

**West College Scotland  
Board of Management**

**Monday 13 December 2021 at 4.00p.m. via the Teams link circulated by the Secretary**

**Agenda**

**General Business**

- |   |           |      |
|---|-----------|------|
| 1. Welcome  |           |      |
| 2. Apologies  |           |      |
| 3. Declarations of Interests  |           |      |
| 4. Minutes of the meeting held on Monday 4 October 2021             | Enclosed  | WH   |
| .1 Actions from the minutes   | Enclosed  | WH   |
| 5. Matters Arising from the minute<br>(not otherwise on the agenda) |           |      |
| 6. Student Association Report                                       | Verbal    | AMcG |
| 7. Chief Executive's Report   | Paper 7   | LC   |
| 8. Chair's Report   | Verbal    | WH   |
| .1 Board Committees Update  | Paper 8.1 | WH   |

**Items for Decision / Approval**

- |   |           |      |
|---|-----------|------|
| 9. Financial Statements:  |           |      |
| .1 Internal Audit Annual Report 2020-21                                     | Paper 9.1 | AMcD |
| .2 2020-21 Annual Report from Audit Committee<br>to the Board of Management | Paper 9.2 | GB   |
| .3 External Auditor Annual Report and<br>Letter of Representation 2020-21   | Paper 9.3 | AMcD |
| .4 Financial Statements for the Year Ending 31 July 2021                    | Paper 9.4 | AMcD |
| 10. Management Accounts to 31 October 2021                                  | Paper 10  | AMcD |
| 11. Estates Strategy  | Paper 11  | AMcD |
| 12. Communications Strategy   | Paper 12  | NT   |
| 13. Strategic Risk Register Review  | Paper 13  | AMcD |

- |   |          |      |
|---|----------|------|
| 14. Staff Survey Results  | Paper 14 | NS   |
| 15. Business Transformation Plan - Action Plan <b>Restricted Item</b> | Verbal   | AMcD |
| 16. Estates Outline Business Case Update <b>Restricted Item</b>       | Paper 16 | AMcD |
| 17. Procurement Approval <b>Restricted Item</b>                       | Paper 17 | AMcD |

#### **Items for Discussion**

- |                                     |            |     |
|-------------------------------------|------------|-----|
| 18. Committee Chair Reports:        |            |     |
| .1 CD Committee                     | Paper 18.1 | JiH |
| .2 Audit Committee                  | Verbal     | GB  |
| .3 Joint CDC / Audit Committee      | Verbal     | GB  |
| .4 LTQ Committee                    | Paper 18.4 | MN  |
| .5 Remuneration Committee           | Verbal     | JiH |
| 19. Any Other Business              |            |     |
| 20. Date of Next Meeting:           |            |     |
| Monday 7 February 2022 at 4.00 p.m. |            |     |

#### **Items for Information / Noting**

21. CD Committee - Minutes of the meeting held on Tuesday 23 November 2021
22. Audit Committee - Minutes of the meeting held on Wednesday 1 December 2021
23. Joint Audit / CD Committee - Minutes of the meeting held on Tuesday 23 November 2021
24. LTQ Committee - Minutes of the meeting held on Wednesday 6 October 2021
25. Remuneration Committee - Minutes of the meeting held on Monday 4 October 2021
26. Board of Management:
  - .1 Membership
  - .2 Schedule of Business 2021/22
  - .3 Dates of Board and Committee Meetings 2021/22

Shirley Gordon  
Secretary to the Board

## BOARD OF MANAGEMENT

**Minutes:** Monday 4 October 2021.

**Present:** Waiyin Hatton (Chair), Nick Allan, Douglas Bayley, Graeme Bold, Liz Connolly, Jim Hannigan, Gordon Hunt, Linda Johnston, John Leburn, Grant Lyall, Abbie McGrath, Fiona McKerrell, Mark Newlands, Paul Sefton, David Watson.

**Attending:** Amy McDonald (Vice Principal Operations), Stephanie Graham (Vice Principal Educational Leadership), Shirley Gordon (Secretary to the Board), Alan Ritchie (Director Finance), Martin Joyce (Director Infrastructure), Natalie Smith (Director Organisational Development & HR), Nathan Tyler (Director Communication, Policy and Engagement).

**Apologies:** None received.

### **BM743 WELCOME**

The Chair welcomed everyone to the virtual Board meeting and thanked everyone for their attendance. No apologies were received.

Dr Hatton introduced new Board members (Mark Gillan, Abbie McGrath and Paul Sefton) and senior officer (Amy McDonald) attending their first Board meeting. She also formally recorded her thanks to those Board members and senior officers (David Alexander, David Gunn and Diarmid O'Hara) who had left the College.

### **BM744 DECLARATIONS OF INTERESTS**

The following declarations of interest were recorded and **noted**:

- Waiyin Hatton: Wai Beyond, People and organisational development consultancy; Action Against Stalking; Harvey McMillan, People and organisational development consultancy; Colleges Scotland (Board member).
- Liz Connolly: Trustee of West College Scotland Foundation; Member of Developing the Young Workforce (DYW) West Regional Board.
- John Leburn: Trustee of 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.

### **BM745 MINUTES OF PREVIOUS MEETING**

The minutes of the meeting held on Monday 14 June 2021 were **approved**.

### **BM746 ACTIONS FROM THE MINUTES**

The Board **noted** the actions taken since the last meeting and **agreed** that the completed actions could now be removed.

### **BM747 MATTERS ARISING FROM THE MINUTES**

There were no matters arising not otherwise on the agenda.

### **BM748 STUDENT ASSOCIATION REPORT**

The Board **noted** the report submitted by Abbie McGrath (President, WCS Student Association) summarising the activities of the Student Association (SA) since the last Board meeting. Ms McGrath highlighted the following:

- The SA had been encouraging students to get their Covid 19 vaccination ahead of the new academic year and mobile vaccination clinics had been available and widely advertised.
- A redistribution of funds available to the SA to provide chill out/sensory rooms for students to enable additional support to be provided when required.
- A continued focus on mental health and wellbeing provision to students with some exciting new events planned.

**BM749 CHIEF EXECUTIVE’S REPORT**

The Board received a written report from the Principal and Chief Executive, and Ms Connolly provided an update on the following:

- Business Transformation Plan Update – **Reserved Item** – 
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- 
- 

- Covid 19 and the work of the College Mobilisation Group and Executive Covid 19 Group.
- ROA Guidance.
- Young Person’s Guarantee.
- Awards Nominations for the College.



- Challenge Poverty Week - running from 4 to 10 October 2021. To support this initiative the College would be offering free breakfast and lunch to all students in College over this week, helping to ensure students had access to a free healthy meal and were ready to engage in learning.
- A Ministerial visit on Wednesday 22 September 2021 when the Minister for Higher Education and Further Education, Youth Employment and Training visited the Greenock campus.

The Chair thanked the Principal for the update and the Board **noted** her report.

**BM750 CHAIR'S REPORT**

The Chair summarised her recent activities and meetings.

Dr Hatton thanked those staff involved with the arrangements for the visit by Jamie Hepburn, MSP, Minister for Higher Education and Further Education, Youth Employment and Training, and Stuart McMillan, MSP for Greenock and Inverclyde, to the Greenock Finnart Street Campus on 22 September 2021. The Minister met staff and students from a range of subjects and received a presentation from the Principal, Vice Principal Operations and Director Infrastructure on the urgent need to replace the Greenock campus.

Dr Hatton thanked Board members who had returned their annual review forms and for giving their time to meet with her. Several common themes had emerged from those discussions which she would feedback on completion of the one-to-one discussions. She also thanked the Committee Chairs for carrying out their Co-opted member annual reviews.

Dr Hatton encouraged all Board members to participate in the CDN National Board Induction Programme which was now live for 2021/22 and included a wide range of Board Inductions and workshops throughout the year.

The Board **noted** the report from the Chair.

**.1 Board Membership – Report from the Selection Panel - Reserved Item –**

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

**.2 Board Articles of Governance, Standing Orders and Scheme of Delegation**

The Board of Management considered and approved its Articles of Governance, Standing Orders and Scheme of Delegation.

**.3 Committee Memberships**

The Board homologated decisions it made in August 2021 outwith the Board meeting cycle in respect of memberships of the five standing committees and office bearer roles.

BM751

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**BM752 ANNUAL OD AND HR REPORT (2020-2021)**

The Director Organisational Development & HR provided an update on a range of activities covered by the Organisational Development and HR Directorate from January 2020 to July 2021 and reviewed several key performance indicators.

Mrs Smith explained that, historically the report had been based on calendar year, however, in future years the report would be aligned to the financial year and, therefore, this report bridged the gap and covered a 19-month period from January 2020 to July 2021.

Mrs Smith led the Committee through a summary of the HR Report including staffing profile, employee turnover, length of service, sickness absence, equality, diversity and inclusion, learning and development, employee relations, resourcing and talent planning, health and wellbeing and data protection and freedom of information.

Mrs Smith summarised the activities of the Mobilisation Group set up to make recommendations to the Executive about how to respond to the changing nature of the Covid 19 pandemic. The Group consisted 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. She was delighted to report that the Mobilisation Group won the 2021 ‘Team of the Year’ College Staff Award for its ongoing efforts. She also highlighted that the College Healthy Working Lives efforts won WCS the Health Promoting College of the Year Award at the CDN Awards in November 2020.

In terms of a forward look to 2021-2022 and beyond, Mrs Smith outlined the key areas of focus for the Organisational Development and HR Directorate.

Mrs Smith referred to the College equality data which compared well with the sector noting there had been indications of positive change, with ongoing incremental increases in the diversity of staff. She recorded a decrease in the gender pay gap, which was lower than the national benchmark.

It was noted that the content of the report was considered by the 14 September 2021 Corporate Development Committee meeting where it was approved for presentation to the Board of Management.

Mr Leburn thanked Mrs Smith for actioning suggestions made at the Corporate Development Committee meeting held on 14 September 2021. The Board acknowledged the excellent report and work of the Organisational Development & HR Teams.

**The Board of Management reviewed and noted the content of the report.**

**BM753 REVIEW OF COLLEGE FINANCIAL REGULATIONS**

The Vice Principal Operations explained that the Corporate Development Committee remit included the requirement 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 14 September 2021 Corporate Development Committee meeting considered and approved for presentation to the Board a revised set of College Financial Regulations noting that the College had undertaken a review of the Financial Regulations based on current College operations and best practice.

Ms McDonald led the Board through a summary of the proposed amendments.

