potential delivery options and choose the one that is most likely to result in successful delivery while also providing an acceptable level of reward (and value for money etc.).
HUNGRY	Eager to be innovative and to choose options offering potentially higher business rewards, despite greater inherent risk.

SR-02 Top 5 Strategic Risks

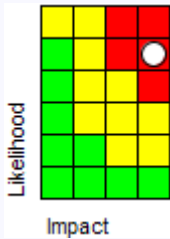| Risk No.	Risk Title	Risk Description	Proximity	Prior Net Score	Current Net Score	Trend since last report
01 WCS01	SFC Funding and Funding Methodology	Inability to clearly forecast the volatility and impact of SFC funding and funding methodology changes in relation to core-grant-in-aid, credit activity model; reduction in European funding; student support funding and estates maintenance.	Medium-term	24	24	▬
02 WCS03	Estate Strategy	Failure to deliver Estate Strategy 2016-2026 objectives due to business cases for development of estate being delayed, with this having a resultant negative impact on the ability of the College to recruit students, retain staff and address legislative requirements.	Medium-term	20	20	▬
03 WCS02	Estate and IT Investment	Failure to secure adequate short to medium term estates maintenance / capital funding for future investment or refurbishment of IT and physical infrastructure resulting in increased maintenance costs or loss of students due to failing facilities.	Medium-term	20	20	▬
04 WCS07	Impact upon Business Continuity Planning of Covid-19 pandemic	A material interruption to the service delivery of the College caused by inadequate business continuity planning, resulting in failure to delivery learning and teaching and achievement of required funding outcomes.	Medium-term	24	15	▬
05 WCS11	Alternative Income Growth	An inability to generate consistent levels of alternative income or to grow alternative income streams due to impact of external factors impacting College delivery plans results in loss of income and failure to deliver College ROA objectives.	Longer-term	18	15	▬

Risk Code & Title	01 WCS01 SFC Funding and Funding Methodology
Risk Summary	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.
Risk Category	Finance
Risk Appetite	Minimalist
Proximity	Medium-term
Probability & Impact	6 4
Gross Risk Score	24
Internal Controls	Detail of 2021-22 SFC core funding for teaching, estate and student funding confirmed and paper provided to the Board of Management indicating the challenges this settlement poses for the College. Ongoing engagement with SFC on funding for estate investment and support for voluntary severance programme continues at SFC update meetings with Regional Outcome Agreement Manager.
	College Transformation Plan agreed with SFC to take effect from 2020-21 onwards and funding / credit level confirmed by SFC to support this. Requirement for College to deliver 2020-21 curriculum activity in accordance with the agreed Business Transformation Plan. Further discussions to take place with the SFC regarding the curriculum delivery model required for 2021-22 in order to meet Transformation Plan requirements.
	Estates Strategy 2016-2026 includes objective to improve / rationalise the College estate utilising estate maintenance funding. An annual Estate Strategy update report is provided to the relevant Corporate Development Committee which includes progress towards achievement of objectives. The Estates Strategy is currently being refreshed with an updated Strategy to be provided to the Corporate Development Committee in December 2021. (Reviewed 31.08.21)
	Commercial Development and Credit Group monitor current and future curriculum delivery plans including credit delivery and staffing requirements. Report provided to each SMT meeting on credit activity.
	Active College representation and involvement in external SFC review groups – Infrastructure Strategy, Sustainability Review, FES / Credit Review group (SAGE) and student funding. Additionally, the College currently Chairs two of the College Development Networks – Business Development Directors and the Finance groups which allows the College to gain an early understanding of issues likely to impact the organisation.

	The College has undertaken a review of the possible impacts of Brexit on College operations. This review was discussed at senior management level and with relevant Board Committees. At this early stage in the Brexit transition there has not been any immediately impacts on College funding. However, this will require to be kept under review as EU funding streams will expire over the coming period and alternative funding and the nature of it remains to be confirmed by Government.
	The College through its membership of various groups, primarily the Business Development Directors and Finance Directors CDN groups, continues to access the latest Brexit intelligence specific to the College sector. The College continues to consider and review developments especially in relation to students / staff and access to exchange programme funding.
	The College is awaiting the SFC FFR planning assumption (expected late August 2021) before amending its longer-term planning scenarios. ESF activity is scheduled to end on 31 July 2022 although the SFC are planning that College activity targets and funding will continue at prior year levels, subject to some form of 'normalisation'. The College continues to engage with the SFC on future funding arrangements post 31 July 2022 to ensure that its current planning assumptions remain valid. The Corporate Development Committee will be kept informed of any changes to future funding.
	Break-even adjusted operating position (excluding the costs of voluntary severance) budget approved for 2021-22 by the Board of Management on 14 June 2021 along with 3-year financial scenario plan. 2021-22 forecast is monitored by SMT and quarterly by the Board of Management through provision of management accounts.
Probability & Impact Scores	6 4
Net Risk Score	24
Trend	▬
Latest Note	The Senior Management Team considered that the impact and probability scores of this risk remained valid and not subject to change. Whilst the College has created a 2021-22 budget there is no guidance as to the planning assumptions beyond March 2022 which indicates that there remains a large degree of volatility in any planning assumptions. The SFC in recent discussions have indicated that they are not likely to publish 2022-23 and 2023-24 planning assumptions until late August. In addition, they have indicated a return to the 'price x volume' method of funding which may have an impact upon the College. For these reasons no change in the score was proposed.
Managed By	Vice Principal Educational Leadership

Risk Code & Title	02 WCS03 Estate Strategy
Risk Summary	Failure to deliver Estate Strategy 2016–2026 objectives due to business cases for development of estate being delayed, with this having a resultant negative impact on the ability of the College to recruit students, retain staff and address legislative requirements.
Risk Category	Infrastructure
Risk Appetite	Open
Proximity	Medium-term
Probability & Impact	5 4
Gross Risk Score	20
Internal Controls	Board of Management have approved the college Estate Strategy 2016–2026, with the Corporate Development Committee receiving an annual implementation update which highlights the need for required estate investment for consideration by SFC and Scottish Government on an ongoing basis. The Estate Strategy is currently being refreshed with a revised Strategy to be presented to the December 2021 Board of Management for approval. (Reviewed 31.08.21)
	Initial Outline Business Cases (OBC) for Paisley and Greenock estate submitted to the SFC. Update on progress made in relation to OBCs made to each Corporate Development Committee meeting including engagement with SFC and local councils. The College has received funding from the SFC to undertake a refresh of the Greenock OBC. A revised Greenock OBC will be presented to the October Board of Management meeting for consideration. Once approved the revised OBC will be delivered to the SFC with a request for consideration by the end of 2021. (Reviewed 31.08.21)
	Update report provided to each meeting of the Corporate Development Committee which indicates how the College has prioritised the use of SFC estate maintenance funding to address the College 2019 Estate Condition Survey results. (Reviewed 31.08.21)
	Corporate Development Committee receive an Update Report at each meeting on College engagement with stakeholders including SFC, Scottish Futures Trust, local councils and other key stakeholders.
Probability & Impact Scores	5 4
Net Risk Score	20
Trend	▬

Latest Note	The Senior Management Team considered that the impact and probability scores of this risk remained valid and not subject to change. The updating of the Greenock outline business case remains ongoing with a paper being presented to the Board of Management in October 2021 for approval. Subsequently the OBC will be presented to the Scottish Funding Council for their comment. The College has continued to engage with the SFC in regard to this matter but until final approval is granted, and funding is made available the delivery of the Estate Strategy remains in question. A further aspect which will require to be considered is the impact of the Scottish Government's net-zero pledge. This has already had an impact on the investment required to complete the new Greenock campus and is likely to have an impact on the Paisley OBC as well. The College limited resources will in future require to be diverted to address the outcomes from the net-zero pledge.
Managed By	Vice Principal Operations

Risk Code & Title	03 WCS02 Estate and IT Investment
Risk Summary	Failure to secure adequate short to medium term estates maintenance / capital funding for future investment or refurbishment of IT and physical infrastructure resulting in increased maintenance costs or loss of students due to failing facilities.
Risk Category	Infrastructure
Risk Appetite	Open
Proximity	Medium-term
Probability & Impact	5 4
Gross Risk Score	20
Internal Controls	Corporate Development Committee receive reports on levels of SFC estate maintenance funding and planned level of expenditure compared to need, and how the College is prioritising the use of the amount allocated to it on a rolling annual basis. (Reviewed 31.08.21)
	The College regularly engages both formally and informally with both Renfrewshire and Inverclyde Councils and wider partners to discuss opportunities for development of College facilities. Update report on progress provided to Corporate Development Committee at each meeting.
	The College completed an estate condition survey in 2019 to provide up to date information of the investment required to bring the estate to Condition B status and to maintain it at this level. A presentation on the 2019 results was made to the Board of Management and more recently in April 2021. The SFC have also received a copy of the condition survey report and presentation for their information. The Director of Infrastructure continues to engage with the SFC on the wider infrastructure issues impacting College operations as well as keeping them updated in the progress towards submission of revised Outline Business Cases for Greenock and Paisley. (Reviewed 31.08.21)
	Outline Business Cases for Paisley and Greenock submitted to the SFC following Board of Management approval. The College has received funding from the SFC to undertake a refresh of the Greenock OBC during 2021. The updating of the Greenock outline business case remains ongoing with a paper being presented to the Board of Management in October 2021 for approval. Subsequently the OBC will be presented to the Scottish Funding Council for their comment. The College has continued to engage with the SFC in regard to this matter but until final approval is granted, and funding is made available the delivery of the Estate Strategy remains in question.
	College Estate Strategy 2016-2026 submitted to SFC highlighted significant need of investment in College. Annual update report on implementation and progress provided to Corporate Development Committee. Principal and Director of Infrastructure formally updated the SFC at least twice a year on estate challenges faced by the College. (Reviewed 31.08.21)

Probability & Impact Scores	5 4
Net Risk Score	20
Trend	▬
Latest Note	The Senior Management Team considered that the impact and probability scores of this risk remained valid and not subject to change.

As previously noted, the College estate lifecycle maintenance grant has reduced by £75k and the high priority maintenance grant has reduced by £783k for 2021-22. The Scottish Funding Council has provided a one-fund digital fund of £458k for 2021-22 but has indicated that this is only for that year as it is funded from covid consequential funds. So overall the College has seen a reduction of £400k in available funding with this reduction likely to increase in 2022-23. Due to these factors, the ability of the College to secure adequate future infrastructure investment remains weak and the risk score has not changed. |
| **Managed By** | Vice Principal Operations |

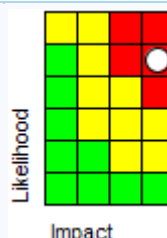| Risk Code & Title	04 WCS07 Impact upon Business Continuity Planning of Covid-19 pandemic
Risk Summary	A material interruption to the service delivery of the College caused by inadequate business continuity planning, resulting in failure to delivery learning and teaching and achievement of required funding outcomes.
Risk Category	Reputational/External
Risk Appetite	Open
Proximity	Medium-term
Probability & Impact	6 4
Gross Risk Score	24

Internal Controls	Business Continuity Planning documents are available on the Intranet and available to all staff. College Incident Management Plan reviewed annually with the next updated scheduled to take place during the first quarter of 2021-22. Quarterly scenario testing involving teaching and support staff facilitated by external professional risk manager from Zurich Municipal to be restarted from August 2021. IT Cyber Response Plan currently being finalised based on Scottish Government guidance document.
	The impact of Covid-19 meant that the quarterly BCP scenario sessions were suspended. The College has been operating a College Covid-19 Response Group along with an operational Mobilisation Group. Both groups include members from teaching and support staff, unions and student representatives. The work of these groups which included adapting current operational procedures superseded the quarterly scenario sessions for 2020-21.
During the first quarter of 2021-22, the College intends restarting the business continuity scenario planning sessions with involvement from both teaching and support staff. These sessions will continue to be externally facilitated by Zurich Municipal risk staff and the sessions and lessons learned shared with staff via the Business Continuity section of the intranet.
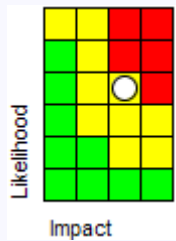|	College Mobilisation Group continues to operate to oversee operational issues related to Covid-19. Group is chaired by the Director of Infrastructure and has representatives from staff, unions and Student Association. The Group meets weekly and reports to an Executive Group led by the Principal who oversees the overall College Covid-19 response. (Reviewed 31.08.21)
	Good interaction with staff, trade unions and Student Associations with regular meetings taking place and information being supplied to all parties on a timely basis normally via the College intranet, with the use of the Homeworking Times publication being key.
	Continued engagement with Scottish Funding Council, Skills Development Scotland and other funding bodies to gain clarity on future funding and determine impacts upon College financial sustainability.
	The College is following sector wide guidance and working with Public Health Scotland, as required, having established processes and procedures in place around this. The College is able to react quickly to any future Government COVID measures which may be made and has already done so at the start of the new 2021/22 academic year which has seen students returning to our Campuses. Additionally,

engagement with staff associations enables staff feedback to be acted upon timeously. Risk mitigations in place go beyond those currently set out Nationally and this will continue to be the case to ensure staff and students are able to work and study in a safe environment. Actions continuing to support this approach lockdown include:

• Weekly COVID -19 SMT overview meetings supported by groups empowered to deliver overall objective of safe working and study environments

• Regular communications and guidance to staff and students through our intranet

• Continued development of online materials across all areas of learning and teaching

• Continued dispersal of IT equipment to support students where there is an identified need

• Engagement with SFC and awarding bodies will continue to assess the impact of any deferral of teaching activity on student achievement of qualifications; and

• On-going monitoring of supply chains based upon risk analysis supplied by APUC.