**The Board of Management approved the revised College Finance Regulations.**

**BM754 STRATEGIC RISK REGISTER REVIEW**

The Board received a report from the Vice Principal Operations which outlined that, in accordance with the Corporate Governance Code, the Board was tasked with ensuring a framework of risk management and control was in place. Ms McDonald provided the current College Strategic Risk Register for consideration

Ms McDonald reported that the SMT continued to review the Strategic Risk Register and, in carrying out that review process, she summarised removals, additions and amendments that had been made to the Register. It was her intention to revise the presentation of the Risk Register and associated mitigations which was welcomed. In response to Mr Bold's question on whether there was any opportunity to reflect on risks and mitigations that impacted individual Committee remits rather than a required review of the Register in its totality at each Committee meeting. Ms McDonald agreed to discuss this suggested approach at the next Executive meeting. **{ACTION – AMcD}**

**The Board of Management reviewed the current Strategic Risk Register and affirmed that no change was required, subject to Ms McDonald's action above. In doing so, the Board considered:**

- **The risks included in the register.**
- **The revised risk rating both pre and post mitigation.**
- **Whether any other risks should be considered for removal.**
- **Whether any new risks should be considered for inclusion.**

**BM755 2020-21 Financial Year End Update**

The Director Finance provided an update in relation to the 2020-21 College financial forecast and cashflow position explaining that this was subject to the finalisation of the external audit work which commenced on 13 September 2021 with the audit fieldwork completed on 24 September 2021.

Mr Ritchie reported that the content of the report was considered by the 14 September 2021 Corporate Development Committee meeting where it was approved for presentation to the Board of Management. He confirmed that the report had been updated to take account of factors such as the annual pension actuarial adjustment.

**The Board of Management:**

- **Considered and noted the actual adjusted operating position.**
- **Noted the updated impact of the global pandemic on the operations and financial position of the College.**
- **Noted the updated College cash position.**

**BM756 COMMITTEE CHAIR REPORTS:**

**.1 CD Committee**

Mr Hannigan, CDC Chair, provided a summary of discussion from the CDC meeting held on Tuesday 14 September 2021 which was **noted**.

**.2 Audit Committee**

Mr Bold, AC Chair provided a summary of discussion from the Audit Committee meeting held on Wednesday 8 September 2021 which was **noted**.

**BM757 ANY OTHER BUSINESS**

Dr Hatton asked all Board Members, the Director Organisational Development & HR and Board Secretary to stay on after the conclusion of the main business to discuss a reserved item of business.

**BM758 DATE OF NEXT MEETING**

Monday 13 December 2021 at 4.00 p.m.

**BM759 ITEMS FOR INFORMATION / NOTING**

The following items were submitted for information and **noted**:

- CD Committee - Minutes of the meeting held on Tuesday 14 September 2021.
- Audit Committee - Minutes of the meetings held on Wednesday 8 September 2021.
- Board of Management – Membership and Schedule of Business 2021/22 and Dates of Board and Committee Meetings 2021/22.

**BM760 BOARD OF MANAGEMENT: SENIOR STAFF SALARY PROPOSAL (RESERVED ITEM)**

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

**Board of Management: Actions from the Minutes**

<b>Date of meeting</b>	<b>Min Ref</b>	<b>Matter for Action</b>	<b>Responsible Person</b>	<b>Action Taken</b>	<b>Timescale (where applicable)</b>
<b>4 Oct 2021</b>	BM749	Business Transformation Plan - The Board would have sight of the Action Plan at its meeting in December 2021.	AMcD		Dec 2021 Board agenda item.
<b>4 Oct 2021</b>	BM749	Business Transformation Plan – SFC to be invited to a future Board meeting.	LC	Consider best time.	Ongoing.
<b>4 Oct 2021</b>	BM750.1	Dr Hatton to arrange a meeting with the Principal and Committee Chairs to discuss the allocation of the 5 new Board members on to the standing committees.	WH	Duly met on 1 November 2021.	COMPLETE.
<b>4 Oct 2021</b>	BM751	Refreshed Greenock OBC to the December 2021 Board meeting for agreed submission thereafter to the SFC.	AMcD		Dec 2021 Board agenda item.
<b>4 Oct 2021</b>	BM754	Revise the presentation of the Risk Register and associated mitigations - any opportunity to reflect on risks and mitigations that impacted on individual Committee remits rather than a required review of the Register in its totality at each Committee meeting? - agreed to discuss this suggested approach at the next Executive meeting.	AMcD		Dec 2021 Board agenda item.
<b>4 Oct 2021</b>	BM760	Communicate Board endorsement of senior staff salary proposal to those Board members who had been	WH	Email duly circulated on evening of 4 October 2021.	COMPLETE.

		unable to stay on for discussion of this item.			
<b>14 June 2021</b>	BM731	Ms Graham reported that the exact number of deferrals was still being analysed and agreed to circulate this detail to Board members when available.	S Graham	A deferral report will come to the LTQ on 6 Oct 21. Quantifying the deferrals took longer than expected because of the high number of courses completed before 1 Aug through Awarding Body amendments and additional summer work. We are also now confirming the actual students who returned to complete qualifications under deferral.	Ongoing.
<b>14 June 2021</b>	BM731	Ms Connolly agreed to circulate the Staff Survey results to Board members when available.	L Connolly	Interim report emailed out to all Board members on 20/09/2021 noting that the final report will be presented at the next CDC and Board in December.	December 2021 Board meeting.
<b>23 March 2020</b>	BM619	KPIs - some analysis work to be undertaken to review overall performance prior to the coronavirus pandemic so that new base and pro-rata performance indicators would be available.	S Graham	Trend data will be presented to LTQ on 6 Oct 21 covering pre pandemic, 2019-20 and 2020-21 KPIs.	Ongoing.



<b>Meeting</b>	Board Meeting
<b>Date</b>	13 December 2021
<b>Location</b>	MS Teams
<b>Title of Paper</b>	Chief Executives Report
<b>Presented By</b>	Liz Connolly, Principal and Chief Executive
<b>Recommendation to Members</b>	The Board is asked to note the contents of this paper
<b>Appendix Attached</b>	No

**PURPOSE**

The Principal has provided a report on a range of matters. This report is for discussion and noting.

**1. BACKGROUND**

The Principal has provided a report on significant issues/activities since the last Board meeting.

**2. FURTHER DETAILS ON THE REPORT TOPIC**

- 2.1 The new College sector **Statement of Ambition** will be launched on Friday 3<sup>rd</sup> December by Jamie Hepburn MSP, Minister for Higher Education and Further Education, Youth Employment and Training.

A copy of the statement is attached as Appendix A.

- 2.2 The College submitted three applications to the UK Governments **Community Renewal Fund** and has been successful with all three. The combined grant value is £820,581.

Two of the projects, Project Neptune and West Care Academy will be delivered in the Inverclyde Council area, these have a combined value of £524,184.

One project, West Care Academy will be delivered in the West Dunbartonshire area, this has a value of £296,397.

The projects were originally scheduled to start in August and end in March. The delay in the decision making process has pushed this timetable back, though still with a delivery timetable of between 7 to 8 months.

- 2.3 The Interim **Regional Outcome Agreement** 2021-22 and targets for this session required to be submitted to SFC by 30<sup>th</sup> November. While

this did not require Board signoff the draft document was shared with the LTQ for comment.

A copy of the documents and the Self Evaluation Report for 2020-21 are attached as Appendix B.

2.4 On behalf of the sector Colleges Scotland submitted to the Government a **sector funding ask** ahead of the Budget on the 9<sup>th</sup> December. The key asks in the document were:

- **For 2022/23 commit to additional revenue funding of £124.8m and capital investments of £92.0m. (Note – last year an additional £35.7m revenue (5.6% cash terms increase) and £33.7m capital (reduction of £2m) was announced)**
- Consolidate the substantial one off funding streams enacted during the pandemic into core funding for colleges – including securing Foundation Apprenticeships, digital inclusion, mental health, Young Persons Guarantee, and the National Transition Training Fund.
- Increase investment for the college sector in relation to the Flexible Workforce Development Fund.
- Commit to an increase in the ongoing core teaching grant of an amount equivalent to the Retail Price Index (RPI) each year, across the whole period of the Spending Review.
- Invest to establish a Future Technology Partnership and programmes of work to help close Scotland's digital workforce gap, support students in digital poverty, and appropriate upskilling of college staff.
- Provide a Transformation Investment Fund to allow colleges to make the transitions required, including to provide continued and adequate support for delivery of the Fair Work and National Bargaining Agendas.
- Ensure colleges gain access to the Green Jobs Fund and Just Transition Fund, both set out in the Programme for Government published in September 2021, so the full contribution of the college sector can be used to help address the challenges faced by Scotland.
- Provide the same reassurance for 2022/23 that the SFC will not recover funds for shortfalls against core outcome agreement targets where these are related to Covid-19.

**Barnett Consequentials** - In the previous session of the Scottish Parliament, Ministers pledged that increased spending on English colleges by the UK Government would be directed towards the college sector in Scotland in consequentials, a pledge we continue to expect to be honoured. As part of its Autumn Budget on Wednesday, 27 October 2021, we will await confirmation of the additional revenue amount due to come to the college sector in Scotland as a result of the additional spending on Skills T-Levels, and the increased capital amount, following the UK Government's further spending on modernising the college estate in England.

**Colleges contribute to the realisation of Scottish Government ambitions** of supporting learners, widening access to education, closing the attainment gap, and providing a platform of skills provision for truly inclusive growth. **Investing in colleges supports wider Scottish Government policy drivers and strategies**, including those focused on the recovery from the impact of Covid-19 pandemic.

The backdrop of this submission is **the recent Scottish Funding Council (SFC) Review of Coherent Provision and Sustainability** - these are the changes needed in the landscape to create a successful environment:

- For Ministers to work with the college sector to set out the clear purpose of colleges, as acknowledged in the Scottish Government's response to the SFC Review.
- Deliver stable and sustainable funding to colleges as a core part of the Scottish public sector, in turn enabling long term planning and investment through multi-year settlements, and so we look forward to further details of the forthcoming multi-year framework expected from the Cabinet Secretary for Finance.
- Support initiatives to mitigate against the impact of loss of learning experienced by college learners.
- Commit to equity of funding across the education landscape, to address the current inequality in spending per head and student experience.

A copy of the full submission is attached as Appendix C.

2.5 On Monday 15<sup>th</sup> November the College hosted a visit by **Pam Gosal MSP**, Shadow Minister for Further & Higher Education, Youth Employment & Training. Ms Gosal had the opportunity to meet with students and staff and to discuss the College and the challenges facing the sector with the Executive team.