The delivery of the work streams associated with the College Digital Strategy will ensure that the needs of both students and staff are addressed in relation to learning and teaching and delivery of support services.

The College has a strategic approach to health and wellbeing provision, in order to structure our holistic approach to health promotion we have developed the PROSPER framework. The PROSPER framework has been formed to be the backbone of our Employee and Student Health and Wellbeing Strategies launched in December 2019. The PROSPER framework is at the core of everything that we do as a College and we are confident that we have a sustainable and strategic approach which recognises different dimensions of health promotion.

The College has a wealth of health improvement initiatives in place and through the Healthy Lives Working Group continue to have a proactive response linked to the our operating environment. The group reports to both the Equality, Diversity and Inclusion Committee and Health & Safety Committees.

Student Health and Wellbeing strategy:https://www.westcollegescotland.ac.uk/media/213570/student-health-wellbeing-strategy.pdf

Student Intranet pages for HWL: http://student.westcollegescotland.ac.uk/index.php/advice/corona-virus/

Staff Health and Wellbeing strategy:

https://intranet.westcollegescotland.ac.uk/reference/reference/Health%20and%20Wellbeing%20Strategy.pdf#search=prosper

Probability & Impact Scores	5 3
Net Risk Score	15
Trend	▬
Latest Note	The Senior Management Team considered that the impact and probability scores of this risk remained valid and not subject to change. The College has reacted positively to the operational challenges presented by Covid-19 and this was confirmed by the internal auditors as part of the work carried out to deliver the 2020-21 internal audit
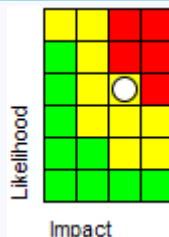
| | plan. The College Business Continuity Planning arrangements will also be subject to internal audit review as part of the 2021-22 plan.

However, at this time the College is only just returning to some form of normal operation and therefore does not feel it appropriate to reduce the impact or probability score associated with this risk. It will be reviewed during the first quarter of 2021-22 in light of any impacts with the return to campus-based teaching. |
|---|---|
| **Managed By** | Vice Principal Operations |

Risk Code & Title	05 WCS11 Alternative Income Growth
Risk Summary	An inability to generate consistent levels of alternative income or to grow alternative income streams due to impact of external factors impacting College delivery plans results in loss of income and failure to deliver College ROA objectives.
Risk Category	Competitive Environment
Risk Appetite	Open
Proximity	Longer-term
Probability & Impact	6 3
Gross Risk Score	18
Internal Controls	Alternative income plans, targets and activities developed annually as part of the Operational Planning Process and shared across the College. Income plans and ambitions are in response to requirements of College Transformation Plan objectives. Reporting and monitoring on activity and progress is subject to review by Learning, Teaching and Quality Committee.
	2020-21 alternative income budget and forecast agreed and monitored by the Learning, Teaching and Quality Committee.
	Operation planning combined with Curriculum Development Planning procedure used to identify potential opportunities for income growth.
	The College has a detailed one-year budget and three-year financial plan in place in accordance with Audit Scotland requirements. The budget and annual forecast is reviewed monthly and updated based upon the latest intelligence. The updates are incorporated into the monthly Management Accounts which are reviewed by the Senior Management Team before being presented to the Corporate Development Committee and Board of Management.
	Commercial Development and Credit Group meet twice a month to review budget / create forecast and address challenges of delivering alternative income.
	Update report provided to Learning, Teaching and Quality Committee on partnership working with local employers and stakeholders.
	Adaption of course portfolio to meet student / employer needs undertaken in line with updated Portfolio Review Guidance produced for July 2021.
Probability & Impact Scores	5 3
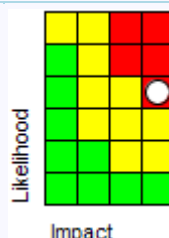
Net Risk Score	15
Trend	▬
Latest Note	The Senior Management Team considered that the impact and probability scores of this risk remained valid and not subject to change. The College has seen a positive end to the 2020-21 financial year with the level of alternative business activity generated by the College exceeding forecasts. This increase is anticipated to provide a sound basis for the start of 2021-22. The College is minded to reduce the probability associated with this risk but is unwilling to do so until the end of the first quarter. The impact across the Scottish economy of the return to normal activity and the withdrawal of the staff furlough scheme have still to be established.
Managed By	Vice Principal Educational Leadership

Risk Code & Title	06 WCS04 SFC Regional Outcome Agreement
Risk Summary	Failure to deliver SFC Regional Outcome Agreement targets at a time of limited resource, competition and challenging economic environment due to Covid-19, results in future credit and/or funding adjustments.
Risk Category	Learning and Teaching
Risk Appetite	Open
Proximity	Longer-term
Probability & Impact	5 4
Gross Risk Score	20

Internal Controls	Commercial Development and Credit Group monitor current and future curriculum delivery plans including credit delivery and staffing requirements. Report provided to each SMT meeting on credit activity.
	The College has undertaken a review of the possible impacts of Brexit on College operations. This review was discussed at senior management level and with relevant Board Committees. At this early stage in the Brexit transition there has not been any immediately impacts on College funding. However, this will require to be kept under review as EU funding streams will expire over the coming period and alternative funding and the nature of it remains to be confirmed by Government.
	The College through its membership of various groups, primarily the Business Development Directors and Finance Directors CDN groups, continues to access the latest Brexit intelligence specific to the College sector. The College continues to consider and review developments especially in relation to students / staff and access to exchange programme funding.
	The College is awaiting the SFC FFR planning assumption (expected late August 2021) before amending its longer-term planning scenarios. ESF activity is scheduled to end on 31 July 2022 although the SFC are planning that College activity targets and funding will continue at prior year levels, subject to some form of 'normalisation'. The College continues to engage with the SFC on future funding arrangements post 31 July 2022 to ensure that its current planning assumptions remain valid. The Corporate Development Committee will be kept informed of any changes to future funding.
	Effective ROA monitoring and reporting procedures in place, including operational planning process, and monitoring through the Board of Management and all Committees. At present no ROA is in place since SFC have not issued guidance for completion for 2021-22 document
	Regular contact and review meetings with local authorities and schools to access attainment funding in support of College activities.
	Detailed curriculum development planning and review process which was subject to positive review by internal audit.

	Blended approach to delivery of teaching and learning including online learning allowing College to address changes in recruitment and delivery.
	Curriculum offering is reviewed to ensure employer and student needs are met and appropriate courses delivered. Curriculum Planning & Review process updated for 2021-22 to bring in line with the Curriculum Strategy.
	2020-21 Interim ROA finalised following receipt of revised SFC guidance on monitoring of 2020-21 outcomes given impact of Covid-19. Board of Management approved Interim 2020-21 ROA at February 2021 meeting and document submitted to SFC. Changes to ROA have been reported to Board of Management and individual Committees made aware of ROA objectives relevant to their remit. No 2021-22 ROA Guidance published by SFC and therefore draft ROA cannot be started (July 21)
	College Marketing Plan ensures that the College is seen as the place to come to be educated. Internal communication plans subject to internal audit review with limited number of recommendations for improvement. External communications plan will be subject to an internal audit review as part of 2020-21 audit plan.
	Adaption of course portfolio to meet student / employer needs undertaken in line with updated Portfolio Review Guidance produced for July 2021.
	Approved by Board of Management in June 2021. Document shared with Heads at a specific session in August. Action plan for 2021-22 completed by ELT and Curriculum Strategy published on the Intranet for staff 24 Aug.
Probability & Impact Scores	4 3
Net Risk Score	12
Trend	▬
Latest Note	The Senior Management Team considered that the impact and probability scores of this risk remained valid and not subject to change.

The College anticipates achieving all required 2020-21 Regional Outcome Agreement objectives. The level of core and ESF credit activity will be in line with the 2020-21 budget and forecast. The late provision (March 2021) of additional Young person Guarantee and National Transitional Training funding meant that the College was unable to fulfil all its allocated activity despite the best efforts of the staff concerned. This will be discussed with the Scottish Funding Council.

The future ROA framework remains uncertain and therefore the College will keep the current impact and probability scores under review as further guidance becomes available. |
| **Managed By** | Chief Executive and Principal |
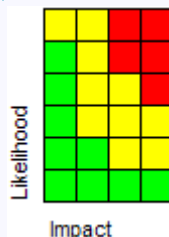
Risk Code & Title	07 WCS05 National Pay Bargaining
Risk Summary	Impact and outcome of National Pay Bargaining for both teaching and support staff has an adverse effect on either efficiency of delivery or budget.
Risk Category	Staffing and HR
Risk Appetite	Open
Proximity	Medium-term
Probability & Impact	6 3
Gross Risk Score	18
Internal Controls	The College is represented at a senior level on the national Employers Association and at the staff National Joint Negotiating Committees (NJNC). Update reports provided to both the Senior Management Team and Board of Management Committees on material issues likely to impact the College and the wider sector.
	Financial assessment / planning scenarios on the impact of support staff job evaluation included within the 2021-22 budget and three-year forecast. Updates received from the Employers Association discussed with auditors to ensure treatment of impact is consistent with the wider sector. Senior staff participate in national bargaining groups and therefore College is informed of potential future impacts.
	The College **Business Continuity Plan intranet section** contains full information of the Policies and Practices undertaken by the organisation to address threats to the continuation of business as normal. As part of these considerations the impact of industrial action has been considered and specific action plans are in place to address any direct impacts.
	Local trade union consultation and negotiating committees for support and teaching staff continuing to meet on a regular basis to maintain positive College industrial relations.
	Workforce planning being carried out at departmental level based on national agreements. The Director OD&HR will review the current approach and determine any changes required during 2021/22 to ensure that the College is able to plan to meet the longer-term needs of the College.
Probability & Impact Scores	4 3
Net Risk Score	12
Trend	▬

Latest Note	The Senior Management Team considered that the impact and probability scores of this risk remained valid and not subject to change. The sector has received pay claims from both the teaching (average request of 3.8% increase) and support staff (average request of 6.8% increase) for 2021-22. The support staff have also requested consideration of several conditions of service including a 4-day week and improved allowances. Clearly these requests are unaffordable against the current increase in the sectors core teaching grant of 2.4%. Unless there is significant downward movement in the staff claims these factors are likely to lead to industrial unrest and potentially strike action. At this time negotiations are ongoing and therefore the College is not minded to amend the impact or probability scores at this time.
Managed By	Chief Executive and Principal
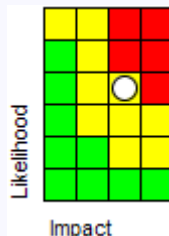
Risk Code & Title	08 WCS06 Digital Ambitions and IT Systems
Risk Summary	Failure to adequately maintain or acquire and use IT systems and infrastructure effectively results in a failure to deliver / support the digital ambitions of the College.
Risk Category	Digital
Risk Appetite	Hungry
Proximity	Medium-term
Probability & Impact	4 4
Gross Risk Score	16

Internal Controls	IT Strategy, Policies, Procedures and system access processes in place. The Corporate Development Committee has reviewed progress achieved in delivering the previous IT Strategy on an annual basis. New IT Strategy for 2021-25 has been agreed and approved. (Reviewed 31.08.21)
	Staff and student feedback and evaluation procedures in place. Action planning in place to address issues raised through feedback mechanisms.
	IT Contingency Planning in place with regular reviews and updates undertaken. Linked to Business Continuity Planning and Cyber Resiliency + Cyber Essentials Plus. (Reviewed 31.08.21)
	College to renew Cyber Essentials Plus accreditation annually. (Completed and achieved for 2021). Work completed on stage one of the Scottish Government Cyber Resiliency Framework. (Reviewed 31.08.21)
	The College Digital Strategy sets out our digital ambitions for the College, presented and approved by the Board of Management. Update reports are provided to Learning, Teaching and Quality Committee with regular updates provided to SMT and monthly Digital Strategy Core Group Meetings. The WCS Digital Strategy Core Group provide a basis for College digital developments and a basis for seeking required levels of Scottish Government and SFC funding to support this.
	College is supportive of staff involvement in national negotiations and has open dialogue with trade unions at local and national levels as to how staff can be supported.
	The College involvement in the national digital group has concluded for phase 1 generating a National Digital Ambition for Scotland's Colleges and a Route Map. In addition, one-off SFC funding of £221k in late 2020 utilised to fund purchase of IT devices for students. Work on the National Digital SLWG phase 2 has commenced with the College being an active member of the Group. Reports are regularly provided to senior management team on activities undertaken.
	Data from major IT systems reviewed on ongoing basis to ensure that information upon which strategic decisions are based is robust and up to date.
	Systems are in place for early identification and monitoring of provision deemed to be at risk of non-completion. Enhanced internal quality assurance on qualifications progress has been in place for the
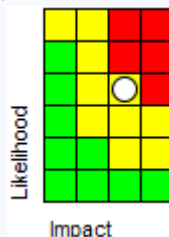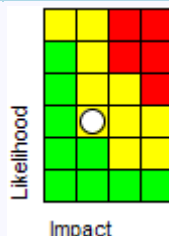
	whole session 2020-21. This incorporates monthly *BRAG* rating and selected Internal Quality Assurance panels which monitor the correct application of awarding body guidance against qualifications and will provide early flags for student groups where deferral of their qualification into 2021-22 may be deemed necessary. 'At risk' groups are identified through course evaluation processes at curriculum level and involves scrutiny of student's outcomes for all protected characteristics and special interest groups. Monitoring of progress against targets for improvement has been strengthened during 2020-21 with the introduction of a curriculum level ROA sub report. This enables performance benchmarking at College and national level and facilitates sharing of good practice and outcomes across our teaching areas.
	The College student feedback mechanisms incorporate the mandatory SFC survey, internal thematic surveys and focused discussions with special interest groups. For example, a recent survey with care experienced students was conducted via Teams discussions and the responses influence the strategy for support for this year and for future cohorts.
Probability & Impact Scores	4 3
Net Risk Score	12
Trend	▬
Latest Note	The Senior Management Team considered that the impact and probability scores of this risk remained valid and not subject to change. The College has been given £458k of Digital Capacity building funds for 2021-22 which will assist the organisation in achieving some of its Digital Strategy objectives. However, it has been made clear that this funding is a one off for 2021-22 only as it is coming from covid consequential funds. This therefore calls into question the ability of the College to maintain the level of digital activity beyond July 2022 and may have an impact on delivery of the Regional Outcome Agreement objectives in future years. As the future funding of digital provision is uncertain at this time, the College will monitor the situation and amend the risk score in the future.
Managed By	Vice Principal Operations

Risk Code & Title	09 WCS15 College Transformation Plan
Risk Summary	Failure to deliver the financial and/or non-financial objectives outlined in the College Transformation Plan "Future Proofing Our College".
Risk Category	Governance
Risk Appetite	Cautious
Proximity	Longer-term
Probability & Impact	4 4
Gross Risk Score	16
Internal Controls	Transformation Plan has been developed by the College and discussed in detail with the SFC. Plan formally agreed and funding provided by SFC from 2020-21 to support this. Requirement for College to deliver the Transformation Plan and consider the level of third-party distance learning. Board of Management have approved the Plan and financial objectives are monitored through the Corporate Development Committee. Board of Management monitor overall plan achievement.
Probability & Impact Scores	3 4
Net Risk Score	12
Trend	▬
Latest Note	The Senior Management Team considered that the impact and probability scores of this risk remained valid and not subject to change. The College believes it has delivered on the objectives set in the Business Transformation Plan agreed with the Scottish Funding Council (SFC). It is currently undertaking work to establish the outputs from the plan and a report will be presented to the October 2021 Board of Management meeting. If as anticipated the financial and non-financial objectives have been achieved the College will look to engage with the SFC to close off the Business Transformation Plan and move to business as normal. The status and scoring associated with the risk will be reviewed after the October Board meeting and meeting with the SFC.
Managed By	Chief Executive and Principal
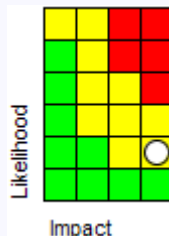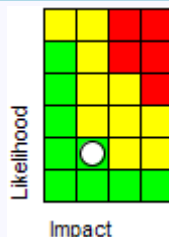
Risk Code & Title	10 WCS16 Cyber Resilience
Risk Summary	The College fails to properly prepare for either an internal or external cyber-attack due to poor procedures or system failures resulting in a loss of data, funding and/or stakeholder trust.
Risk Category	Digital
Risk Appetite	Cautious
Proximity	Immediate
Probability & Impact	
Gross Risk Score	
Internal Controls	IT Strategy, Policies, Procedures and system access processes in place. The Corporate Development Committee has reviewed progress achieved in delivering the previous IT Strategy on an annual basis. New IT Strategy for 2021-25 has been agreed and approved. (Reviewed 31.08.21)
	IT Contingency Planning in place with regular reviews and updates undertaken. Linked to Business Continuity Planning and Cyber Resiliency + Cyber Essentials Plus. (Reviewed 31.08.21)
	College to renew Cyber Essentials Plus accreditation annually. (Completed and achieved for 2021). Work completed on stage one of the Scottish Government Cyber Resiliency Framework. (Reviewed 31.08.21)
	Data from major IT systems reviewed on ongoing basis to ensure that information upon which strategic decisions are based is robust and up to date.
	The College has completed the first stage of the Scottish Government Cyber Resiliency Toolkit which was reported to 01 June 2021 CDC. The toolkit will assist the College in addressing the cyber risks faced by the College. The toolkit is split into 9 areas of focus (Preparation, Identification, Reporting, Analyse and Investigate, Containment, Eradicate, Recovery, Reporting, Lessons Identified). An Action Plan is being developed to achieve compliance with this framework with updates being brought to subsequent Corporate Development Committee meetings.
Probability & Impact Scores	4 3
Net Risk Score	12
Trend	▬

Latest Note	The Senior Management Team considered that the impact and probability scores of this risk remained valid and not subject to change. Following the January 2021 ransomware incident, the College employed an external consultancy to undertake a review of the vulnerability of the college network. The report received as a result of this work resulted in several actions being taken by the College to strengthen the IT network security arrangements. The Corporate Development Committee have been kept appraised of the work being undertaken. The College believes it is in a position where it is as well prepared as possible in relation to future cyber-attacks. However, given the recent prevalence of cyber-attacks on public bodies the College does not feel that the risk probability can be reduced at this time. The risk will be subject to further review in the coming months.
Managed By	Vice Principal Operations

Risk Code & Title	11 WCS09 Staff Relations
Risk Summary	Inability to maintain positive staff relations due to internal or external factors resulting in loss of staff trust, less efficient delivery and potential industrial action.
Risk Category	Staffing and HR
Risk Appetite	Open
Proximity	Longer-term
Probability & Impact	4 3
Gross Risk Score	12
Internal Controls	Approved Workforce Plan in place and review of existing approach to be undertaken by Director OD&HR during 2021-22.
	Clear procedures for communication and engagement with Trade Unions and College staff verified by 2018-19 internal audit on internal communications.
	Staff engagement sessions and staff surveys undertaken on regular basis allowing matters to be raised and issues to be addressed early.
	Local trade union consultation and negotiation committees in place for teaching and support staff. Minutes of the meetings are provided to staff via the College intranet.
Probability & Impact Scores	3 3
Net Risk Score	9
Trend	▬
Latest Note	The Senior Management Team considered that the impact and probability scores of this risk remained valid and not subject to change. Currently the Senior Management Team believe that the level of industrial relations within the College are on a par with the latter half of 2020-21. The College continues to engage on a proactive basis with both support and teaching staff unions and the results of the recent staff survey presented a positive picture of ongoing relations. There are actions to be taken to enhance staff relations and these will be implemented over the course of 2021-22.
Managed By	Chief Executive and Principal

Risk Code & Title	12 WCS10 Workforce Planning
Risk Summary	Failure to embed Workforce Plan resulting in lack of appropriate resources and skills being developed to achieve College strategic objectives and outcomes
Risk Category	Staffing and HR
Risk Appetite	Open
Proximity	Longer-term
Probability & Impact	4 3
Gross Risk Score	12
Internal Controls	Board of Management approved College Workforce Plan in place and annual update report provided to Corporate Development Committee. Director OD&HR will review the current approach during 2021/22 to ensure it is enabling the College to meet requirements for future delivery.
	Detailed teaching resource planning through use of curriculum mapping tool (CMAP) CMAP for 2021-22 completed for budget and being updated following recruitment (July 21)
	Resourcing of support staff structures reviewed on an ongoing basis by Executive Management Team to ensure alignment with operational and strategic priorities.
	ITrent HR and payroll software developed to provide staff data and reports including a College establishment report.
	Professional Development Policies are aligned to strategic priorities.
	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.
	Results from staff skills survey being used to allow the College to identify and address future skills gaps.
Probability & Impact Scores	3 2
Net Risk Score	6
Trend	▬
Latest Note	The Senior Management Team considered that the impact and probability scores of this risk remained valid and not subject to change.

	The College is currently working to implement the current workforce plan. In conjunction with this work the College is also updating the College People Strategy which will include several revised workforce planning objectives. The College will also be piloting the revised Continuing Professional Development scheme in early 2022 as part of overall work force planning.
Managed By	Chief Executive and Principal

Risk Code & Title	13 WCS14 Estates Investment Works
Risk Summary	Normal business activities are unduly affected due to the complexity of sequencing estates investment works
Risk Category	Learning and Teaching
Risk Appetite	Open
Proximity	Longer-term
Probability & Impact	2 4
Gross Risk Score	8
Internal Controls	Detailed resource planning involving all relevant parties at key stages to address any issues in advance of project start date. (Reviewed 31.08.21) Consideration of increased staff resources through recruitment of additional Project Manager to address any significant increase in level of expenditure and complexity of projects being undertaken. (Reviewed 31.08.21) Embedded project / estate team with knowledge base that allows issues to be proactively identified and addressed. (Reviewed 31.08.21) Continued use of external professional advisors (where required) to provide oversight, support and review of proposed activities / plans. (Reviewed 31.08.21)
Probability & Impact Scores	2 2
Net Risk Score	4
Trend	▬
Latest Note	The Senior Management Team considered that the impact and probability scores of this risk remained valid and not subject to change. The College is undertaking several major projects (new roof at Paisley and new windows at Greenock) which will likely have some impact on normal operations. The work is being planned to minimise any disruption to learning and teaching. At this time there is no indications that this work cannot be contained to ensure minimal disruption to College life.
Managed By	Vice Principal Operations

TITLE: **ESTATES AND SUSTAINABILITY 2021-22 UPDATE**

Background: This report provides the Corporate Development Committee with an update in relation to estates developments, projects, and funding.

Action: The Corporate Development Committee are requested to review and note this report for information.

Lead: Martin Joyce - Director of Infrastructure

               Peter Thorne – Head of Estates

Status: Open

Date: 14 September 2021

1.0 **Introduction**

1.1 This report provides the Corporate Development Committee with an update in relation to estates developments, projects and funding and encompasses the following:

- External Estates Matters:
  - Clydebank District Heating System
  - NHS Golden Jubilee Hospital, Clydebank
- Catering update
- Estate project and budget updates
- Leasing agreements
- College Estate Strategy update
- Asset Transfer requests
- Sustainability

2.0 **External Estates Matters**

The following provide an update on wider estates developments:

2.1 Clydebank District Heating System

The Director of Finance and Director of Infrastructure continue to engage with West Dunbartonshire Council (WDC) and their representatives in relation to the Clydebank District Heating system, however there is no material change to report.

A further update will be provided at a future Committee meeting.

2.2 Clyde Mission Fund

While all Phase 1 projects have been allocated, future funding rounds are anticipated, and a submission was lodged by the College in response to the Clyde Mission Fund's 'Call for Ideas'. This identified a need for £1.1m of financial support to fund the connection of the District Heating System at Clydebank, which it is anticipated would cover the one-off capital connection costs.

To date no formal response has yet been received.

The Director of Infrastructure has subsequently met with Richard Cairns, seconded from West Dunbartonshire Council as a Strategic Adviser to the Clyde Mission, for a wide-ranging discussion on opportunities at both Clydebank and Greenock as these would each fall within the Clyde Mission geographical area.

A further update will be provided at a future Committee meeting.

2.3 NHS Golden Jubilee, Clydebank

The Director of Infrastructure continues to attend the Hospital Expansion Programme Board.

Phase 1 - now fully operational, functional, and complete.

Phase 2 - this phase will deliver additional theatres for orthopaedic surgery, a day case/day surgery admission unit, supporting accommodation, an outpatient/pre-operative assessment area and diagnostic space.

Since the previous update provided to the Corporate Development Committee:

- Construction work continues at pace with the superstructure and external envelope with pre-cast cladding which is using MMC (Modern Methods of Construction).
- The new 'NHS Assure' Review process remains underway.
- Kier Construction to initiate contact with the College to determine if there are immediate opportunities for site visits by students to meet part of their Community Benefit obligations.

The Golden Jubilee scheme has been delivered using the NHS SCIM (Scottish Capital Investment Manual) process and there is early indication from SFC that a variant of this guidance will be required should the Greenock or Paisley OBCs proceed to FBC status, and discussions are underway between the SFC and SFT (Scottish Futures Trust) as to the timing of its implementation.

A further update will be provided at a future Committee meeting.

3.0   Catering Update

A reduced and limited catering service is now operational at each of the main campuses, following the restructure which took place in 2020-21. Prior to the restructure of the catering operation, the budget for the 26.1 FTE (headcount 35) staff was forecast to be £719,000. After the restructure, the remaining 14.11 FTE (headcount 19) staff forecast is £418,000. This equates to an overall reduction of £301,000 (42%). It is still anticipated however, that the service will incur a deficit position of circa £150k for 2021-22 subject to an income level of £700,000 being achieved.

The level and nature of the service provision will continue to be monitored on a weekly basis to match any increases in demand as the number of students on campus increases, however at this time the income remains challenging, particularly at the Waterfront Campus. The use of the furlough scheme will also cease at the end of September 2021 in line with government guidance.

The main kitchen and refectory at Paisley remain inoperable due to the fire. The Dining Hall area has been brought back into use but requires redecoration. Catering provision will be primarily delivered from the Taste Café in Renfrew North in the interim.

A new "Greggs" fast food outlet has opened immediately adjacent to the Paisley Campus which is expected to further exacerbate the catering income position on this campus.

It is intended to undertake a Staff and Student survey during 2021/22 to help inform the future catering offer across the College and to assist in developing a sustainable model of provision that would not require a continuing annual subsidy.

A further update will be provided at a future Committee meeting.

4.0   **Estates Project and Budget Updates**

The following section provides an update in relation to estates projects currently being progressed.

4.1   The Inchinnan Building, Paisley Campus

All relocation activities have now been completed and the building is operational for all student activity. The final account for the main construction works is being negotiated but will be contained within the budget of £1.4m.

It is understood that a competition to formally name the facility, together with an opening ceremony is at the early stages of consideration by the curriculum team.

4.2   **SFC Estates Funding - Financial Year 2021-22**

Lifecycle Maintenance Funding
The level of lifecycle estate maintenance funding provided by the SFC for 2021-22 is **£1,121,000**
As the College requires to utilise the full amount to meet operational estates maintenance running costs and bank interest cover this funding is fully committed.