2.6 Stuart McMillan, MSP has agreed to act as sponsor for a **West College Scotland Holyrood Exhibition and Evening Reception**. This will comprise:

Members' Lobby Exhibition – Tuesday 8<sup>th</sup> to Thursday 10<sup>th</sup> March 2022  
Members' Room Evening Reception – Wednesday 10<sup>th</sup> March 2022

Much of the focus of both opportunities will be the College's relationship with Inverclyde and its ambitious plans for a new campus development in Greenock. We are also exploring with Stuart's office and the Parliament various opportunities for our students to become involved in the event. The event takes place during Apprentice week, so there will also be an opportunity for us to highlight our work in this area.

2.7 At the time of writing the **Covid 19** mutation Omicron has been identified and is receiving much press coverage. There has to date been no change in the Government advice to Colleges and we continue with the mitigations that are already in place. The College Mobilisation Group continues to meet on a fortnightly basis ensuring staff representatives are fully engaged with the College's approach to handling the situation.

2.8 On 26<sup>th</sup> October Jamie Hepburn MSP, Minister for Higher Education and Further education, Youth Employment and Training published his response to the **SFC Review of Coherence and Sustainability**. A copy of the response is attached as Appendix D.

2.9 On the 30<sup>th</sup> November the SFC published its report Resilience and Recovery: Colleges and Universities response to COVID. The report is a collection of case studies celebrating the work of Scottish colleges and universities during the pandemic. West College Scotland is referenced in the report. A copy of the report can be found [here](#).

### **3. STUDENT EXPERIENCE**

3.1 There are no direct student experience implications associated with this report.

### **4. HUMAN RESOURCES IMPLICATIONS**

4.1 There are no direct human resources implications associated with this report.

### **5. LEGAL IMPLICATIONS**

5.1 There are no direct legal implications in this report.

### **6. REPUTATIONAL IMPLICATIONS**

6.1 There are no direct reputational implications associated with this report.

### **7. COMMUNITY/PARTNERSHIP IMPACT**

7.1 There are no direct community implications associated with this report.

### **8. EQUALITIES IMPLICATIONS**

8.1 There are no direct equality implications associated with this report.

### **9. ENVIRONMENT IMPLICATIONS**

9.1 There are no direct environmental implications associated with this report.

## **RECOMMENDATION**

The Board is requested to note the contents of this report.



# College Sector Statement of Ambition 2021 – 2026



**When colleges thrive,  
Scotland thrives.**

**Colleges are supporting  
Scotland's economic recovery  
with climate-mitigating  
innovation, excellent education  
and teaching, skills training,  
and smart investments in  
people and places.**

**Colleges unlock the potential  
of **students** and **communities**.  
**Industry** gains and productivity  
increases through strong  
colleges. We make an impact  
beyond our walls.**

**When colleges thrive,  
Scotland thrives.**



## Supporting and innovating

Supporting a green economic recovery with innovation, excellent education and teaching, skills training, and smart investments.



## Supporting communities

Anchoring institutions in our communities and being resilient partners for the stakeholders around us.



## Supporting students

Fully supporting students to participate in education; delivering excellent education, teaching and skills training, available locally.

# WHEN COLLEGES THRIVE, SCOTLAND THRIVES.



## Supporting industry

The first-choice delivery partner for work-based skills and training.



## Supporting Scotland

Unlocking the untapped potential of a stronger and more empowered college sector.





# About Scotland's colleges

Across Scotland, colleges are equipping students from every background with the education and skills they need to achieve their ambitions and maximise their potential – enabling our country to thrive. Attending college is a positive choice for students to receive excellent learning, teaching and assessment; it is the destination for students with aspiration, turning potential into qualifications and delivering skills that last a lifetime. In turn, colleges are a great place to work, with routes to professional improvement and opportunities for development and promotion. Every college in Scotland has close links to industry and their local communities, with 26 colleges across 13 regions.

Colleges are inclusive and offer opportunities to everyone, building community wealth through education and training with a hugely diverse course offering. Nearly a third of college students come from Scotland's lowest socio-economic backgrounds, with a supported population of care experienced students. Fifteen per cent of students have a recorded disability and three quarters of those students are studying on mainstream programmes. Advancing social inclusion and delivering equality are a vital part of the impact colleges make.

Every year, almost a quarter of a million students benefit from a total of 70 million hours of teaching, with 19 in every 20 students who complete their studies going on to a job, training or continuing in education as positive destinations. Approximately a quarter of all higher education in Scotland is delivered by colleges.

**Our ambition**, following the shock of the Covid-19 pandemic, is to unlock the untapped potential of a more empowered college sector, making a strong and positive impact on lives, our environment, our economy and in our communities. Scotland's colleges can deliver excellence. By building even closer links with industry now and for the future, strengthening our role as anchor institutions in local communities and leveraging the energy and innovative spirit of the sector into success, colleges can deliver a game-changing amount of good for Scotland. Not only that, but the innovation and expertise held within Scotland's colleges community can – and should – be drawn upon more than ever before to address major issues facing society, most pressingly climate change, through joint research and collaboration with industry and government. Students are at the heart of everything colleges do and they are at the heart of our ambitions for the future. Colleges are organisations built around people – our students, our staff, our stakeholders, and our partners.

A lot has changed in a short period of time. This refreshed Statement of Ambition for 2021-2026 reflects these changes, incorporating too the contributions from a range of stakeholders to the college sector in the past two years, including: the College of The Future Report; The Report of the Advisory Group on Economic Recovery; the Scottish Funding Council Review of Coherent Provision and Sustainability; and the Cumberland-Little Report, which strongly influence this Statement of Ambition.



# Supporting and innovating

**Our ambition is** that colleges will **support economic recovery with innovation, excellent education and teaching, skills training and smart investments.**

Emerging from the Covid-19 pandemic, colleges will play a vital role in Scotland's education-led recovery and we will work to make an impact on every part of the system to help achieve economic stabilisation, community wealth building and growth.

## COLLEGES WILL MAKE AN IMPACT BY:

- Playing a vital part in Scotland's **Covid-19 recovery**. We will influence and advocate for the best learning and working experience at college, while adhering to public health guidelines and keeping people safe. We will be influential in the discussion about economic recovery, as providers of the skills and training that are required to revitalise Scotland's post-pandemic economy, and we will be active in promoting colleges as a solution to the many harms brought about by the pandemic. Colleges will repurpose the knowledge and expertise garnered in the pivot to digital learning – expertise will not be lost. Scotland's colleges will be a key partner by supporting inclusive and sustainable economic growth. Regional economies are key to achieving this ambition, and colleges as regional partners will be active and visible. Colleges will add to community wealth building and be strong contributors to wellbeing in our communities.
- Thriving in a system, not a hierarchy, and we will work with decision-makers on the need and opportunity to deliver a **coherent, flexible and integrated tertiary system** – in driving economic recovery we need a seamless skills system.
- Advocating for **fair funding** for institutions. Our ambition is to move to a simplified and streamlined funding landscape under new ways of working with the Scottish Funding Council. Our ambition is to reform the relationship between student headcount and qualifications. We will highlight the need for flexibility across the system.
- Capitalising on the sector's **Digital Ambition**, which has the potential to transform future college estate requirements as well as bringing innovation and creativity to teaching, learning and vocational study. Colleges will continue to be leaders in the national conversation on digital transformation – with a very sharp focus on ensuring students across Scotland can reap the benefits no matter their location or rurality – working strategically and collaboratively with partners to achieve this.
- **Delivering innovation**. Colleges will investigate the potential to create a national or open college which could provide open access to world-class learning, reflecting the swift changes to work and learning which have taken place. To drive proactive and innovative policy development, Colleges Scotland will scope the creation of a new policy think tank. Colleges will increasingly work with universities to shape the innovation landscape.
- Making **smart investments** with limited resources, to deliver long-term sustainable financial investment for colleges. We will advocate strongly and visibly for appropriate resources to provide high standard facilities for our students and our workforce in a refreshed conversation about funding for estates. Colleges will continue to be efficient and provide an excellent return for investment. We will work with the Scottish and UK Governments to rebalance the loss of funding to colleges because of the UK's exit from the European Union.



# Supporting students

**Our ambition is to support students to unlock their potential. We will fully support students to participate in excellent education, teaching, and skills training, available locally and with different methods of delivery, and to everyone whatever their age, ability or circumstance. We recognise the disruption caused by the pandemic to young people and adults.**

## COLLEGES WILL MAKE AN IMPACT BY:

- **Listening to and empowering students**, understanding what they want and need from college as part of lifetime learning. We will deliver excellent education and teaching, skills training and smart investments, enabling students to unlock their potential with recognised and trusted qualifications delivered by strong curriculum programmes and a strong life skills framework. Colleges will continue to work closely with employers and will advocate for suitably resourced careers advice for college students. We will work to increase the baseline amount invested in each college student for education.
- Equipping the college workforce with the resources they need to **deliver excellence** for students. This investment is especially important because of the impact of the pandemic on the college workforce.
- **Strengthening pathways** in a truly tertiary system for students – seamlessly connecting schools, colleges, universities and employers.
- Advocating for **fair funding for college students** with decision makers, to ensure that anyone who wants to learn can access suitable grants and loans whatever route they take.
- **Supporting students** holistically, advocating for increased resource for mental health support, support for care experienced students and maximising the college experience for students with additional support needs, vulnerabilities and disabilities. We will recognise the impact of poverty and digital poverty and address these with effective funding bids.
- Promoting the importance of **higher technical and professional qualifications**.
- Assessing the **current qualifications landscape** and challenging how well this meets the needs of the future workforce.





# Supporting communities

**Our ambition is to build on the pride we collectively hold as anchor institutions in our communities and to be resilient partners for the stakeholders around us. Colleges are part of a local, regional and national ecosystem which includes the third sector, local authorities, employers, public sector bodies and government. Colleges also connect internationally. We will capitalise on the opportunities with partners to do more for our students and communities, raising the profile of colleges with stakeholders and with the public.**

## COLLEGES WILL MAKE AN IMPACT BY:

- Being **anchor institutions**, recognising the rich history and generational connections colleges have within communities, being cognisant of the sense of place and belonging.
- **Looking local first**, responding to local needs and capitalising on local knowledge and expertise on economic, workforces and skills needs.
- Being **globally engaged**, strengthening the role and activities of Scotland's colleges on the international stage. In doing so, we can export our distinctive offering – pioneering thought leadership, universal access and provision of progression pathways – all of which have a major impact on social mobility.
- **Driving** a fundamental change in the volume and delivery mode of adult and lifelong learning, enabling adults to gain the skills and knowledge that help them as parents, citizens and members of local communities.
- Integrating colleges into national efforts to revitalise towns and communities by playing an active role in the development of **20-minute neighbourhoods** as well as measures to increase accessibility for students in rural and remote areas.
- Continuing work to realise the shared ambition between colleges and the Scottish Government of **widening access** to education for people from all backgrounds, of all ages, ethnicity and disability. We will increase equality and diversity in the makeup of college leadership and staff to address underrepresentation of minority ethnic groups of staff in tertiary education.
- Minimising the **environmental impact** of colleges, including taking behavioural changes from the pandemic into account when planning around travel and the potential benefits of hybrid learning and working. Colleges will continue to embrace our role in tackling the climate emergency, driving Scotland towards becoming a net-zero emission economy and embedding sustainability across the sector.



# Supporting industry

**Our ambition is** to affirm the role of colleges as a core business support enabler and as the first choice delivery partner for work-based skills and training in Scotland.

## COLLEGES WILL MAKE AN IMPACT BY:

- Building colleges into the regional economy discussion at every level, working across our **regional partnerships** to increase the role of colleges in economic recovery, development and regeneration.
- Creating an environment that supports a symbiotic relationship between **colleges and industry** – where colleges are the cornerstone of future workforce development and business growth and embed skills in the areas which need them most.
- **Supporting** two specific recommendations of the College of the Future Report (2020). Firstly, by committing to widening the remit of all colleges to include the provision of services to businesses as well as education and training, particularly towards SMEs. This will accelerate strategic partnerships between employers and colleges, help to embed colleges as key partners locally and regionally and increase national productivity and innovation. Secondly, by achieving investment for the development of specialist college ‘Employer Hubs’. These would act as a one-stop-shop for employers, offering support on skills needs and strategic advice.
- Maximising college provision of **apprentices** and other work-based training intrinsic to colleges, which support employers and help to build a highly trained workforce which fits economic needs.
- Working to recover and then grow **commercial income** for colleges, dented by the pandemic.
- **Supporting employers** through the Just Transition, and move to net zero by 2045.
- **Increasing sensitivity** and responding at pace, to the rapid changes taking place across Scottish business, society and the economy. Colleges are well-placed to be agile and responsive to demands for new ways of learning and a rapidly redefined workforce, delivering lifelong learning which fits the needs of a changing economy.



# Supporting Scotland

**Our ambition is to deliver positive impacts for Scotland through the activity of colleges. Hand-in-hand with the economic recovery is the opportunity to unlock the untapped potential of a stronger and more empowered college sector, helping Scotland to thrive. When colleges thrive, Scotland thrives.**

## COLLEGES WILL MAKE AN IMPACT BY:

- Working across our **regional partnerships** to increase the role of colleges in economic recovery and regeneration. **Nationally**, we will be a trusted partner across the Four Capitals which underly the Scottish Government's ethos – Business, Community, Environment and People – maximising opportunities and making the voice of the college sector heard. **Locally**, colleges will be resilient partners for the stakeholders around us.
- Establishing recovery from the pandemic and then continue to make **positive gains** in the measures set out in the Scottish Government National Performance Framework.
- Responding to the **climate emergency**. Colleges will educate and train students to support the strategic needs of the green economy, providing a pathway to good, green jobs, supporting the ambitions of the Just Transition Commission. We will engage with Scotland's Covid-19 recovery plans and play our part in creating a fair and green future economy. And as institutions, colleges will reduce carbon footprints, again making smart and creative investments to reduce and mitigate our impact on the environment.
- Continuing to **develop and invest** in the college workforce for the future, attracting talent, providing high quality continuing professional development and career paths for our staff. Colleges will invest in staff and play our part in the Fair Work agenda. We will deliver impact for our students by equipping the college workforce with the resources they need to deliver excellence for students. This investment is especially important because of the impact of the pandemic on our staff, including the rapid pivot to online and blended learning. Workforce development will be cognisant of the growing demand for higher level technical and professional skills needed in the Scottish economy.
- Supporting the National Joint Negotiating Committee as a means of **delivering progress** and sustainable outcomes for college staff, in partnership with trade unions.

# Colleges

● ARGYLL COLLEGE UHI  
[www.argyll.uhi.ac.uk](http://www.argyll.uhi.ac.uk)

● AYRSHIRE COLLEGE  
[www.ayrshire.ac.uk](http://www.ayrshire.ac.uk)

● BORDERS COLLEGE  
[www.borderscollege.ac.uk](http://www.borderscollege.ac.uk)

● CITY OF GLASGOW COLLEGE  
[www.cityofglasgowcollege.ac.uk](http://www.cityofglasgowcollege.ac.uk)

● DUMFRIES AND GALLOWAY COLLEGE  
[www.dumgal.ac.uk](http://www.dumgal.ac.uk)

● DUNDEE AND ANGUS COLLEGE  
[www.dundeeandangus.ac.uk](http://www.dundeeandangus.ac.uk)

● EDINBURGH COLLEGE  
[www.edinburghcollege.ac.uk](http://www.edinburghcollege.ac.uk)

● FIFE COLLEGE  
[www.fife.ac.uk](http://www.fife.ac.uk)

● FORTH VALLEY COLLEGE  
[www.forthvalley.ac.uk](http://www.forthvalley.ac.uk)

● GLASGOW CLYDE COLLEGE  
[www.glasgowclyde.ac.uk](http://www.glasgowclyde.ac.uk)

○ GLASGOW KELVIN COLLEGE  
[www.glasgowkelvin.ac.uk](http://www.glasgowkelvin.ac.uk)

● INVERNESS COLLEGE UHI  
[www.inverness.uhi.ac.uk](http://www.inverness.uhi.ac.uk)

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[www.lews.uhi.ac.uk](http://www.lews.uhi.ac.uk)

● MORAY COLLEGE UHI  
[www.moray.ac.uk](http://www.moray.ac.uk)

● NEWBATTLE ABBEY COLLEGE  
[www.newbattleabbeycollege.ac.uk](http://www.newbattleabbeycollege.ac.uk)

● NEW COLLEGE LANARKSHIRE  
[www.nclanarkshire.ac.uk](http://www.nclanarkshire.ac.uk)

● NORTH EAST SCOTLAND COLLEGE  
[www.nescol.ac.uk](http://www.nescol.ac.uk)

● NORTH HIGHLAND COLLEGE UHI  
[www.northhighland.uhi.ac.uk](http://www.northhighland.uhi.ac.uk)

● ORKNEY COLLEGE UHI  
[www.orkney.uhi.ac.uk](http://www.orkney.uhi.ac.uk)

● PERTH COLLEGE UHI  
[www.perth.uhi.ac.uk](http://www.perth.uhi.ac.uk)

● SABHAL MÒR OSTAIG UHI  
[www.smo.uhi.ac.uk](http://www.smo.uhi.ac.uk)

● SCOTLAND'S RURAL COLLEGE  
[www.sruc.ac.uk](http://www.sruc.ac.uk)

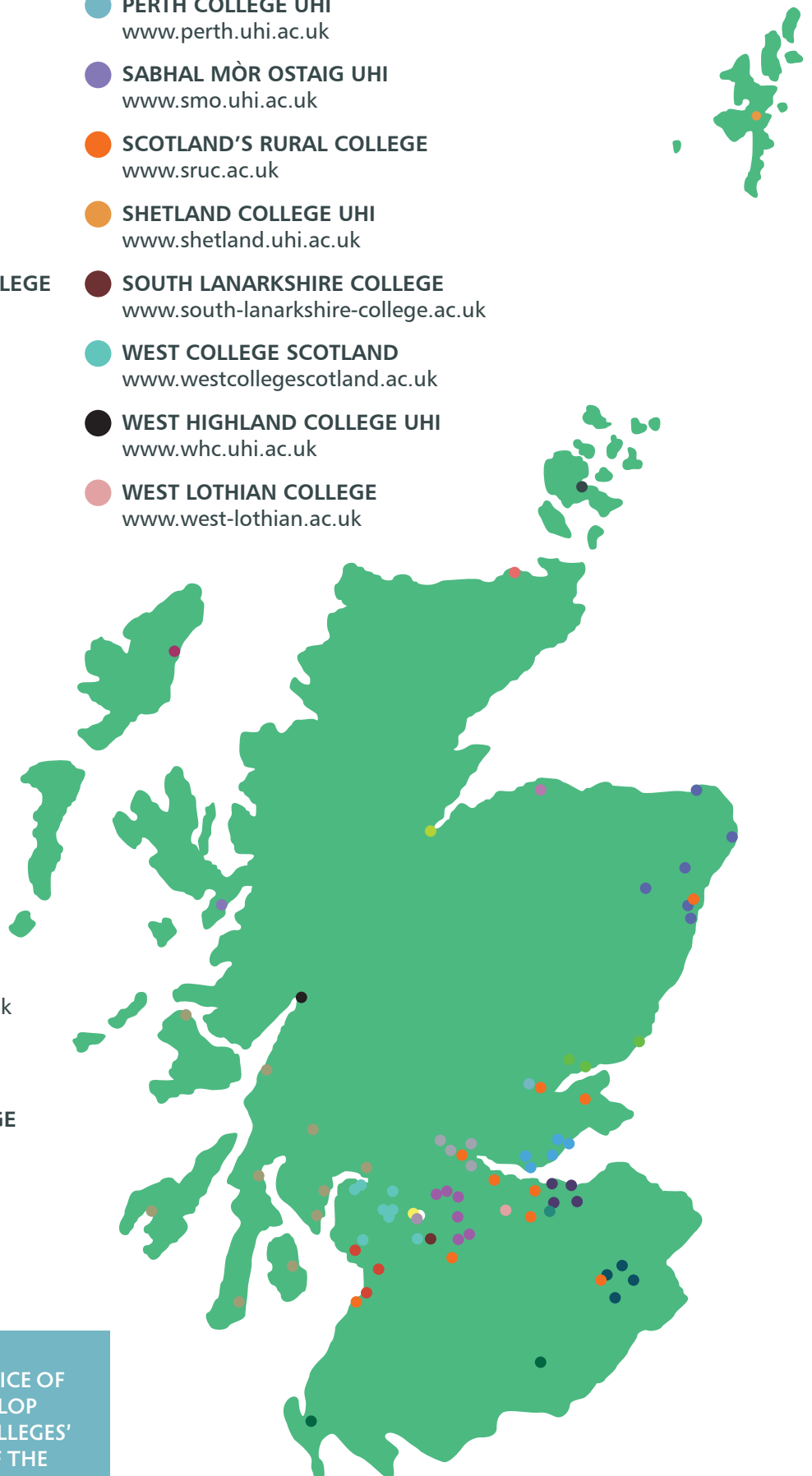
● SHETLAND COLLEGE UHI  
[www.shetland.uhi.ac.uk](http://www.shetland.uhi.ac.uk)