High Priority Maintenance Expenditure
At present, the College has engaged with a cost consultant to determine a range of high-level probable costs to assist in determining the in-year priorities based on a reduced allocation of funding. As is typical, but more acute this year, the number of potential projects far exceed the available budget envelope. Due to extant pressures in materials costs and supply chain, it is prudent to undertake an initial level of assessment to determine overall viability and affordability of the potential schemes.

Of note, the High Priority Maintenance Funding provided by the SFC for 2021-22 is £2,572,000, which is a 23% reduction when compared to 2020-21 funding levels.

Details of the High Priority Maintenance expenditure 2021-22 will be brought to a future committee.

4.3   **SFC Estates Funding – Financial Year 2020-21**

High Priority Maintenance Expenditure - Category 1

Finnart Street, Greenock - Workshop Roof Covering Replacement
Estimated 2020-21 spend - £250,000

As noted in the previous CDC report, the planned proposal to replace the roof covering has been cancelled. Localised repair work will only be undertaken when any water penetration disrupts curriculum delivery, and quarterly surveys will be undertaken to monitor the condition of the roof slabs

The most recent quarterly inspection report (August 2021) has indicated a requirement to undertake and implement some remedial works - which are currently underway. This has affected four rooms within the building, with one room being taken out of commission temporarily as a preventative measure. The Estates team have formally notified the Scottish Funding Council of these essential works affecting the reinforced concrete roof slabs and impact on curriculum delivery.

Finnart Street, Greenock - Tower Window Replacement
Estimated 2020-21 spend - £530,000

Following a competitive tender process, 6 tenders were received ranging from £381,957 to £728,840 which compares with the budget cost for construction works of £328,575.00 (all figures Ex VAT). These figures are all headline tender figures which are currently being arithmetically checked and evaluated, although it is evident from the number and nature of the caveats on the lowest price submission that this figure may increase.

The long stop date for accepting the most suitable tender is the 4 November 2021, which would be followed by a mandatory two-week standstill period.

At the June Board meeting, the Principal was given delegated authority to approve acceptance of the most suitable tender on the basis that the total cost of contracts associated with this project would not exceed £530,000. However, based upon the lowest headline tender it is anticipated that the total project expenditure will be at least £567,060, with the probability that it may exceed £600,000 when the lowest tender caveats are removed. Opportunities for value engineering are limited due to the nature of the works.

Based upon the lead-in periods indicated in the current lowest tender, if formally accepted in September, site works would commence on the 13 December 2021, which is less than optimum being immediately prior to the Christmas period. The earliest practical date would therefore be a site commencement on 10 January 2022.

This would also mean undertaking this project during January / February, which is potentially during the worst of the winter weather. The Estates team are therefore of the view that it is not in the best interests of the College to undertake these works at this time of year and propose that delivery of this project be deferred as late as possible, based on the long stop date in early November, which would push commencement back until February 2022, or even later subject to agreement with the preferred contractor, and thereby potentially missing the worst of any winter weather.

The Committee are asked to note that work on this project was initiated in late in 2020, when there was no indication at that time when the OBC for a new campus in Greenock would progress. The separate report on the Greenock OBC now indicates that we hope to secure approval and funding to proceed with the Full Business Case by the end of calendar year 2021. It is therefore proposed to defer a final decision, as far as possible, on progressing this project until it is confirmed whether it is likely that we can progress the FBC. In this eventuality, we would propose to cancel this project and implement a remedial works scheme that would maintain the integrity of the envelope for the remaining short life of the Finnart Street campus, as an alternative to spending potentially £600k which could be better utilised elsewhere within the overall estate.

Oakshaw Building, Paisley - Replacement of Workshop Windows
Estimated 2020-21 spend - £50,000
Following the appointment of consultants to undertake the feasibility study, initial indications are that the sum of £220,000 is required for replacement of all the windows.

Based upon the consultant's advice, the College proposes to initiate a rolling programme of window replacement, commencing with those areas that have been upgraded in recent years.

<u>Renfrew and Oakshaw Buildings, Paisley – Replacement of Roof Coverings and Rendering of Façade</u>
<u>Estimated 2020-21 spend - £1.278m</u>
The consultant team has been appointed (following a competitive tendering exercise) for this project which has aggregated two individual projects into a single contract for efficiency of scale and cost savings. Detailed design works are underway with Main Works Tenders to be issued shortly

This item was subject to a separate report to the June 2021 Corporate Development Committee.

<u>Abercorn Building, Paisley – Roof Repairs</u>
<u>Estimated 2020-21 spend - £25,000</u>
A detailed planning application and Listed Building Consent was submitted to Renfrewshire Council for the planned roof repairs to this Grade C listed building, in conjunction with the tenants Milne Craig.

While Historic Environment Scotland advised that Listed Building Consent was not required, negotiations continued with the local Planning Authority. The Council have subsequently refused planning consent based on the works proposed, even though the College had moderated its original proposals to try and achieve a consensus outcome.   A meeting was arranged on the 2 September 2021 with the tenant Milne Craig, at which it was agreed that the additional costs which would be incurred in retaining all four ventilation towers (instead of the two originally proposed) are such that an appeal should lodged.

In the interim, the College will seek to progress with a scheme of works which will be undertaken in two phases, but over four financial years, with work being undertaken in Summer 2022 (to bridge financial years 2021-22 and 2022-23 and Summer 2024 (to bridge financial years 2023-24 and 2024-25)

5.0   Leasing Agreements
The following matters are currently being progressed in relation to lease agreements:

5.1   <u>YMCA, New Street, Paisley</u>
Notice was served on the YMCA stating the College's intention to vacate the New Street property in September 2021. Although progress continues to be slow, the College is engaging with the YMCA to discuss the extent, nature, and cost of any repairs/dilapidations and this process remains ongoing. Any required works will be undertaken as quickly as possible, and an amount has been set aside to cover these costs.

The Newcastle Building Society facility has been successfully handed back to the landlord.

5.2   <u>West Dunbartonshire Council</u>
The Board of Management approved the terms of a leasing arrangement between the College and West Dunbartonshire Leisure for the use of the Sports Centre in Clydebank. The lease has been executed by the College but not by the Council. Although the College continue to press West Dunbartonshire Leisure on this matter, there has been no material progress on this item since the last report

The College is attempting to lease (at no cost) a small area of ground adjacent to the Clydebank Campus to facilitate external nursery teaching space. Discussions remain on-going.

5.3   <u>Renfrewshire Leisure</u>

As previously reported, the Renfrew Leisure Centre, is being utilised as a Covid-19 Mass Vaccination Centre. The Sport Department have relocated their practical activities to an alternative Renfrewshire Leisure facility called "On-X," located in Linwood. Although lecturing staff have reoccupied their office accommodation in the Renfrew Leisure Centre students will continue to use the facilities at ON-X for the foreseeable future.

6.0   College Estate Strategy Update

6.1   An interim update of the College Estate Strategy (2016-2026) is currently being progressed and it is intended to bring this to the December 2021 committee cycle.

6.2   The Outline Business Case for the proposed new Greenock Campus is subject to a separate September 2021 report.

7.0   Asset Transfer Requests

7.1   The College received no Asset Transfer requests under the provisions of the Community Empowerment Act and the statutory return has been made to the Scottish Government accordingly.

8.0   Sustainability Update

8.1   The College has continued its engagement with EAUC in relation to the creation of an overarching Sustainability Strategy and Carbon Management Plan for the period 2021 to 2025, based upon the *'Climate Action Roadmap for FE Colleges'* including the commitment to be a net zero organisation by 2040. The Sustainability Strategy has been presented to the SMT, and key responsibilities and targets will be allocated to departments. It is intended that the updated Carbon Management Plan will be presented to the SMT in September 2021 once the overarching Sustainability Strategy has been approved.

8.2   Other work which has been undertaken since the last meeting of the Committee:

- Catering department have eliminated all single use plastic cold drinks and water bottles for students returning to campus in August.
- College to participate in TV campaign and event to promote the green tour organised by Peddlesmart Green Emission Tour from net to zero as part of the COP26 event.
- Several staff undertook the Carbon Literacy Training in May 2021 as part of the EAUC programme and have now been certified as Carbon Literate.
- Regular meetings with the Director of Communications, Policy and Engagement have been established to further enhance the profile of College sustainability activities both internally and externally and to plan for COP26 engagement.
- Awaiting detailed report for the Energy Performance Audit carried out at Clydebank campus which will include the provision of an updated Energy Performance Certificate.
- Continuing programme of engagement with staff and students via the College Sustainability web portal, issue of the twice-yearly Sustainability Newsletter with key dates and events.
- External liaison activity included:
  - To attend West Dunbartonshire Councils Climate Change Action Group
  - Liaising with local community organisations to donate unused sportswear and to explore joint working opportunities going forward.

- o Attending August EAUC Smaller Institutions Working Group to discuss:
    - Funding to support the Deposit Return Scheme for premises selling drinks by 1 of July 2022
    - Home working methodology to be included as part of the Public Bodies Climate Change Duties Reporting

- The submission of a Green Gown Award application for the IKEA LAGCOM Project. The project was highly commended by judges however did not make it to the next stage. As the project forms part of the COP26 event it is anticipated we will reapply when the project is fully completed.

Public Bodies Climate Change Duties Annual Reporting

8.3   Recent feedback from EAUC in relation to last year's reporting 2019-20 was that the Colleges submission content was "very good". Preparation has begun for submission of the 2020-21 data which is due to be submitted by 30 November 2021.

8.4   As part of that submission the College will need to consider whether it can report on the impacts of home working, procurement activities and student travel. These categories of reporting will become mandatory for next year. Work has already commenced with the Procurement Manager on how best to incorporate the supply chain emissions as part of mandatory reporting through the APUC model.

9.0   Conclusion

9.1   This report provides the Corporate Development Committee with an update in relation to estate developments, projects, and funding.

9.2   The Corporate Development Committee are requested to review and note this report for information.

TITLE: **INFORMATION TECHNOLOGY UPDATE**

Background: This report provides the Corporate Development Committee with an update in relation to IT developments, projects, and funding.

Action: The Corporate Development Committee are requested to review and note this report for information.

Lead: Martin Joyce - Director of Infrastructure

Brian Stobbs – Head of IT

Status: Open

1.0   Introduction

1.1   This report provides the Corporate Development Committee with updates on Information
        Technology (IT) funding, developments and projects encompassing the following areas:

- Service developments
- Support for teaching and learning
- Infrastructure developments
- Security and resilience
- IT Project and associated budget updates
- College IT Strategy

1.2   Comprising 57 staff and 46.41 FTE, covering all campus locations, the IT Department is
        currently arranged into two functional service areas:

- Solutions and Development

- Service and Infrastructure

2.0   Service Development Updates

The following section provides an update on current IT service developments:

2.1   A new post of *IT Resource Administrator* was approved and introduced into the IT Sector
        structure initially on an 18-month fixed term contract. Recruitment to this post is now
        complete, with the successful (internal) candidate taking up post on 1 July 2021.

2.2   This role will primarily lead and support the processes involved with providing all students
        with IT devices (e.g., Chromebooks, laptops, tablets) for their studies which it is expected will
        shortly number more than 5,500 devices. It is intended to widen the role to co-ordinate and
        administer other software and hardware systems and processes as used by the College's
        staff and students.

2.3   A new device distribution process has been developed and is being introduced, which
        captures student requirements for loan of an IT device during College enrolment and utilises
        the College's existing Library Management System – Heritage Cirqa – for recording and
        management of device loans to students. The system will continue to be refined as required
        moving forward and 2021-22 is expected to be a transitional year for the adoption of these
        new systems and processes.

2.4   The College's "Tech Team" (Student IT Helpdesk) has been renewed for the new Academic
        Year, by recruiting students returning to the College for a 2nd year of studies in a computing
        subject.

2.5   The Tech Team was introduced in October 2020 to provide dedicated IT support to students
        by way of recruitment of 8 additional students (3.2FTE) to supplement the 4 (3.2FTE) posts
        provided in previous years. This resource has been essential in supporting the roll out of and
        support of IT devices that are distributed to students.

2.6   A new bespoke IT Service Desk solution has been developed in-house by the IT team, for the
        logging of issues and request 'tickets' by staff and student Tech Team, and the recording of
        progress against these 'tickets' through life of the tasks required. The new solution allows for
        the developed of improved functionality (in comparison to the previous solution used),
        enhanced reporting, and a common platform that could potentially be used by other areas
        across the College, such as Estates and Student Services. The system had a successful 'soft

launch' over the summer period during a quieter period of activity.

3.0   Support for Teaching and Learning

3.1   <u>Student Digital Resources - Chromebooks / Windows/ Other Devices</u>

Following approval by the Board, for an expenditure at a total cost of £1.2m, orders were placed for the following additional equipment to support student digital delivery

- 1100 Chromebooks
- 1000 Windows Laptops
- 700 Android Tablets
- 100 Apple MacBooks
- Accessory packs for above devices (Headsets, keyboards, mice, risers, and cases)

All devices have been received except for the Windows Laptops which have been delayed due to the current worldwide semiconductor supply chain constraints. A delivery date from the HP framework has yet to be confirmed but they are currently due in early September 2021. Distribution of the devices commenced from 06.09.21 using the Student Tech Team

3.2   This equipment has further expanded the College commitment to addressing digital poverty and enabling remote/digital access to learning and has brought the number of IT devices available to students to around 5,500. An element of Mi-Fi provision is also included.

3.3   A concerted effort continues to be made to recover the devices issued during the last academic term from those students who no longer require them, from the total of circa 2,100 devices which were issued.

3.4   IT staff have completed the creation of 800 MS Teams sites for curriculum use in 2021-22.

3.4   <u>Staff Digital Resources</u>

Work has commenced on issuing upgraded and replacement laptops for approximately 1,000 teaching and support staff across the College. 70 priority devices were deployed to staff at the end of last academic year, 400 devices purchased in 2020-21 are in storage with an external partner and are being brought on-site as the IT team commence the renewal programme. A further 455 devices for 2021-22 have also been ordered, and further orders for the balance of any outstanding devices will be raised as required.

3.5   As part of the work of the Digital Strategy Group, the IT team are assessing the totality of devices required across the organisation - BYOD, devices issued to students, Classroom in a Box, IT suites, dedicated classroom equipment and overall staff provision to ensure a sustainable level of future provision.

3.6   <u>AV Solutions</u>

Across curriculum teams, a variety of classroom digital AV solutions have been researched and piloted to support continuing online or blended learning. A project group (PAG) will be brought together (from the wider Digital Strategy Group membership) to look at the different solutions available from College suppliers, along with establishing the requirements in different curricular areas. The aim for the group will then be to agree a corporate solution (or finite set of solutions) that can then be procured across the College as whole (although not deployed to every room) to ensure a consistent experience and one which the IT team

are then able to fully support.

4.0   Infrastructure Development Updates

The following section provides an update in relation to key infrastructure development work currently being progressed by the IT Department.

4.1   Microsoft Teams

As previously reported to the committee, the last remaining system with a dependency on Skype for Business functionality, is the reception switchboard. This remains the case as the new version of the switchboard 'Attendant Console' software (which will integrate with the MS Teams setup) has not yet been released.

Our external partner has advised that their "*…Attendant Console for Microsoft Teams [is] working & ready to be released when Microsoft releases the current functionality of the underlying API to be used by customers*" and that "*Microsoft has moved the release date of the underlying API a few times. The latest of these delays was from the middle of Q2-2021 to 2022*".

Microsoft have provided the College with an extension to our use of Skype for Business Online accordingly.

4.2   AV Solutions

Alongside the work on classroom AV solutions detailed in section 3 above, the IT team is also currently assessing changes to existing internal hardware solutions (within meeting rooms) to facilitate blended meetings on Campus, permitting a mix of in-person and virtual attendance, to allow for flexible working practices as we continue through and out of the Covid-19 pandemic. These were previously configured for 'Skype for Business'.

4.2   Wireless/Wi-Fi

The College procured wireless network equipment to replace and enhance provision across all campus locations, with investment in this project totalling £160,000 over two financial years (£142,000 in 2019-20 and £18,000 in 2020-21), which was funded from the main IT budget to provide a total of 300+ Wireless Access Points (WAP). New Wi-Fi was also installed in the Inchinnan building.

The installation of this new wireless equipment has now reached successful completion.

4.3   Cloud Resources

The College currently has significant IT resource already hosted in "the cloud", with Office 365 (E-mail, Teams, OneDrive etc) and solutions provided by external partners (e.g., BluQube Finance system). The College aims to make further use of cloud resources and reduce reliance on campus hosted systems. An assessment will be carried to establish what cloud options are available for each resource currently hosted on-premises. Options will likely include further utilisation of Office 365, external partner provision, and the use of Microsoft Azure services.

4.4   Virtual Infrastructure & Storage

The College's on-premises virtual infrastructure and storage requires to be upgraded, which will require additional hardware which has been provided for within the 2021-22 core IT budget. This project will be closely aligned to any 'Move to the Cloud' proposals, to ensure on-premises resource is not renewed or increased when cloud resource utilisation provides

an effective alternative. It is also intended to upgrade the UPS within the server farm at the Paisley campus.

5.0   Security and Resilience

Several security and resilience initiatives remain under way:

5.1   Cyber Essential Plus

The College's current Cyber Essentials Plus (CE+) certification requires an annual process of assessment to renew this certification. Cyber Essentials accreditation is now in two parts.

The first part - Cyber Essentials - was successfully achieved 16 April 2021. The focus then moved to the second part which provides renewal of the Cyber Essentials 'Plus' certification and this was successfully achieved **29 July 2021**.

The certification will be renewed again next year, with work commencing in early 2022.

5.2   Scottish Government Cyber Resiliency Framework

The working group have completed an initial review of the College position in relation to the 630+ controls on the Framework to enable a level of self-assessment to be determined.

A scoring of just over 83% in the 'Baseline' stage has highlighted some minor areas where we need to clarify responsibilities, document & formalise incident response policies and process, and cross-check our measures against National Cyber Security Centre (NCSC) standards.

For the 'Target' stage, an initial 60% score indicates room for improvement with regards to, increasing regular vulnerability testing & monitoring, formalising policies & processes, enhancing security training & skills, and reviewing backup & contingency measures.

The 30% scoring at the 'Advanced' stage reveals areas of strength particularly around, data protection & GDPR, and organisational risk management.

The guidance in the Cyber Resilience Framework documentation advises that "*For the majority of public sector organisations, the most appropriate progression stage to aim for is expected to be the Target Stage – in effect, this will become the new "baseline" for the Scottish public sector.".*

There has not been a direct focus on the Cyber Resilience Framework over the summer months, however other work around Cyber Security has progressed which will have addressed some of the areas that required improvements in compliance. The working group will now progress to building a plan of action to put the measures in place required to achieve full Target level compliance and further future updates will be brought to the Committee.

5.3   Further areas being explored to enhance the college's Security and Resilience, which will lead to further projects and activities over the coming months, include:

- Cloud Backups (data protection and risk mitigation)

- Infrastructure Reporting & Monitoring (i.e., system status and health)

- Multi Factor Authentication (user account security)

- Threat Protection & Containment (hacking, ransomware etc)

5.4   A separate report has been provided to the September 2021 Corporate Development Committee to close out the response to the cyber incident experienced by the College in

January 2021. This report includes some detail of the outputs from an external assurance audit of IT security that took place at each campus w/c 10th May 2021.

6.0   IT Project Finance Updates

6.1   For Financial Year 2021-22, the IT team are delivering the following main project activities, which are funded from the annual IT Project budget of £500,000 plus additional one-off funding of £458,000 received from the SFC, giving a total available budget of £958,000:

Allocation	Amount Allocated	Expenditure to date	Details
User Device Renewals	£318,000	£0	Laptops for staff, Classroom PCs
Infrastructure	£365,000	£0	UPS (Uninterruptible Power Supply), Server, Network, Storage, Cloud Resources
Teaching and Learning Equipment	£90,000	£0	AV solutions for Classrooms 'Development Rooms' for teaching innovation In-year Curriculum requests
Resource Enhancements	£85,000	£0	Self Service Lockers Space utilisation solutions AV solutions for meeting rooms
Security Enhancements	£100,000	£0	Multi Factor Authentication Reporting & Monitoring Advanced Threat Protection (ATP)
TOTAL	**£958,000**	**£0**	(0% Expenditure 2021-22 to Date)

7.0   College IT Strategy

7.1   The new College IT Strategy to cover the period 2021 – 2026, was presented to the Corporate Development Committee at a previous meeting and is currently being graphically enhanced for publication on the College website. The next annual update on progress of the IT Strategy is scheduled to be provided to the Corporate Development Committee in May 2022.

8.0   Conclusion

8.1   This report provides the Corporate Development Committee with an update in relation to IT developments, projects, and funding.

8.2   The Corporate Development Committee are requested to review and note this report for information.

TITLE: **FINANCE UPDATE REPORT**

Background: This paper provides the Corporate Development Committee with updates in relation to the following matters:
1. Scottish Funding Council Engagement
2. National Bargaining
3. Banking Arrangements
4. Taxation
5. Payment Portal
6. Planning - Pentana system
7. Freedom of Information and Data Protection Act Requests

Action: The Corporate Development Committee is requested to:
   a) Consider the intended timetable to address the SFC request for submission of a revised Financial Forecast Return (section 1.7).
   b) Consider the College banking arrangements and approve the bank signatories (section 3).
   c) Note the content of the remainder of the report.

Lead: Alan Ritchie, Director of Finance

Status: Open

1.   Scottish Funding Council Engagement

1.1   The SFC have issued the following funding announcements since the previous June 2021 Committee meeting. These announcements either confirm the earlier allocation of funds as per the College 2021-22 budget or provide clarification of amounts to be received. In all circumstances the funds will result in the College incurring comparable additional expenditure with no impact on the Board of Management approved 2021-22 adjusted operating position.

- Funding for Mental Health in colleges AY 2021-22
  - This circular confirms the College allocation of £403k of funding and the conditions of grant.

- Additional FE Student Support COVID-19 Discretionary Funding for Colleges in AY 2021-22
  - The College was allocated £268k of additional funding for the academic year 2021-22. The College is working with the Students Association to distribute this funding as required.

- Funding for Digital Learning in Colleges for AY 2021-22
  - This circular confirms the College allocation of £458k of funding and the conditions of grant.

- Funding for counsellors in AY 2021-22
  - This circular confirms the College allocation of £160k of funding and the conditions of grant. This is slightly up on the 2021-22 budget assumption of £122k.

- Flexible Workforce Development Fund 2021-22
  - The College has been allocated £1.172m of funding for 2021-22 which compares favourably to the assumed budget income of £0.8m. The Finance Team will now work with the Business Development and Innovation Team to establish the level of income to be realised in 2021-22.

1.2   The College has also received guidance in relation to:

- College Financial Forecast Return (FFR) 2020-21 & 2021-22
  - This Call for Information requests colleges to complete an updated financial forecast return for academic years 2020-21 and 2021-22 by the 31 July 2021.
  - The College completed the required return by the deadline date based upon the 2020-21 Forecast and 2021-22 Budget information as approved by the Board of Management.
  - It should be noted that this request for information was considered as a 'light FFR' as it only dealt with the current year forecast and the budget for 2021-22.

- Accounts direction for Scotland's colleges 2020-21
  - The contents of this circular are subject to a separate agenda item (see item 16) where the detailed requirements are considered.

1.3   On 25 August 2021 the College received further guidance on the Financial forecast return (FFR) for further education institutions 2020-21 to 2023-24. The circular requests that colleges supply the SFC with their medium-term financial forecast return for the period 2020-21 to 2023-24 by 15 October 2021.

1.4   The circular builds upon the previous FFR information request (see 1.2 above) and supplies the colleges with a set of common assumptions to be used for planning purposes. The planning assumptions provided by the SFC differ significantly from the ones used in the financial forecast as presented to the Board of Management in June 2021 regarding:

- Level of SFC credit activity
- Level of core teaching grant funding to be received
- Treatment of Foundation Apprentice activity
- Availability of other SFC funding
- Pay award assumption

1.5   The College will now look to amend the forecast for Years 2 and 3 and present to the November 2021 Committee meeting a revised Financial Forecast Return and commentary including additional scenarios requested by the SFC.

1.6   The College has been requested to make the financial forecast return to the SFC once it has been considered by the Board of Management by 15 October 2021. Should this not be possible, colleges are asked to let the SFC know as soon as possible and to make an interim draft return by the requested deadline.

1.7   The College will undertake the required work as noted below:
- August 2021
  - To inform the SFC of College planning timetable noted below.

- September 2021
  - 14/9 – Corporate Development Committee updated on FFR modelling
  - Review and update the current financial planning model.
  - Senior Management Team will consider the model and commentary.

- October 2021
  - 14/10 – Board of Management updated on FFR work undertaken to date and intended course of action.
  - Draft FFR return submitted to SFC to allow them to consider overall sector position including requested scenarios.

- November 2021
  - 23/11 - Corporate Development Committee to consider updated FFR model and commentary.

- December 2021
  - 13/12 - Board of Management to consider FFR and commentary.
  - Post 13/12 - SFC to receive final FFR.

2.   National Bargaining

2.1   Agreement has been reached with teaching staff for a 2% cost of living pay award to cover the period 1 September 2020 to 31 August 2021. The support staff have accepted a consolidated award of 2% with a guaranteed minimum payment of £750 (FTE) to cover the same period as the teachers.

2.2   The Employers Association has now received pay claims for the year to 31 August 2022 from both sets of unions as noted below:
- The college sector has received a 2.4% increase in core teaching grant in aid for 2021-22 to cover all inflationary costs both staff and non-staff costs.

- The teaching staff original claim was for a £2,000 consolidated increase on all national salary scale points for unpromoted and promoted staff. This would equate to a rise of between 3.8% and 5.9% depending on the scale point.
  - After being offered Public Sector Pay Policy conditions, the request was revised to £1,600 which would equate to 3.2% to 4.2% depending on the scale point.

- The support staff claim was also for £2,000 consolidated rise on all salary scale points which would equate to a rise of between 5.6% and 9.1% depending on the scale point.

- Both sets of staff have now been offered Public Sector Pay Policy which is:
  - providing a guaranteed cash underpin of £800 for public sector workers who earn £25,000 or less.
  - providing a guaranteed basic pay increase of 2 per cent for public sector workers who earn more than £25,000 and up to £40,000.
  - a guaranteed basic pay increase of 1 per cent for those public sector workers earning more than £40,000 and up to £80,000.
  - limiting to £800 the maximum basic pay increase for those earning £80,000 or more.

- Negotiations with both teaching and support staff unions are continuing and further updates will be provided to the Committee.

2.3 The sector has also received from the Scottish Government draft guidance in relation to the additional payment of £400 to those teaching staff involved in the assessment of National 5, Highers and Advanced Higher qualifications during the period 1 January 2021 to 25 June 2021. There remain several areas where further clarification is required before a payment is to be made to the limited number of staff at the College who are eligible to receive it. The Scottish Government will provide funding directly to colleges to cover the cost of the payment.

3. Banking Arrangements

Primary Banking Service

3.1 In line with Scottish Government requirements, the College primary banking services are provided by The Royal Bank of Scotland (RBS) as part of the Scottish Government Banking Service. This is the final year of the contract with RBS with the current service contract due to end on 31 July 2022. The College is awaiting further information from the SFC on new arrangements which will implemented as required.