● SOUTH LANARKSHIRE COLLEGE  
[www.south-lanarkshire-college.ac.uk](http://www.south-lanarkshire-college.ac.uk)

● WEST COLLEGE SCOTLAND  
[www.westcollegescotland.ac.uk](http://www.westcollegescotland.ac.uk)

● WEST HIGHLAND COLLEGE UHI  
[www.whc.uhi.ac.uk](http://www.whc.uhi.ac.uk)

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## Outcome Agreement Self Evaluation Report 2020-21

This self-evaluation report is prepared in line with SFC requirements as outlined in the [College and University Outcome Agreement Guidance for 2021-22](#) and complies with the requirements in [Annex A Guidance for self-evaluation reporting 2021-22](#)

Links to college publications:

[Equality, Diversity and Inclusion Statutory Report 2021](#)

[WCS Equality Outcomes 2021-2023](#)

[Information Technology Strategy 2021-25](#)

[HR Report 2020-21](#)

## Progress on Actions arising from the SFC 2019-20 Self Evaluation Report

Actions arising from 2019-20	Progress Update
Students deferred from session 2019-20 into 2020-21	<p>The national lockdown in March 2020 impacted on a large number of students for whom assessment and course completion was deferred into session 2020-21. Curriculum teams adjusted course design and delivery to accommodate partially successful deferred returners, ensuring flexibility in catch up and assessment schedules so that students could complete as quickly as possible.</p> <p>Of those who returned part time to pick up lost learning and assessment during session 2020-21:</p> <p>At SCQF Levels 2-6 (FE) a total of 620 students re-enrolled and of these 88% (546) successfully achieved the qualification aim they had been unable to complete in session 2019-20.</p> <p>At SCQF Levels (7+) a total of 143 deferrals undertook lost assessments and 86% (123) successfully achieved their qualification aim.</p> <p>For session 2020-21 the SFC has changed the way in which deferrals and returners are coded and students who were unable to complete during 2020-21 are classified separately. Outcomes for those who return for completion of their qualifications will be reported in Session 2021-22.</p>

Awarding Body assessment adjustments	<p>The College engaged in national forums, contributing to discussions on modifications to assessment across a broad range of curriculum areas during 20-21.</p> <p>Our curriculum teams were encouraged to network with sector colleagues and ensure national standardisation of assessment standards. In particular, the work of College staff in Care negotiating with SQA and SSSC regulatory authorities, produced positive outcomes for thousands of College students after a prolonged period of stalwart.</p> <p>To effectively support attainment and progression, we strengthened our internal quality assurance processes to plug gaps in external quality assurance arrangements and held a series of Internal Quality Assurance panels across all curriculum areas, monitoring and reporting on the integrity of the integrity of certification claims.</p> <p>Due to campus closures for the period December 2020 through to March 2021 all learning and assessment moved online, under open book conditions where permissible. Curriculum teams flexed their schedules for practical assessment and were able to complete most qualification delivery by June 2021 after small student numbers of students were permitted back on to campus.</p>
Digital skills competency of staff and students to fully and positively engage in remote learning	<p>The College had already begun a digital transformation of curriculum delivery with the launch of a Digital Strategy in 2018. The ambitions set out in the document progressed from the 2019-20 pandemic response in the prompt issuing of devices and delivery of workshops/instruction on digital teaching and learning, to a more progressive and immersive approach driven by focussed Digital Workstreams and aimed at further developing and supporting staff and student digital skills.</p>
Mental health and wellbeing of staff and students during periods of continued disruption to learning	<p>Continuation of, and enhancement to Health and Wellbeing initiatives were ongoing through the Healthy Working Lives Group. The College newsletter – Home Working Times – supported staff wellbeing and digital connectivity with key messages on how to keep well during lockdown and through sharing stories and experiences across our College. The offer of an online ‘Calm Curriculum’ initiative was extended to staff and students across all curriculum areas. Silver Cloud 24/7 online access to support was made available and extensively promoted by the College Student Association. Student support services successfully continued to support students remotely, with Health and Wellbeing Advisors, school liaison teams, counselling services, enabling services and safeguarding teams remaining accessible and retaining contact with vulnerable groups.</p>

## Report on Activities 2020-21

Outcomes for Students	Highlights and challenges
Fair access and transitions.	<p>The West Regional footprint covers some of the most deprived areas in Scotland and 24.3% of credit delivery in 2020-21 was for students from SIMD10 postcodes (slight reduction from previous years). In line with our ROA commitments for Access, we continued to recognise and work to address the many challenges our students face in achieving full success, particularly during the pandemic when our communities were disproportionately affected. We adapted learning flexibly to better meet their needs and provided appropriate support, particularly in relation to resilience, mental health and wellbeing. We responded by supporting those in digital poverty to provide vital access to digital equipment to enable learning and have provided enhanced support for health and wellbeing.</p> <p>The College secured £60k in a Tackling Child Poverty bid for a ‘Learning beyond Lockdown’ project, in partnership with West Dunbartonshire and Inverclyde Council, to help young parents in poverty support their children with home schooling.</p>

	<p>The College continued to work towards the recommendations within the Blueprint for Fairness Report, particularly in supporting students and young people from deprived areas and those with a Care Experienced background.</p> <p>The College has committed to enabling students to progress their learning and to shortening the student journey by improving articulation. Of those successfully attained their SCQF level 7 or 8 qualification in session 2019-20, 321 successful leavers went on to session 2020-21 university study across a broad range of subject areas. (Source SFC CLD PI tool).</p> <p>The College maintained a positive relationship with SWAP West, delivering programmes in Social Sciences, Science and Access to Primary Education, enabling mature students from deprived areas to access University.</p> <p>During 2020-21 our dedicated Learner Development curriculum department maintained high levels of attainment, delivering over 83% of its core activity to learners with known disabilities, and with a success rate of 72%, primarily at SCQF 4. Our internal review of trend success prompted a curriculum review across our College of all SCQF Level 4 activity, with partnership arrangements developing between Learner Development and other curriculum departments to share expertise and drive-up overall College attainment for FE level programmes.</p> <p>The proportion of college credits delivered to Care Experienced students remains higher than the sector average, although fell slightly to 7.5% in 2020-21 from 8.4% in 2019-20. Early recognition of care experienced learners and prompt referral to a named person encouraged around 80% of enrolled care experienced students to remain in education until the end of their course (similar proportion for SIMD 10 students), although for both key groups attainment remains lower than for other students).</p> <p>We received external recognition our work in addressing Digital Poverty in 2020-21. Our approach to meeting our student specific needs was recognised in the Herald Diversity Awards 2021 with the College winning the Diversity in Education Award and we were the successful winner of The Herald Digital Transformation Awards for Digital Diversity.</p>
<p>High quality learning, teaching and support.</p>	<p>The College responded quickly to the ongoing COVID 19 restrictions. Building on learning from during 2019-21 we quickly equipped our students with technology and skills training for a blended online delivery model. The development of skills to enable students to study and achieve during 2020-21 was a challenge but also a real success for the College made possible by supportive staff and online skills training through an open access Developing Confidence Online short course, which was embedded courses during 2020-21. Curriculum responses to delivering learning have demonstrated creativity and innovation, with teaching staff engaging students with a variety of teaching approaches resulting in improved early retention of students.</p> <p>The College works in partnership with the Students' Association to support and develop the student voice across all areas of curriculum and Support Services. During 2020-21 this partnership working involved planning and coordinating communication, and reinforcement of important messages, on both COVID and learning experience arrangements, to students. The Student President was a key member of the 'Mobilisation Group' which met weekly to oversee a return to campus and safe operations thereafter in Spring 2021, after a prolonged period of college closure. The College worked with the Student Association to adapt the Student Behaviours Framework in light of COVID and to promote the health and safety measures for students on campus.</p>

	<p><b>Student Outcomes:</b></p> <p>The COVID pandemic continued to impact on student attainment rates into 2021-21, with proportionately high numbers of students in vocational areas unable to continue to engage in practical units. While we reported improved retention across both HE and FE, the ability of some students to engage in online assessment, impacted on success rates for full time students. Our FE FT rates, whilst improved slightly on the previous year at 67% (66% 2019-21), overall figures remain stubbornly below out target of 70%, despite introducing alternative assessment methodologies in line with awarding body COVID 19 guidance. HE full time success rates dipped by 3% to 67% (70% for 2019-20) with a high proportionate number of students impacted by changes to their courses, especially where access to practical work experience remained a requirement for course success.</p> <p>The improving trend in FE PT success rates has stalled with a sharp drop to 69% compared with 78% in 2019-20. An encouraging increase in HE PT to over 85% reversed a single year dip in 2019-20 (73%) and brought is back in line with a 5- year improvement trend. Analysis of success rates indicates that online learning and successful assessment were perhaps more attainable by students at higher SCQF levels while lower SCQF levels learners impacted more negatively from the absence of face-to-face teaching, peer engagement, encouragement and support.</p> <p>Just under 1% of our credits were delivered to 363 schools’ pupils at S3and above, much the same as in the previous year. The ability to increase engagement activity and attainment for school pupils was significantly impacted by both COVID restrictions in college and by the need for schools to generate additional assessment evidence for subjects studied in school. There were however an increased number of senior phase pupils undertaking a vocational qualification but a significant reduction in the numbers of school pupils below S3 benefiting from STEM activities (reduction of over 2,000 pupils) due to changes to SFC funding criteria.</p> <p>The SFC mandatory national Student Satisfaction and Engagement Survey (SSES) is issued in Spring annually, and was completed by 8,951 students in April 2021, a response return rate of 42% compared with 32% in 2018-19. The improved response rate resulted from increased collaboration by the Student Experience Team who engaged directly with curriculum departments to maintain momentum in prompting completion. While this is still short of the SFC target response rate, it is our highest response rate to date. The survey was distributed digitally and we believe that student’s improved familiarity with learning in an online environment better enabled them to participate.</p> <p>The overall satisfaction rate of students fell to 85% from 95% in 2018-19 and was impacted by COVID. The survey offers an option to leave comments against each question and we have seen an increasing trend of students expressing mental health concerns and we continue to actively support students by encouraging participation in a wide range of health and wellbeing initiatives. Post survey analysis indicated that dissatisfaction was mainly due to the wholesale move to online learning, poor communications around the learning experience, course management issues (timetabling of classes, assessment and feedback on progress)</p>
Partnership, participation and student experience.	<p>New Partnership Agreements include:</p> <ul style="list-style-type: none"> <li>- Creative industries partnering with global analytics company SAS to provide access and use of cutting-edge teaching resources in the vital field of data analytics, data science and fintech. This unique agreement, the only College in Scotland, also enables our students to access the SAS company database of job opportunities prior to their release into the general market</li> </ul>