Other Bank Accounts

3.2 The Bank of Scotland bank account is retained as part of an existing loan agreement to service an inherited debt. Cash holdings in this account is limited to one-year of principal and interest repayments. The Clydesdale bank loan repayments have concluded with no outstanding balance remaining. The College is currently liaising with the bank to discharge the security over the property (ICE Building, Paisley) and close the servicing account.

Bank of Scotland Loan and Covenant

3.3 The bank loan value being repaid by the College is as follows:

Provider	Amount borrowed	Outstanding 31-7-2021	Security / Interest Rates Applicable
Bank of Scotland	£2,728,240	£1,270,182	Renfrew North Building (Paisley) 7.9% fixed rate until December 2025

3.4 The College is currently investigating its options in relation to the above bank loan and a report will be brought to a subsequent Committee meeting as required.

3.5 The result of the annual test of the bank loan covenants is noted below based on the draft 2020-21 Financial Statements.

Bank of Scotland Covenant as of 31 July 2021

Basis of covenant	£30m minimum net worth / net assets
College net assets on 31 July 2021	£40.1m*
Measure > £30m	Compliant with Covenant

* The College is currently awaiting the actuarial valuation from the pension authority, but this is not expected to impact the above covenant

Bank Signatories

3.6 The College bank signatories are as follows:

Bank	Account Name	Account Type	Signatories
RBS	Main Account Bursary Main EMA FE Childcare HE Childcare HE Hardship	Current	Elizabeth Connolly Stephanie Graham Alan Ritchie Vivienne Mulholland Jigna Bhatt Kirsty Hill
Bank of Scotland	Debt servicing account	Current	As above
Clydesdale	Debt servicing account	Current	As above

The bank mandates are currently being updated to reflect the appointment of Amy McDonald, Vice Principal Operations following the resignation of David Alexander.

3.7 The bank accounts are operated in line with the College Financial Regulations.

Credit Cards

3.8 Royal Bank of Scotland credit cards have been issued to the following members of staff with associated limits:

Account Name	Position	Limit (up to)
Elizabeth Connolly	Principal	£2,500
Stephanie Graham	Vice Principal	£2,500
Alan Ritchie	Director	£2,500
Sara Rae	Director	£2,500
WCS Finance Department	N/A	£10,000
WCS Professional Development	N/A	£2,000

A credit card application is currently been processed for Amy McDonald, Vice Principal Operations.

3.9   The cards issued to the Finance Department and Professional Development staff are virtual cards. The purpose of these cards is to allow items to be ordered in line with current Financial Regulations.

4.   Taxation

Background

4.1   The College is a registered charity (Scottish Charity Number SC021185) and is recognised by HM Revenue and Customs as a charity for the purpose of section 467, Income and Corporation Taxes Act 2010 and as such is exempt from corporation tax on charitable activities. The College receives no similar exemption in respect of Value Added Tax (VAT).

4.2   The College is not exempt from paying corporation tax on non-charitable activities where these activities are deemed to have made a profit. Non-charitable areas of activity include conference income and sponsorship; hire of accommodation; other non-core income and the rental/lease of accommodation.

Corporation Tax

4.3   Based on professional advice the College annually reviews the areas of activity which are likely to be deemed as non-charitable including the provision of catering services and rent/lease of premises. The total costs of supplying such services are calculated and compared to the level of income generated by the College. If a loss is generated, the net position arising from this means that the College has no corporation tax to pay.

4.4   The exercise to confirm the 2019-20 College corporation tax position was completed by Azets during the first quarter of 2020-21. The outcome of the exercise confirmed that there was no corporation tax liability on any of the College's non-charitable activities.

4.5   The College will engage Azets to carry out a similar exercise during the first quarter of 2021-22. Based upon previous years the College does not anticipate any changes in the corporation tax position. The Corporate Development Committee will be informed if this is not the case following the outcome of the 2020-21 review process.

VAT

4.6   The VAT incurred by the College on purchases and overheads is known as Input tax. For businesses that only make taxable supplies, either standard-rate, lower-rate or zero-rate, this input tax is generally fully recoverable, however for the College this is not the case.

4.7   The College, whilst being a VAT registered business, makes a material level of exempt sales (tuition fees, grant income) upon which it cannot charge VAT. The consequence of which is that the College cannot usually reclaim the input tax it incurs on purchases and overheads used in making those exempt supplies. The College makes both taxable and exempt supplies and is therefore considered as partially exempt.

4.8   As the College is partially exempt, it cannot recover input tax on purchases, costs and overheads relating to the exempt sales. Identifying the input tax that relates solely to the exempt supplies should be relatively straight forward. However, a portion of overheads such as audit fees, light, heat, telephone and communication and IT costs are also likely to relate to exempt sales and must be identified.

4.9   The College and HMRC have agreed a special method for recovery of pot VAT. This agreement has allowed the College to annually recover pot VAT of approximately £4,000 and a claim for 2020-21 will be made as part of the October 2021 VAT return.

4.10   The College continues to carry out an annual externally facilitated VAT review, carried out by VAT Services Scotland Ltd. This review evaluates the quarterly VAT returns to ensure the returns are being submitted correctly; level of Business/Non-Business % to allow the College to continue to claim VAT at lower % rate on utility supplies and purchasing activity to ensure VAT reclaims are made where possible. The latest College VAT review was undertaken in November 2020 and resulted in the College recovering £2,500 in VAT payments made. A similar exercise will be undertaken in November 2021.

4.11   In the past year the College has not been subject to a VAT inspection by HMRC and has continued to submit digital quarterly VAT returns.

Pay As You Earn (PAYE)

4.12   During 2020-21 there have been no issues with either the calculation of PAYE nor in the payment of the relevant tax and national insurance. The College has not been subject to a PAYE audit during the year.

5.   Payment Portal

5.1   In the past year, a project has been undertaken to instal a Payment Portal, providing students with options to pay for tuition fees by means of secured card payments (SCP). The College considered that the best way to service the organisational operational requirement was to consider developing the core existing systems in place - UNIT-e (student records systems supported by Capita) and bluQube (finance system supported by Symmetry).

5.2   As well as improving the student experience and facilitating digital stand-alone payment options, the project remit included a review of associated data flows and business processes into UNITe and then bluQube.

5.3   2021-22 enrolments opened on 11 August and incorporated an option for students to pay by secured card payment. A second system allows students to make self-service payments as well as allowing for the College Credit Control Team to chase payments and send links to students for payments. The second system was rolled out at the beginning of July and has been actively used.

5.4   Work is currently underway to test new data flows between the core existing systems which will reduce the manual processing of invoices and payments – increasing productivity and reducing the potential for errors.

5.5   The next phase of the project will be to finalise the solution that will allow the College to use the payment technology on social media platforms including Instagram, Twitter, and Facebook, with a seamless payment link available to all users.

6.   Planning - Pentana System

6.1   The development of the Pentana Management System has continued in the following areas:

Operational Planning
- A review of all operational plan submissions for session 2021 onwards has been undertaken. Uploading of operational plans will be completed during September with the first quarter update scheduled to take place in November. The purpose of the review was to encourage the setting of SMARTER targets and assist the quarterly reviews of activities when generating reports from the system.

Performance Indicators
- As part of the above operational planning review, PI data has been identified which will be subject to a separate review. The PI module enables the College to track progress of quantitative data more effectively and to report on this separately. Development work carried out with our partners at West Dunbartonshire Council focused on the upload of PI targets for last session and this provided a useful insight into the flexibility of the system and how it may be configured to meet College needs. The outcome of this work will be considered by the College Senior Management Team during the first quarter of 2021-22.

Corporate Reporting
- Work is underway to refine our corporate reporting framework within Pentana so that this takes account of the higher-level progress of the College Corporate Plan objectives over a longer period.
- This work involves uploading the relevant College strategies to the system and will allow a more robust reporting hierarchy that takes account of wider college objectives when measuring the success of the Corporate Plan.
- The review work undertaken as part of operational planning has mapped the departmental operational plan activities to the relevant College strategy and then for these strategy objectives to be linked to the Corporate Plan aims.

System Development

- The College is currently in the process of refining the system access structure to reflect the organisational structure and to improve the accessibility of data. It is anticipated that that the new system layout will also assist staff with updates by setting up components to display data in more helpful formats e.g., graphically or by status/due dates etc.

- The review of College policies and procedures will now be assisted by the alert functions within Pentana to remind document owners that review dates are approaching. Each policy and procedure have been entered onto the system as an action with assigned due dates and ownerships.

- The College is currently investigating the use of Pentana to enhance the College Complaints Handling process. The Pentana module was specifically designed to monitor and track the various stages of complaints and offers several useful functions for producing and automatically generating useful document templates and retaining records of complaints, as well as collating outcomes and reporting on these.

Collaboration with other Colleges

- The roll-out of Pentana at the College is being viewed with interest by colleagues at Edinburgh and Gateshead Colleges who are also keen to pursue the potential benefits offered by Pentana within their own organisations. West College Scotland has been facilitating discussions surrounding the use of Pentana with the leadership teams at these colleges and it is hoped that any decisions to introduce this system will lead to a strong network of collaborative organisations and the sharing of best practice in the future.

7. **Freedom of Information and Data Protection Act Requests**

   Public Interest Disclosure

7.1 The Public Interest Disclosure Act enables and encourages individuals to raise matters of concern that are in the public interest (often referred to as whistleblowing), such as malpractice, impropriety, or wrongdoing within the College, without fear of reprisal, so that they may be investigated and where appropriate acted upon.

7.2 The College has not had any Public Interest Disclosure cases during the period 1 August 2020 to 31 July 2021.

   Freedom of Information and Data Protection Acts Requests

7.3 *Appendix 1* provides a summary report on the Freedom of information and Data Protection Act requests compared to the previous year. It can be seen from *Appendix 1* that the total number of freedom of information requests received during 2020-21 totalled 19 (2019-20: 18 requests), with data protection requests totalled 12 (2019-20: 24 requests).

Appendix 1

Summary of Freedom of Information Requests

Categories of Request	2020-21 Requests	2019-20 Requests	Type of information requested	Responses out with statutory timescales	Reason for late response
Student Data	**3**	8	Student numbers, cases of plagiarism, student destinations	0	0
HR Data	**2**	3	Voluntary severance figures, support for domestic abuse	0	0
Finance Data	**9**	3	Agency agreements and costs, discretionary funds, fair trade, furlough, PPE costs and suppliers, confidential waste contracts,	0	0
Other	**5**	4	Lateral flow tests, board register of interest, IT contracts and asset management	0	0
Reviews requested	**0**	0		0	0
Total Number of Requests	**19**	**18**			

Summary of Data Protection Act Requests

Categories of Request	2020-21 Request	2019-20 Requests	Type of information requested	Responses out with statutory timescales	Reason for late response
Student Data	8	15	Attendance, course details, funding details; incident report; fraud investigations (SAAS). Three of these requests were right to erasure requests (right to be forgotten). 1. No data held. 2. Some data deleted; some data anonymised (statutory obligations to hold) 3. Data deleted	1	Solicitors sent request by Royal Mail during lockdown; at that time, there was no-one in the building to action the request.
Staff Data	4	7	Payroll data.		
Other	0	2			
Total	**12**	**24**			

TITLE: **ACCOUNTS DIRECTION FOR SCOTLAND'S COLLEGES 2020-21**

Background: The SFC issued their [Accounts direction for Scotland's colleges 2020-21](#) on 3 June 2021. This paper provides the Corporate Development Committee with an overview of the requirements of the SFC direction for the 2020-21 financial year.

Action: The Corporate Development Committee is requested to note the content of the report.

Lead: Alan Ritchie, Director of Finance

Status: Open

1   Accounts Direction

1.1   The SFC annually issue mandatory guidance for the preparation of the annual report and accounts each year. On 3 June 2021 the Scottish Funding Council (SFC) issued specific guidance to colleges for the 2020-21 year-end.

1.2   Page 5 of the guidance sets out the requirements for the preparation of the annual report and accounts along with the deadline for submission of 31 December 2021. Two copies of the College annual report and accounts also require to be sent to the Auditor General for Scotland by 31 December 2021.

2   Changes to Reporting Requirements

2.1   A summary of the changes to the annual Accounts Direction are noted below and the full SFC circular can be viewed here.

2.2   The Accountability Report governance statement should include the following:
- The ongoing process and structures used to identify, evaluate and manage the principal and emerging risks faced.
- A statement that internal control systems have been in place for the year under review and up to the date of approval of the financial statements.
- The main features that support regular monitoring, review and assurance.
- The process applied in reviewing the effectiveness of the system of risk management and internal control, including explaining what actions have been or are being taken to remedy any significant failings of weaknesses

The College is already complying with the above requirement as adjustments were made to the previous years report in line with recommended best practice. The reporting statement will this year be supplemented by the inclusion of the College assurance mapping procedure as agreed by the Audit Committee.

2.3   The **Performance Report** should include '*A summary of key issues and principal risks that could offer the institution in delivering its objectives and explanation of the mitigation of those risks'.* The 2021 report should now include an explanation of the mitigating actions applied to the principal risks faced by the College. Given the work undertaken on the Strategic Risk Register this will be an issue for the College.

2.4   The **Remuneration and Staff Report** requirements have been expanded to include:

- *A new best practice disclosure has been introduced for Diversity and Inclusion (Para 6.5.17) which encourages institutions to include details and narrative of their own diversity and inclusion policies, initiatives and longer-term ambitions in the staff report.*
- *Staff turnover expressed as a percentage*

The College does not foresee any issues with including the required detail in the updated Remuneration and Staff Report.