	<ul style="list-style-type: none"> <li>- Continued, and growing, partnership with Microsoft, securing our Microsoft Showcase School level 5 status following annual verification process. We remain the sole College in Scotland with this status and now have an additional Microsoft Expert Educator to add to our total representing the college in their MIEE status</li> <li>- Expanding portfolio of Flexible Workforce Development Fund work in the Business area with emphasis on Leadership and Management programmes.</li> <li>- Joint scoping of opportunities for shared activity and access to expertise and resources with University of the West of Scotland</li> </ul> <p>Our main priority is to provide a curriculum which meets employers' needs, supports the economic growth of our region and provides our students with appropriate qualifications and skills to build successful long-term careers. A Curriculum Strategy was developed and approved during 2020-21 and an action plan for delivery of this will be in place from session 2021-22.</p> <p>Through the business transformation plan 'Future Proofing our College,' we have worked to ensure that our curriculum is well aligned to meet regional needs and our courses provide effective and efficient pathways for students. In a response to COVID we have adjusted our curriculum rapidly to respond to demand from students and employers and to take advantage of any funding opportunities available.</p> <p>During the initial lockdown period in 2019-20, we scaled up our online learning curriculum and associated staff team to respond to and support significantly increased demand, particularly for those working in the Care sector. Our learning materials to support upskilling for those working in care, with children or to support mental health and wellbeing proved to be very relevant to meet the needs of online learners at that time.</p>
Learning with impact.	<p>Post Course destinations (CLD - College Leavers Destinations Survey)</p> <p>The numbers of students who successfully completed their studies and attained the qualification in session 2019-20 was lower than in previous years due to deferrals. The CLD survey was carried out March 2021 during COVID lockdown - positive destinations include those on furlough.</p> <ul style="list-style-type: none"> <li>• HE confirmed positive destinations - 14% were in employment either FT or PT with the vast majority (84%) progressing to further study in college or at university</li> <li>• FE confirmed positive destinations - 81% (1540 students) returned to WCS to continue their studies with others on furlough or having taken up essential work or further study opportunities.</li> </ul>
Public health emergency.	<p>COVID health and safety measures in place ensured that there were no cases attributed to infection on campus.</p> <p>Clear COVID College principles.</p> <ul style="list-style-type: none"> <li>• To have the fewest possible people on a campus at any one time.</li> <li>• To ensure the safest possible environment for those on any campus</li> <li>• To ensure the best possible learning and working experience for students and staff.</li> </ul> <p>These principles guided our College operations and ensured that we had limited campus activity from the start of 2020-21, with the majority of staff working off campus and student classes delivered online. This was enabled through equipping staff and students with the necessary IT resources and providing significant staff CPD.</p> <p>Weekly mobilisation meetings were held including staff and student representation.</p>

	<p>By November 2020 the College had moved to only 6% of timetabled classes on campus with all other classes taught online. During the pandemic we facilitated a student IT Helpdesk, staffed by paid Computing student placements. We also provided MS Teams Students/Parent &amp; Guardians Training Sessions to support participants of all ages to Microsoft Teams through live demonstrations of Teams for Education features including meetings, document planning, classroom tips, and troubleshooting.</p> <p>We supported the public need where at all possible. As an immediate response to the pandemic, we donated all of our available College PPE and health/social care teaching apparatus, to local hospitals and healthcare organisations.</p>
Equalities and inclusion.	<p>Outreach programmes were impacted severely by lack of or restrictions on venue availability. Despite this, community classes ran in: - Care, Childhood Practice, Wellbeing, Mental Health, Personal Development, Computing and IT, Construction, Essential Skills, Creative Writing, Humanities including- Criminology, Crime and Law, Social Behaviour, Social issues, Psychology and Coping Strategies and Building Resilience, Horticulture and Textile technologies, Humanities.</p> <p>Ferguslie Learning Centre Programme was greatly impacted as a result of COVID 19 with 40% of classes cancelled due and the remainder moving largely online. All the above factors negatively impacted recruitment, retention, and achievement.</p> <p>Innovative teaching approaches enabled Community outreach learners to continue to engage in practical subjects like Textile Technology, where visualisers were used to demonstrate techniques online.</p> <p>We have been successful in the third-round bid with Connecting Scotland to secure additional ICT.</p> <p>Normal governance procedures for equalities have continued to operate throughout 2020-21 with scheduled Equality, Diversity and Inclusion Committee meetings continuing online, including student representation.</p>
<b>Outcomes for Economic Recovery and Social Inclusion</b>	<b>Highlights and challenges</b>
Responsive institutions.	<p>Normal processes to review the curriculum continued through 2020-21 through online Portfolio Review and Curriculum Planning meetings. This resulted in in-year adaptations to the 2020-21 curriculum, as well using environmental analysis, labour market information and Regional Skills Assessments to plan the 2021-22 curriculum to best contribute to economic recovery, and to student and employer needs. A joint session between our Heads of Curriculum and SDS ran prior to Curriculum Planning and Review in November 2020 and plans were aligned to the use of SDS Regional Skills Assessment and Labour market data.</p> <p>Portfolio Review was redesigned during 2020-21 to focus course evaluation on a Retain, Repurpose or Remove theme. The evaluation activities covered the impact of COVID on Learning, Teaching and Assessment and separately on Health and Wellbeing.</p> <p>The lockdown situation prompted greater collaboration online between cross campus curriculum staff and more sharing of experiences and good practice.</p>
Confident and highly capable work ready learners	<p>There has been a heightened focus on Digital Skills and Meta Skills to meet industry needs. We introduced the Jisc Digital Capability Tool for all students to support their digital skills growth and created the WCS 'Developing Confidence Online' programme of study for our students. Work Readiness programmes remained a successful part of our curriculum, despite restricted access to workplace settings and our wide range of short online learning courses, engaged individuals who were on furlough, out of work, looking to reskill or retrain in a different industry. Our Graduation programme moved online, showcasing the best success of our students through recorded play back ceremonies and we found that our industry partners were keen to support us through sponsorship and prize giving awards.</p>

Knowledge exchange and innovation.	Our Creative Industries department worked closely with Microsoft to develop skills and training for staff. Our Computing department are leading the way on using Azure to build PCs for students 'in the cloud', working with our Enabling Services teams to equip students with any ICT device that has a browser to complete even the most technical parts of their course. Our Photography department piloted Micro-credential qualifications in partnership with industry. The Innovative Learning Team worked productively with colleagues across the college to develop a Staff Virtual Learning Hub, a single access point for all learning, teaching and assessment advice and CPD. A set of Digital Standards was developed and shared across the College Sector.
Collaboration.	Staff engaged well with cross sector colleagues through networking and collaborative engagement with awarding bodies to adjust and modify assessments. We continued engagement with school partners and Local Authorities throughout the pandemic, sharing updates and negotiating on new ways of maintaining learning. Our Business Development Teams continued to engage with employers and, following a period where vocational learning could not be delivered due to restrictions, the opportunity to work in partnership on commercial contracts successfully recommenced. Online training for employers through Flexible Workforce Development Fund proved to be a valued delivery method. Curriculum teams engaged with sector leads – such as the SSSC for Care, Energy Skills Partnership and various other industry led forums. Digital workstreams were set up to address the different challenges faced by the College, and an action plan was developed and delivered. The workstreams were made up of staff volunteered from their professional service or curriculum areas and they engaged enthusiastically, and collaboratively, in positively managing change in our College.
Climate emergency.	Thee 2016-21 Carbon Management Plan (CMP) is due to be updated at the end of 2021 but has been delayed as the College considers the impact of the global pandemic on the use of its facilities. The 2016-21 CMP has an aim of a 10% reduction over the course of the plan, equivalent to 530 tonnes of CO2. The latest reporting period to 31 July 2021 shows that the College has reduced its carbon emissions by 2,241 tonnes (42%). An element of this reduction is due to the closure of the College campuses as part of the response to the global pandemic. In the last full year of operations (2018-19) the College reduced its emissions by 1,024 tonnes (19%) which is almost double the intended target. The College intends to build upon this solid baseline position through the implementation of the Sustainability Strategy and updated Carbon Management Plan. A sustainability webpage is used to keep the college community updated on the actions they could take to alleviate the impacts of climate change, as well as the work that the College is doing in this area.

## Key Priorities and Enhancement Plans

Key Challenges arising from 2020-21	Enhancement Planned Action
Continually review and refresh our curriculum to best meet the needs of all students and build on the positive aspects of digital teaching, learning and assessment practices. The curriculum requires to be adaptive in supporting regional economic recovery and in developing work ready individuals with appropriate meta skills. We will strengthen our partnership activities with key stakeholders across our region to support the economic needs and enhance the experience, destinations and outcomes of students.	Deliver on the Curriculum Strategy Action Plan
Outcomes for students could be improved, especially for key groups of students (SIMD10 and Care Experienced) with higher withdrawal rates and lower successful attainment rates than other groups of students.	Implement intervention and improvement plans (IIPs) where success rates are low and withdrawal

	rates are high. Use dashboard reporting to better highlight risk, especially for key groups of students.
Progress in digital transformation plans across the College in the last 2 to 3 years necessitates a refreshed strategic plan for embedding a 'digital first' approach across support services and curriculum departments.	Refreshed Digital Strategy
Student feedback and data analysis indicate that the admissions and student recruitment processes across the college could be improved to provide a better experience for applicants.	Pilot alternative administration support for admissions and recruitment
The College is committed to developing skilled, work ready individuals who are well equipped to enter employment and/ or further study. While almost all courses offer work experience, placement or a simulated work environment, career management is not yet embedded systematically for all students.	Review existing tools such as the YES portal and SDS MyWOW and embed a skills academy partnership approach across all curriculum areas.
We recognise that some students who transition to college do not yet have fully developed personal and/or learning skills to enable success. We are committed to ensuring a place at College to all applicants and will offer transition courses that support our regional learners to progress in the subject area that is best suited to them.	Introduce a consistent, transitional partnership model approach for all course delivery at SCQF level 4 between Learner Development Department and other curriculum areas.
A new approach to student representation is required post pandemic and we will work with the WCS SA to shape a representative model that ensure the student voice is impactful at all levels of decision making across our College	Enhance the Student Voice/Representation through remodelled partnership working between the WCS and the College
Develop staff skills and effective CPD through a new approach to professionalism	A refreshed CPDR approach will be introduced during session 2021-22 with a focus on meaningful CPD and digital staff skills development