2.5   The guidance note has been updated to provide a definition of total remuneration:

> *'… included salary, non-consolidated performance related pay and benefits in kind. It does not include severance payments, employer pension contributions and the cash equivalent transfer value of pensions.'*

2.6   The guidance has specific disclosure requirements about the national Governments Job Retention Scheme:

> *Funding received from the Coronavirus Job retention scheme should be shown as a government grant in other income and not offset against staff costs in the financial statements. The income should not be shown as part of SFC funds. Institutions are also encouraged to disclose the number of staff furloughed during the year.*

The College will look to comply with these additional disclosure requirements.

Adjusted Operating Position

2.7   The Adjusted Operating Position (AOP) is intended to reflect the underlying financial operating performance of the College after allowing for material one-off or distorting items required by the SORP or other items out with the control of the College – such as loss on disposal of assets, depreciation, impact of annual pension valuations.

2.8   The SFC has again stipulated that the impact of COVID-19 should not be shown as a separate adjustment on the AOP. While there may have been a significant impact, this should be sufficiently detailed in the narrative in the Performance Report.

2.9   In line with the prior year, the SFC has requested that all colleges submit their AOP note, along with their draft accounts, to the SFC for review prior to the College formally approving the Financial Statements thereby allowing the SFC to ensure consistency of approach and presentation across the sector.

2.10   The College will look to liaise with the external auditors and SFC as to the most appropriate time to submit the draft AOP note and financial statements to the SFC for their consideration.

2.11   As in previous years, the College is required to comply with the requirements of the:

- SFC Accounts Direction for Scotland's College 2020-21
- Financial Memorandum with the Scottish Funding Council (SFC).
- Statement of recommended Practice: Accounting for Further and Higher Education (SORP).
- Government Financial Reporting Manual.
in the preparation of the annual report and accounts for the College

3   **Conclusion**

3.1   The Corporate Development Committee is requested to note the content of the report.

TITLE **INTERNAL AUDIT PLAN 2021-22**

Background In March 2020 the Audit Committee approved the appointment of Wylie and Bisset to provide internal and other audit services to the College for three years until 31 July 2023, with the option to extend the contract for a further two years until 31 July 2025.

The attached report presents to the Corporate Development Committee the 2021-22 internal audit plan which was approved by the 20 May 2021 Audit Committee. The plan was compiled following discussion with the College Senior Management Team and a review of the strategic risk register, assurance map and other key College documents by the audit team.

There are several 2021-22 planed audit assignments which fall under the remit of the Corporate Development Committee hence the reason the plan and the rationale for the inclusion of these audit assignments is being brought to the attention of the Committee.

Action The Corporate Development Committee is requested to note the content of the report and that the schedule of business has been updated to reflect the receipt of internal audit reports at subsequent meetings.

Lead Alan Ritchie, Director of Finance

Status Open

1.   Introduction

1.1   Wylie & Bisset LLP were appointed as Internal Auditors by the College with effect from 1 August 2020 for a three-year period to 31 July 2023 with the option to extend the contract until 31 July 2025.

1.2   The prime responsibility of the Internal Audit Service (IAS) is to provide the Board of Management, via the Audit Committee, with an objective assessment of the adequacy and effectiveness of management's internal control systems.

1.3   The attached report presents the work which the internal auditors have undertaken during 2020-21 and propose undertaking during 2021-22 and 2022-23. The plan was arrived at after consultation with the College Senior Management Team and through a detailed review by the audit team of several key documents, including the College Strategic Risk Register, Assurance Map and Corporate Plan 2019-2025.

1.4   The planned number of internal audit days for 2021-22 is 65 days:

	2021-22 Planned	2020-21 Actual
Internal audit work:	41	41
Other audit services		
Student activity and student support funds	15	15
Additional audit work - IT Incident Response	0	3
Follow up	4	4
Audit management	5	5
Total	**65**	**68**

The 2021-22 level of activity meets the required number of days approved by the Audit Committee in March 2020.

1.5   The rationale for inclusion of each area within the draft 2021-22 internal plan – as agreed by the College Senior Management Team and internal auditors - is noted below. The proposed assignments have been included based upon the risks identified within the College Strategic Risk Register and Assurance Map.

1.6   Review of Financial Regulations
        The maintenance of an up to date and relevant set of Financial Regulations is a requirement of both the SFC Financial Memorandum and the Scottish Public Finance Manual. The College Financial Regulations are reviewed and considered by the Board of Management on an annual basis and provide the baseline for all financial

activities. A full audit review of the Financial Regulations was last carried out as part of the 2016-17 internal audit plan.

1.7   Cash Management

The three-year internal audit plan looks to cover the major elements of the financial controls. The College cash management procedures are a critical element of the financial controls and hence will be reviewed as part of this audit cycle.

1.8   Digital Strategy

The College Board of Management approved the College Digital Strategy in October 2019 and it forms a core part of the overall Corporate Plan. The implementation and governance arrangements of this key strategy are paramount to the delivery of the overall digital ambitions contained within the College Corporate Plan 2019-2025. It is also recognised that the investment of the College limited resources requires to be directed to the most relevant areas and this allocation process will be covered as part of the audit.

1.9   Sustainability and Carbon Management

Part of the SFC Regional Outcome Agreement (ROA) deliverables is how the College is addressing the Scottish Governments climate change commitments. The audit will look at what the College is doing to ensure it meets the commitments made in the ROA and consider if the College is complying with its statutory obligations.

1.10   Estate Strategy

The College Estate Strategy 2016-2026 is currently halfway through its current life cycle and is being updated for consideration by the Corporate Development Committee. The impact the College estate has on the future sustainability of the College is critical. Given the risks faced by the College in obtaining estate investment and the delivery of several of the objectives stated within the Regional Outcome Agreement a review of the delivery of the Estate Strategy objectives is believed to be prudent.

1.11   Follow Up Reviews

This represents the time the internal auditors will use to review the recommendations arising from previous internal audit reviews. It is intended that this review will be undertaken throughout the year with an updated Rolling Audit Action Plan presented to each Audit Committee for consideration.

1.12   Review of Business Continuity Planning
        The impact of the global pandemic on College operations has been mitigated by
        the availability and implementation of the College Business Continuity Plan and
        individual departmental plans. The operation of the College Policy and procedures in
        this area are critical to ensure that future operations are not impacted by other
        events.

1.13   Student Recruitment
        Student activity is at the heart of the what the College undertakes to
        deliver. The three-year plan has included an element of the student journey for
        review in each year. The Senior Management Team considers that a review of
        the way in which the College recruits its students will at this stage be beneficial
        in informing any changes to future recruitment procedures.

1.14   IT Systems Administration
        The overall operation of the College IT systems administration has been subject
        to several technical audits in the past year. These audits have reviewed the technical
        implementation of the College policies, whilst it is intended that this audit will review
        at a high level the roles and responsibilities across the College for the administration
        of all the major systems.

1.15   Student Support Funds (SSF) / Educational Maintenance Allowance (EMA)
        / Credit audits
        These are the statutory audits required by the SFC and Student Awards Agency
        for Scotland (SAAS) and undertaken as part of the year end financial statements
        work.

1.16   The internal audit plan at *Appendix A* refers on pages 9 and 10 to the work proposed
        to be undertaken in 2022-23. It should be noted that the proposed assignments will
        be subject to review as part of the planning for 2022-23. The Audit Committee
        agreed in principle, based upon the review of the assurance map undertaken that
        the following areas will be subject to review by internal audit:

        •   Procurement and tendering
        •   Financial systems
        •   Delivery and on-line learning
        •   Curriculum planning and timetabling
        •   Student Admissions / Enrolment
        •   IT Strategy
        •   Corporate Governance
        •   Risk Management

2.   Conclusion

2.1   The Corporate Development Committee is requested to note the content of the report and that the schedule of business has been updated to reflect the receipt of internal audit reports at subsequent meetings.

West College Scotland

Audit Plan

2021/2022

May 2021

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1. Introduction

Background

Wylie & Bisset LLP were appointed as Internal Auditors by the College with effect from 1 August 2020 for the period to 31 July 2023 with the option to extend for up to a further two 12-month periods.

Internal Audit

The prime responsibility of the Internal Audit Service (IAS) is to provide the Board of Management, via the Audit Committee, with an objective assessment of the adequacy and effectiveness of management's internal control systems.

The IAS objectively examines, evaluates and reports on the adequacy of internal control thus contributing to the economic, efficient and effective use of resources and to the reduction of the potential risks faced by the College. Also, the operation and conduct of the IAS must comply with the standards and guidelines set down by the Chartered Institute of Internal Auditors.

Terms of Reference – Internal Audit

The provision of the IAS by Wylie & Bisset LLP is covered by the letter of engagement dated 8 July 2020.

Formal Approval

The Audit Needs Assessment (ANA) was developed based on discussions with the College Senior Management Team and a review of various documentation. The ANA was approved by the Audit Committee on 21 May 2020.

This document covers the draft plan for 2021/22 and proposed plan for 2022/23, and was discussed with the Director of Finance and wider Senior Management Team in April / May 2021.

2. Internal Audit Plan 2021/22

Audit Area	High level indicative summary scope	Total Number Of Days
Review of Financial Regulations	We will undertake a review of the suitability of the current financial regulations in place at the College to ensure that these comply with current guidance, such as the Scottish Public Finance Manual and Financial Memorandum. Our review will consider the adequacy of the review and approval process of the financial regulations and also compare these with best practice.	5
Cash Management	We will undertake a review to provide assurance that the cash management practices as outline in the Financial Regulations are suitable and have been adopted. We will also assess the reporting arrangements in place to the Board of Management and the SFC. Our review will assess the implementation, monitoring, and execution of the treasury / cash management responsibilities along with the delegated authorities in this area.	5
Digital Strategy	We will assess whether there is an appropriate internal governance structure in place that ensures that IT related projects, initiatives and requests are aligned with the Digital Strategy. Our review will also consider whether appropriate KPIs and Key Risk Indicators are in place to measure and report progress of the Digital Strategy and associated risks. We will also review the level of skilled resources to deliver the key elements of the Digital Strategy as well as the monitoring and reporting arrangements in place.	6

2. Internal Audit Plan 2021/22

Audit Area	High level indicative summary scope	Total Number Of Days
Sustainability and Carbon Management	We will review the College's compliance with legislation in this area including the review of policies and procedures. Our review will consider the roles and responsibilities for sustainability and carbon management and assess how embedded this is within the College. We will also consider the recording and collection of data and performance indicators in relation to this area.	4
Estates Strategy	We will undertake a review to confirm that estate strategic priorities are linked to and support the Corporate Plan. We will also consider whether the College is making best use of the assets and facilities and that maintenance of the estate is being properly managed.	6
Follow Up Review	The purpose of this ongoing review is to assess whether the College has appropriately implemented the internal audit recommendations made in 2020/21 and earlier years. Our ongoing review will consider whether any issues are outstanding beyond the agreed implementation deadlines. Our ongoing review will consider all outstanding recommendations to provide the Audit Committee with independent assurance that we are satisfied that these recommendations have been fully implemented by the College and can therefore be removed from the rolling audit action plan.	4

2. Internal Audit Plan 2021/22

Audit Area	High level indicative summary scope	Total Number Of Days
Review of Business Continuity Planning	We will review whether a formal Business Continuity Plan is in place and communicated to staff including an awareness plan. We will review the completeness of the plan and consider areas such as roles and responsibilities, business impact analysis, potential disasters and their effects as well as the testing arrangements in place.	5
Student Recruitment	We will undertake a review of the arrangements in place surrounding student recruitment. Our review will consider the suitability of the arrangements for gaining information in relation to courses, access to support, and course enrolment to ensure that the student experience is effective. We will also review the suitability of the policies and procedures in place surrounding student recruitment.	5
IT Systems Administration	We will undertake a review of the IT Administration arrangements in place within the College. This will consider the polices and procedures, the roles and responsibilities, and the staff resourcing. Our review will consider the procedures for areas such as backups, new starts, leavers, and the treatment of redundant accounts.	5

2. Internal Audit Plan 2021/22

Audit Area	High level indicative summary scope	Total Number Of Days
SSF Audit	Mandatory review of the Student Support Funds Returns.	4
EMA Audit	Mandatory review of the Education Maintenance Allowance Returns.	3
Credits Audit	Mandatory review of the Credits Return.	8

2. Internal Audit Plan 2021/22

Assignment Plans

A detailed assignment plan will be prepared for each audit undertaken, setting out the scope and objectives of the work, allocating resources and establishing target dates for the completion of the work. Each assignment plan will be agreed and signed off by an appropriate sponsor from the College.