## Appendices

VOLUME/CREDITS		2019-20		2020-21
		WCS	Sector	WCS
A	Credits Delivered (Core + ESF)	164,596	1,749,069	167,148
	Proportion of Credits delivered to 10% most deprived postcode areas	25.1%	16.50%	24.30%
	Proportion of credits delivered to care-experienced learners	8.4%	6.02%	7.5%
D	Number of senior phase age pupils studying vocational qualifications delivered by colleges	563	8,844	591
Gender	Proportion of Credits delivered to Male learners	43.0%		42.5%
	Proportion of Credits delivered to Female learners	56.7%		57.0%
Ethnicity	Proportion of Credits delivered to BME learners	6.0%		9.3%
Disability	Proportion of Credits delivered to students with a known disability	23.0%		25.6%
Age	Proportion of Credits delivered to learners aged under 16	2.5%		1.4%
	Proportion of Credits delivered to learners aged 16-19	35.0%		34.4%
	Proportion of Credits delivered to learners aged 20-24	22.0%		22.2%
	Proportion of Credits delivered to learners age 25 and over	40.5%		41.9%
E1	Proportion of enrolled students successfully obtaining a recognised qualification (Full time FE)	66.0%	65.7%	66.7%



Retention	Total Withdrawal rate of FE FT students (EW + FW)	20.8%	21.2%	22.7%
E2	Proportion of enrolled students successfully obtaining a recognised qualification (Part time FE)	76.6%	78.0%	68.9%
E3	Proportion of enrolled students successfully obtaining a recognised qualification (Full time HE)	68.74%	73.40%	67.2%
Retention	Total Withdrawal Rate of HE FT students (EW + FW)	18.2%	15.0%	18.3%
E4	Proportion of enrolled students successfully obtaining a recognised qualification (Part time HE)	72.8%	78.0%	85.2%
SIMD 10	Percentage FT FE SIMD10 achieving a recognised qualification	63.3%	66.0%	62.8%
	Percentage of SIMD 10 FT HE students achieving a recognised qualification	65.7%	72.0%	61.2%
<b>Key Groups Success Rates</b>				
Gender	Male success rates	71.1%		67.5%
	Female success rates	68.3%		62.3%
Ethnicity	BME success rates	66.1%		70.8%
	Success rate for students with a disability	65.4%		59.9%
Age	Success rates for students aged under 16	72.2%		52.0%
	Success rates for students aged 16-19	66.7%		61.0%
	Success rates for students aged 20-24	73.3%		67.9%
	Success rates for students age 25 and over	78.0%		68.1%
Care Exp FT	The total number of CE FT FE enrolled students	424		418
	Percentage of CE FT FE students achieving a recognised qualification	55.0%		49.3%
	The total number of CE FT HE enrolled students	128		116
	Percentage of CE FT HE students achieving a recognised qualification	65.6%		41.4%
<b>SATISFACTION and SURVEY RESPONSE RATES</b>				
	Student Satisfaction and Experience Survey (SSES) Return Response rate %	NA	-	48.0%
H	Percentage of students overall satisfied with their college experience (SSES)	NA	-	85.0%

College Outcome Agreement Impact Framework: Supporting Data

Measure	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2021-22
A Credits Delivered (Core)	166,520	159,174	159,039	160,376	157,853	155,288	157,323
Credits Delivered (ESF)	0	7,086	7,094	7,103	6,673	9,308	5,638
Credits Delivered (Core + ESF)	166,520	166,260	166,133	167,479	164,526	164,596	162,961
B Volume of Credits Delivered to 10% most deprived postcode areas	46,369	45,832	45,261	41,664	41,227	41,357	40,740
Proportion of Credits delivered to 10% most deprived postcode areas	27.8%	27.6%	27.2%	24.9%	25.1%	25.1%	25.0%
C Volume of credits delivered to care-experienced learners	870	3,788	3,119	2,463	8,277	13,822	13,037
Proportion of credits delivered to care-experienced learners	0.5%	2.3%	1.9%	1.5%	5.0%	8.4%	8.0%
D Number of senior phase age pupils studying vocational qualifications delivered by colleges	178	115	97	342	425	563	580
E1 Proportion of enrolled students successfully obtaining a recognised qualification (Full time FE)	59.7%	63.7%	68.7%	69.2%	67.9%	66.0%	68.0%
Number of enrolled students successfully obtaining a recognised qualification (Full time FE)	2,531	2,699	3,174	3,045	2,953	2,752	2,584
Total number of FTFE students	4,237	4,240	4,622	4,402	4,348	4,172	3,800
E2 Proportion of enrolled students successfully obtaining a recognised qualification (Part time FE)	64.3%	52.5%	67.6%	72.3%	76.1%	76.6%	73.0%
Number of enrolled students successfully obtaining a recognised qualification (Part time FE)	8,366	7,613	9,467	9,414	9,574	8,921	8,395
Total number of PTFE students	13,002	14,501	14,003	13,023	12,576	11,641	11,500
E3 Proportion of enrolled students successfully obtaining a recognised qualification (Full time HE)	67.1%	65.4%	68.7%	69.4%	64.9%	68.7%	69.0%
Number of enrolled students successfully obtaining a recognised qualification (Full time HE)	1,858	1,817	1,849	1,912	1,713	1,612	1,449
Total number of FTHE students	2,771	2,780	2,693	2,757	2,640	2,345	2,100
E4 Proportion of enrolled students successfully obtaining a recognised qualification (Part time HE)	76.5%	74.1%	76.9%	80.2%	80.3%	72.8%	80.0%
Number of enrolled students successfully obtaining a recognised qualification (Part time HE)	329	420	445	491	494	401	440
Total number of PTHE students	430	567	579	612	615	551	550
F Number of students achieving an HNC/D qualification articulating to degree level courses	0	545	526	609	608	493	500
Number of students achieving an HNC/D qualification articulating to degree level courses with advanced standing	0	297	243	311	317	273	280
Proportion of students achieving an HNC/D qualification articulating to degree level courses with advanced standing	-	54.5%	46.2%	51.1%	52.1%	55.4%	56.0%
G Total number of full-time FE college qualifiers (in confirmed destinations)	2,149	2,455	2,594	2,474	2,345	2,007	2,000
Number of full-time FE college qualifiers in work, training or further study 3-6 months after qualifying	2,065	2,362	2,502	2,353	2,258	1,909	1,900
Proportion of full-time FE college qualifiers in work, training or further study 3-6 months after qualifying	96.1%	96.2%	96.5%	95.1%	96.3%	95.1%	95.0%
Total number of full-time HE college qualifiers (in confirmed destinations)	1,542	1,517	1,519	1,601	1,492	1,228	1,200
Number of full-time HE college qualifiers in work, training or further study 3-6 months after qualifying	1,448	1,438	1,459	1,532	1,353	1,176	1,140
Proportion of full-time HE college qualifiers in work, training or further study 3-6 months after qualifying	93.9%	94.8%	96.1%	95.7%	90.7%	95.8%	95.0%
H Percentage of students overall satisfied with their college experience (SSES survey)	-	90.1%	93.4%	N/A - see note	95.1%	-	89.0%

Please note that figures for 2020-21 are impacted by the COVID-19 pandemic and may not be directly comparable to other years

# Interim Regional Outcome Agreement 2021-22

## 1. Introduction

The West College Scotland Corporate Strategy 2019-2025 has four main priorities:

- **Personalisation**
- **Collaboration**
- **Agile and Adaptive**
- **Digital**

In responding to the COVID pandemic, the College has significantly progressed all of our Corporate Strategy priorities, proving to be exceptionally agile and adapting quickly and continually as pandemic conditions changed. We have proactively collaborated with others, developed our digital capacity, our working practices and curriculum delivery and provided a more tailored and personalised learning experience for our students.

Our role is to ensure students leave West College Scotland equipped with the skills and knowledge to compete in the jobs market and to make a full contribution to the wellbeing of their families, their communities, and the economic growth of the country. As well as scope, we also have scale. As one of Scotland's largest regional colleges, with over 20,000 students, around 1,150 staff and a turnover of £71.4 million, ours is a significant organisation in the region and a major employer, uniquely placed to help shape the West Region's educational and skills landscape and contribute to its social and economic development.

The College has received £46.7m to deliver 164,405 credits for academic year 2021-22 and is fully committed to delivering value for money and the very best outcomes for our students and region.

We have been offered the additional allocation of 2,898 credits to deliver 'Skills Boost' provision for over 25-year-old unemployed, at risk of being unemployed or being made redundant through National Transitional Training Fund (NTTF) and 16–24-year-olds funded through Young Persons Guarantee (YPG). We anticipate challenges meeting our Core and ESF credit target and at this point we await further information from SFC for us to determine whether the additional NTTF and YPG credits will be achievable.

COVID has made our role as a College even more critical to ensure that we provide relevant learning opportunities for our students to gain appropriate skills for now and the future and that we contribute to an education-led economic recovery post-COVID in our Region and beyond. Recruitment to August start mainstream courses has been lower than target, in part due to the additional places provided to Universities, availability of employment in sectors such as Hospitality and Care and initiatives providing alternative training, such as Kickstart. A redesigned 'Winter Start' programme tailored to meet the likely skills development needs aims to increase enrolment in year but at this point the actual demand is unknown.

The College will continue to flex and adapt our plans to meet demand where it exists and work closely with our employer and Local Authority partners in planning provision to meet their needs and those of our communities.

We are fully committed to proactively delivering the key sector priorities and outcomes for students - ensuring fair access, particularly for our most disadvantaged students, enabling student success and progression through the highest quality learning, teaching and support. We are an ambitious College, keen to take a leading role in our Region, adapt and innovate. We are committed to our role regionally and nationally in contributing to economic recovery and social renewal and being a responsive and collaborative institution. We believe that our work through 2020-21 and in this session demonstrates this commitment and capability. Our progress and successes in the last two years shows our College's capacity to adapt and respond, with our student needs at the centre.

## **2. Outcomes for students**

### **2.1 Fair Access and Transitions.**

West College Scotland is committed to ensuring that we provide the highest quality of learning opportunities for students from all backgrounds and support them all to flourish, achieve and progress to further study or to employment. The College has continued to work towards the recommendations within the Blueprint for Fairness Report, particularly in supporting students and young people from deprived areas and those with a Care Experienced background.

#### **Deprivation**

The West Region has some of the most deprived areas in Scotland and as a College we have always recognised and worked to address the many challenges that our students face in achieving full success. We are acutely aware that communities within our Region have been disproportionately impacted by COVID and post-pandemic recovery will be far more challenging for our deprived communities. The most deprived area in Scotland is now Greenock Town Centre and prior to this, it was Ferguslie in Renfrewshire which remains a seriously deprived community.