Key Dates

Phase	Audit Areas	Number of Days	Key College Personnel	Provisional Date for Visit	Date of Issue of Draft Report	Provisional Date to the Audit Committee
Phase 1	Credits SSF EMA	8 4 3	Iain Foster-Smith Vivienne Mulholland Vivienne Mulholland	13 September 2021 & 20 September 2021	1 October 2021	1 Creber 2021
Phase 2	Review of Financial Regulations Cash Management IT System Administration	5 5 5	Alan Ritchie Vivienne Mulholland Martin Joyce	4 October 2021 4 October 2021 11 October 2021	22 October 2021 22 October 2021 29 October 2021	1 December 2021
Phase 3	Digital Strategy Sustainability & Carbon Management	6 4	Angela Pignatelli / Sara Rae Alan Ritchie	17 January 2022	4 February 2022	2 March 2022
Phase 4	Estates Strategy Review of Business Continuity Planning Student Recruitment	6 5 5	Martin Joyce Alan Ritchie Stephanie Graham	21 March 2022	8 April 2022	18 May 2022

Appendix A - Summary of Internal Audit Input

1 August 2020 to 31 July 2023		Operating Plan (No. Of days)		
System	**Audit Area**	**2020/21 Actual**	**2021/22 Draft**	**2022/23 Proposed**
Financial Systems	Overall Financial Controls	6		
	Review of Financial Regulations		5	
	Procurement & Tendering			5
	Treasury & Cash Management		5	
	Financial Systems			5
Non Financial Systems	Study of effects of Covid-19	8		
	Fraud Awareness	5		
	Complaints Handling	5		
	External Communications - Website	6		
	Assurance Mapping	6		
	HR: Sickness and Absence Reporting	5		
	Digital Strategy		6	
	Curriculum Strategy			6
	Sustainability and Carbon Management		4	
	C/F	**41**	**20**	**16**

Appendix A - Summary of Internal Audit Input

System	Audit Area	Operating Plan (No. Of days)		
		2020/21 Actual	2021/22 Draft	2022/23 Proposed
	B/F	**41**	**20**	**16**
	Estates Strategy		6	
	Business Continuity Planning		5	
	Catering & Cleaning Improvement Plan			
	Curriculum Planning & Timetabling			5
	Student Recruitment / Admissions / Enrolments		5	5
IT Systems	IT Systems Administration		5	
	Response to IT Incident	3		
	IT Strategy			5
Governance	Corporate Governance			5
	Risk Management			5
Funding	SSF	4	4	4
	EMA	3	3	3
	Credits	8	8	8
	C/F	**59**	**56**	**56**

Appendix A - Summary of Internal Audit Input

System	Audit Area	Operating Plan (No. Of days)		
1 August 2020 to 31 July 2023		2020/21	2021/22	2022/23
	C/F	**59**	**56**	**56**
Required	Follow Up	4	4	4
	Audit Management	5	5	5
	Total Days	**68**	**65**	**65**

Appendix B - Grading Structure

For each area of review we assign a grading in accordance with the following classification:

Assurance	Classification
Strong	Controls satisfactory, no major weaknesses found, some minor recommendations identified
Substantial	Controls largely satisfactory although some weaknesses identified, recommendations for improvement made
Weak	Controls unsatisfactory and major systems weaknesses identified that require to be addressed immediately
No	No or very limited controls in place leaving the system open to significant error or abuse, recommendations made require to be implemented immediately

For each recommendation we make we assign a grading either as High, Medium or Low priority depending upon the degree of risk assessed as outlined below:

Grading	Risk	Classification
High	High Risk	Major weakness that we consider needs to be brought to the attention of the Audit Committee and addressed by Senior Management of the College as a matter of urgency
Medium	Medium Risk	Significant issue or weakness which should be addressed by the College as soon as possible
Low	Low Risk	Minor issue or weakness reported where management may wish to consider our recommendation

Appendix C – Key Performance Indicators
Analysis of Performance Indicators

Performance Indicator	Target
Internal audit days completed in line with agreed timetable and days allocation	100%
Draft scopes provided no later than 10 working days before the internal audit start date and final scopes no later than 5 working days before each start date	100%
Draft reports issued within 15 working days of exit meeting	100%
Management provide responses to draft reports within 10 working days of receipt of draft reports	100%
Final reports issued within 5 working days of receipt of management responses	100%
Recommendations accepted by management	100%
Attendance at Audit Committee meetings by a senior member of staff	100%
Annual Report to be issued by 31 August each year	100%
Suitably experienced staff used on all assignments	100%

TITLE: **SCHEDULE OF BUSINESS 2021-22**

Background: This paper outlines how the 2021-22 Schedule of Business to enable the Corporate Development Committee to fulfil its' remit.

Action: The Corporate Development Committee is requested to note the content of the report.

Lead: Alan Ritchie, Director of Finance

Status: Open

1. **Corporate Development Remit**

1.1 The main purpose of the Corporate Development Committee is to:

- have strategic oversight of finance, procurement, human resources and organisational development, communications, marketing and matters of a general nature that do not fall to other standing Committees, ensuring solvency, sustainability, efficiency and innovation;

- advise on the strategic implementation, review and development of required strategies and policies that reflect best practice and improve organisational performance, ensuring appropriate and effective controls and processes are in place; and

- ensure the College manages all assets and resources in accordance with Scottish Government and Scottish Funding Council requirements.

Corporate Development Committee					
Remit	**14 Sept 2021**	**23 Nov 2021**	**23 Nov 2021 Joint Committee**	**8 March 2022**	**31 May 2022**
a) *To have strategic oversight of the overall management of the College's resources – finance, people, procurement, information technology and property.*					
b) *To consider and advise the Board of Management on the development and implementation of College policy and strategy, including but not limited to the following areas:*					
• *Communication and Marketing*					
o Update report on College Marketing activity	Y	Y		Y	Y
o Marketing and Communication Strategy		Y		Y	
• *People*					
o Update from LJCNC lecturing/support staff meetings	Y	Y		Y	Y
o Update from Equality, Diversity and Inclusion Committee	Y	Y		Y	Y
o Update on National Bargaining	Y	Y		Y	Y
o People Strategy 2021-22 Update				Y	
o People Strategy 2022-2025					Y
o Annual review of Modern Slavery Statement				Y	
• *Health and Safety*					
o Mobilisation Group Update Report (Covid-19)	Y	Y		Y	Y
o Update from Health & Safety Committee	Y	Y		Y	Y
• *Estate*					
o Update report on College leasing arrangements	Y				
o Estate Strategy – Annual Update	Y				
o Estate Strategy 2016-2026 Refresh - Update				Y	Y
o Estate outline business case update	Y			Y	Y

Corporate Development Committee					
Remit	**14 Sept 2021**	**23 Nov 2021**	**23 Nov 2021 Joint Committee**	**8 March 2022**	**31 May 2022**
o Estate maintenance, sustainability, and project update reports	Y	Y		Y	Y

• *Carbon management and sustainability*
    o Carbon Management Plan – Progress Update
    o Revised Carbon Management Plan 2021-2025 Update
    o Annual Scottish Government Sustainability Report
	Y	Y
		Y
		Y
				Y	Y

• *Information Technology*
    o IT Strategy – Annual Update
    o IT Project Update Report
	Y	Y		Y	Y
					Y

• *Finance*
    o Management Accounts
 	
    o Update of Financial Forecast
    o SFC Funding Update
    o Annual budget and medium-term financial forecast
	Y
	Y
	Y
		Y
		(October)
		
		Y
				Y
				(January)
				
				Y
					Y
					(April)
					Y
					Y
					Y

• *Procurement*
    o Procurement Strategy Annual Update
    o Procurement Annual Report including future year plan
    o PCIP Update Report (next review by December 2022)
		Y
		Y			

Ensuring progress is monitored in delivering strategic outcomes in these areas.					
Finance					
c) *To consider and advise the Board of Management on key strategic financial and management matters including:*					
• *solvency of the College* o Cashflow report contained in the Management Accounts	Y	Y		Y	Y

Corporate Development Committee					
Remit	**14 Sept 2021**	**23 Nov 2021**	**23 Nov 2021 Joint Committee**	**8 March 2022**	**31 May 2022**
• *cashflow* o Cashflow report contained in the Management Accounts	Y	Y		Y	Y

• *effectiveness and appropriateness of the utilisation of College resources*
     o Vice Principal Update Report
     o Update on year-end financial position
     o Internal Audit Report – Review of Financial Regulations
     o Internal Audit Report – Cash Management
     o Internal Audit Report – Sustainability and Carbon Management
     o Internal Audit Report – Estate Strategy
     o Internal Audit Report – IT Systems Administration
	Y
	 Y
		Y	Y	Y
				
				 Y
				 Y
				 Y
					Y
					
					 Y
					 Y

• *financial strategy, budgeting, financial monitoring and forecasts*
     o Management Accounts
 	
     o Update of Financial Forecast
     o Update on SFC Funding via Vice Principal Update Report
     o Annual budget and medium-term forecasts
	Y
	 Y
	 Y
		Y
		 (October)
		 Y
		 Y
				Y
				 (January)
				 Y
				 Y
					Y
					 (April)
					 Y
					 Y
					 Y

• *banking arrangements and approval of bank signatories* o Annual review of banking arrangements	Y				
• *investments and borrowing* o Annual review of banking arrangements	Y				
• *taxation*					

Corporate Development Committee					
Remit	**14 Sept 2021**	**23 Nov 2021**	**23 Nov 2021 Joint Committee**	**8 March 2022**	**31 May 2022**
o Annual update report on taxation matters o Reports will be provided on any material changes as required	Y				
• *pension arrangements* o Overview of College pension schemes					Y
• *approval of contracts between the values of £250,000 and £500,000* o Authorisation sought as required					

d) To consider and recommend the College's annual financial statements and associated reports for approval to the Board of Management at a joint meeting with the Audit Committee.
  o External Audit Management Letter
  o Corporate Governance Statement
  o Financial Statements
  o Annual Internal Audit Report
  o Internal Audit Annual Plan 2021-22
  o External Audit Planning Memorandum
	
	Y
			
			Y
			Y
			Y
			Y
					
					Y

e) To ensure adherence to statutory requirements related to the College's financial affairs and compliance with the Financial Memorandum, Scottish Public Finance Manual (SPFM) and related guidance (including Accounting Policies in the Financial Statements) and to provide the Board of management with assurance on these matters.
  o Internal Audit Annual Report
  o External Audit Management Letter
  o Annual report on Corporate Governance Compliance
			
			Y
			Y
					
					Y

| **Corporate Development Committee** | | | | | |
Remit	14 Sept 2021	23 Nov 2021	23 Nov 2021 Joint Committee	8 March 2022	31 May 2022
f) *To review College Financial Regulations on an annual basis, or more frequently if required and recommend these to the Board of Management for approval.*					
o Review of Financial Regulations	Y				
o Corporate Governance Statement review – Financial Statements			Y		
o Internal Audit Report – Review of Financial Regulations				Y	
Human Resources and Organisational Development					
g) *To have strategic responsibility for oversight of and compliance with employment, health and safety, data protection and freedom of information legislation, advising the Board of Management on the operation and implementation of effective and efficient policies and systems in the following areas, advising the Board of Management on these areas as required:*					
• *equality, diversity, and inclusion*					
o Equality, Diversity, and Inclusion Mainstreaming Report					Y
o Update from Equality, Diversity, and Inclusion Committee	Y	Y		Y	Y
• *learning and development*					
o *Updates provided as required*					
• *employee relations*					
o Mobilisation Group Update Report (Covid-19)	Y	Y		Y	Y
• *health, safety and wellbeing*					
o Mobilisation Group Update Report (Covid-19)	Y	Y		Y	Y
o Update from Health & Safety Committee	Y	Y		Y	Y
• *workforce planning*					

Corporate Development Committee					
Remit	**14 Sept 2021**	**23 Nov 2021**	**23 Nov 2021 Joint Committee**	**8 March 2022**	**31 May 2022**
o People Strategy 2021				Y	
o People Strategy 2022-2025					Y

• *payroll*
    o Overview of College pension schemes
    o Updates provided as required
					Y

• *voluntary severance schemes* o Updates provided as required					
• *freedom of information and data protection* o Finance Update Report	Y				
Assets and Infrastructure					
h) **To consider and advise the Board of Management on key strategic infrastructure matters including:**					

• *monitoring and review of the overall management and development of College property and information technology, ensuring that a comprehensive register of land, buildings and infrastructure assets is maintained and assurance in given to the Board of Management that the correct procedures are followed in respect of Exchequer funded assets.*
    o Estate Strategy – annual progress update
    o Estate business case updates
    o College leasing arrangements update
    o Report on Paisley (CPA) relocation project
	Y
	Y
	Y
		
		Y
		
		Y
				
				Y
				
				Y
					
					Y
					
					Y

Corporate Development Committee					
Remit	**14 Sept 2021**	**23 Nov 2021**	**23 Nov 2021 Joint Committee**	**8 March 2022**	**31 May 2022**
• *maintenance of estate and information technology in an efficient and effective manner, in accordance with a planned maintenance programme which is consistent with approved strategy and associated financial projections.* o Estate maintenance, sustainability and project update reports	Y	Y		Y	Y

• *the implementation and development of carbon management and sustainability plans to address Scottish Government climate change requirements and ensure awareness of local, national, and global environmental matters.*
    o   Carbon Management Plan (CMP) – Progress Update
    o   Revised Carbon Management Plan 2021-2025
    o   Annual Scottish Government Sustainability Reporting Requirements Update
    o   Estate Strategy Progress Update – includes annual review of College Carbon Management and Sustainability Plan
	Y
	
	Y
		Y
		Y
		Y
				Y	Y
					Y

• *consideration and approval of information technology initiatives and innovations as required and the promotion of the effective and efficient use of IT services and assets.*
    o   IT Strategy 2021-2025 - Annual Update
    o   IT Project Update Report
	Y	Y		Y	Y
					Y

Marketing and Communications					
i) ***To consider and advise the Board of Management on key strategic matters relating to marketing and communications including:***					

• *the implementation, development and review of marketing and communication strategies*
    o   Update report on College Marketing activity
    o   Marketing and Communication Strategy
	Y	Y		Y
				Y
					Y

Corporate Development Committee					
Remit	**14 Sept 2021**	**23 Nov 2021**	**23 Nov 2021 Joint Committee**	**8 March 2022**	**31 May 2022**
• *policies which enable the College to build its reputation.* o Marketing and Communication Strategy				Y	
Risk					
j) *To consider risk relating to the matters that fall within the Committee's remit and to agree what mitigating factors/actions are in place and what further action, if any, needs to be taken to address such matters of risk.* o Review of Strategic Risk Register	Y	Y		Y	Y
Other Matters					
k) *Any other matters as required by the Board of Management.*					
l) *The Committee can request representatives of other organisations to attend meetings if/as required.*					