As a College, we are experienced in continually adapting learning and support services to better meet our student needs, particularly in relation to building resilience and improving mental health and wellbeing. During 2020-21 this focus was even more critical, and we responded by supporting those in digital poverty to provide vital access to digital equipment to enable learning and providing enhanced student support, particularly for health and wellbeing. In 2021-22 this focus has continued by providing a greater range of IT devices, depending on specific course needs and access to MiFi for those requiring Wi-Fi access at home. Our approach to meeting our student specific needs was recognised in the [Herald Diversity Awards 2021](#) with the College winning the **Diversity in Education Award** and [The Herald Digital Transformation Awards 2021](#) winning the Diversity Category for our work to address digital exclusion.

Following the restricted delivery of Community Learning in 2020-21, this session we can deliver more provision face to face. However, our community recruitment remains low as we continue to work our way out of the pandemic with many local centres remaining closed or working a restricted provision reducing the opportunity for community learners to participate in meaningful

activity. Currently we are operating at 50% of normal capacity for Community Learning and will build this activity back when it is possible to do so.

The Learning Communities team have fostered closer working with Inverclyde Local Authority on community provision and involvement in a review of community learning.

West Dunbartonshire Council are making a significant investment with the Faifley Campus project, the £25 million investment will create a lot of social value opportunities which should be directly targeted at the local area. The College is an active partner in this new venture with Hub West Scotland (hWs). In alignment with national, regional, and local economic strategies, hWS aim to ensure that inclusive growth is embedded within our Community Investment approach.

The College is contributing fully to the implementation and achievements of our Community Planning Partnership goals, including Local Outcome Improvement Plans and COVID Recovery Plans.

The College was successful in securing £60k in a Tackling Child Poverty bid for a 'Learning beyond Lockdown' project, in partnership with West Dunbartonshire Council (WDC) and Inverclyde Council, to help young parents in poverty have a sustainable route to positive destinations and a route out of poverty. The Project stalled due to COVID lockdown in early 2020 impacting on recruitment and engagement of participants. SFC have now granted an extension to the project. The project will deliver both enabling and preventative approaches 'helping to ensure that young parents in poverty have a sustainable route to positive destinations and a route out of poverty, to support young mothers and fathers in further education, acknowledging the particular support they need and enabling them to build a future for themselves and their families'. In doing so, the project will equip young parents with the skills that enable them to both parent learners, more impactful students; and be better prepared for the world of work.

### **Care Experienced, Carers and Estranged Students**

Each Care Experienced, Estranged, Young Adult Carer and any unpaid Carer student has a named person who welcomes the student to the College, supports with paperwork and funding applications, establishes adjustments that may be necessary and ensures these are communicated sensitively to their lecturers. The Named Person carries out a wellbeing check with the student at 12-week intervals or sooner if there is a concern or if the students are seeking support and learning adaptations. The Named Person also works closely with local authorities and external services.

In 2021-22, the College has recruited an additional Student Wellbeing Officer and a Staff Wellbeing Officer with funding the £402,781 received to support Mental Health in Colleges. The three Student Wellbeing Officers work with our team of Counsellors who support many of our Care Experienced, Estranged and Young Adult Carers and are continuously enhancing their service to encourage other Care Experienced and Young Adult Carers to make use of the service in flexible ways. The College Students' Association also has a Young Adult Carers and Unpaid Carers Officer to support and offer respite opportunities.

West College Scotland is proud to be a Corporate Parent, and whilst it is a great privilege it is also a significant responsibility which we take seriously as a College. We work closely with all many partners across the region. We have continued our work with Action for Children executing an SFC funded project STAY providing support to learners who have been part of the care system, providing the wrap around services to enable them to be supported fully during their study. The

College is also working closely with Who Cares? Scotland and the delivery of The Promise Plan 21-21 (#KeepThePromise), where we will create local promises from our teaching and support teams to help enhance the route map for a Care Experienced student and provide direction during and after study.

The College was successful in 2020-21 in achieving the Carers Trust Going Further Student Carers Recognition Award and Driving Change Project in FE to:

- identify, support and report on student carers, and recognise good practice
- improve the support that young adult carers receive in further education
- receive tailored one-to-one support to review their provision for young adult carers
- Implement actions that will enable our young adult carers to achieve better

Working with The Carers Trust and Driving change in FE project, we will improve access to College courses for Carers, ensure wellbeing and support services are accessible as and when needed, improve retention and attainment, enhance understanding of being a Carer and make positive adjustments to practice that benefit carers, establish a support network within the College and in partnership with local services for carers and celebrate success.

We have seen a significant increase in students declaring that they are a vulnerable group student year on year. In 2020-21, over 5,000 students declared a disability, an increase of 300 students. Over a hundred more students reported a mental health condition, bringing this total to almost 1,800. We welcome the additional funding to support these students, but the complexity of issues and annual increases puts considerable pressure on our Student Services team and lecturing staff in providing the continued support as set out by national agenda programmes.

### **Digital Access**

During and through the Covid-19 pandemic, the College has provided over 2,500 loan digital devices to enable students to access and engage with new blended models of learning and assessment. These devices support students' off-campus learning with online classes now being part of the students' normal timetable, as well as learning when on campus. The online learning provides student access to recorded class sessions for those who cannot attend scheduled classes or to replay later to reinforce learning. The College provides functionality which supports the student learning experience, including Office 365 and Microsoft Teams, OneNote, Moodle, and PowerPoint together, with the ability to download the required subject Apps from the Apps Store and work in tandem with the College Student Portal 'MyDay'.

The Scottish Funding Council has provided the College with funding to support digital learning in 2021-22. This has allowed the College to procure a further 2,900 devices comprising Windows laptops, Google Chromebooks, Android tablets and Apple MacBooks. In addition, a range of peripherals, including Mi-Fi units, have been made available to support digital connectivity.

Through the work of our Digital Strategy Group, we identified that equipping students with a device wasn't our only priority. We were acutely aware of the need for a support service to aid students in their digital engagement. In response to this, we continue to offer Microsoft Teams training sessions for students, parents and guardians. Staff support in building the digital capabilities of the students has been supported by way of 108 training digital training sessions covering 18 digital threads. The creation of our Staff Digital Virtual Hub in September 2021 now

provides a one-stop-shop portal to all digital developments and required support for staff. Our bespoke Student TechTeam Helpdesk provide on-campus and remote access support for students. This service, run by our HN Computing students as paid work-placements, has enabled the successful distribution of devices and the wrap around support services needed for student engagement in digital learning.

In addition to this, basic training and support is provided for operating and navigating through the College digital platform in use - Microsoft Teams. As an extension to further support digital skills, we are building on the use of the Jisc Digital Capability Tool with our students. This means of digital self-assessment has enabled our students to benchmark where their strengths and areas for development lie. This programme has in-built signposting to free digital upskilling packages to encourage independent learning and skills development. Additionally, work has commenced on an assessment of need and systems required to support blended learning which would facilitate a combination of 'at home', 'near home' or on-campus learning simultaneously.

The 'Connecting Scotland' Funds of 350 MiFi and 310 Chromebooks totalling £240,006 have enabled us to provide more digital devices and Wi-Fi access for students supporting those identified families with children, care leavers and our vulnerable students and digitally disadvantaged unemployed students aged 16+.

### **Health and Wellbeing**

The College has Health and Wellbeing Strategies for both Employees and Students the same themes under 'PROSPER' – Promote, Respond, Observe, Support, Practice, Educate and Review. [Staff Health and Wellbeing Strategy](#), [Student Health and Wellbeing Strategy](#)

The College won the 'Health Promoting College' award in the CDN Awards 2020, recognising our work in supporting Health and Wellbeing for both students and staff, particularly during the pandemic. Our Strategies and our connected Healthy Working Lives approach enabled us to respond well to the challenges faced through the COVID pandemic and to proactively support staff and students and this continues in 2021-22, with particular focus on:

- Development of the CALM curriculum – a safety valve mindfulness tool for staff and students
- Grow our connection with external agents
- Working collaboratively in ensuring or students receive support out of hours
- Improving the physical health of both staff and students through a developed programme of activity
- Feeding mental health preservation by providing free access to healthy breakfast and lunches for students
- Creation of wellbeing spaces both externally and internally across our College to provide dedicated spaces to take a break, recharge, and refresh

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. Our Health & Wellbeing programme throughout this academic year has seen a calendar of valuable support, development, and community activity.

The College continues to experience an increase in students declaring a mental health condition. The College is acutely aware of the impact COVID has had, and continues to have, on our student

mental health this session. The College has in place a team of Counsellors working across the campuses and welcomed the addition funding in 2020-21 to increase this team and better meet demand, with new members recruited post lockdown and immediately equipped to engage with students remotely. The SFC funding of £122,000 for 2021-22 allows us to continue to support our students during this very difficult period.

The College has invested in the training of Mental Health First Aiders across our teaching and support teams, and this enables staff to better understand the mental health related issues faced by both students and staff and complements our Counsellor team. The College uses SilverCloud Online Computerised Cognitive Behavioural Therapy (cCBT) Resource, an online mental health support platform covering support tools dealing with, COVID, anxiety, body image and resilience. We have continued to deliver more staff CPD to help with their own mental health and wellbeing and to better support our students.

In 2020-21 the College introduced the C.A.L.M Mindfulness tool, developed by one of our teaching team. This is a tool to help students and staff cope with the demands of online learning/teaching or any anxiety about being within the College environment. A “Mindfulness safety valve” to release pressure in a healthy, controlled manner is achievable using C.A.L.M. The technique can be used at the start, during or at the end of a lesson. The College will further develop this activity and will run internal development programmes on a train the trainer programme to enable the longevity of our invested time in this product.

### **Articulation and Transitions**

The College is committed to enabling students to progress their learning and to shortening the student journey by improving articulation to university.

The University of the West of Scotland remains the College’s largest articulation partner by volume, but relations with Glasgow Caledonian University continue to strengthen, resulting in an increase of Guaranteed Places and application rates across our programmes in Business, Tourism, Social Science and Sport. With two new degree routes created the pathway opportunities for our students into GCU continue to broaden. The College is now using data from the Articulation Dashboard to promote pathways to staff and students and is working with the senior team at UWS to explore closer partnership working opportunities.

In addition to working on articulation pathways, the College has maintained a very positive relationship with SWAP West, delivering programmes in Social Sciences, Science and Access to Primary Education, enabling mature students from deprived areas to access University. The College was the first in 2019-20 to deliver the January start Access to Nursing, and whilst challenging, particularly with COVID, the students successfully progressed to University.

The College has continued to support student transitions and progression between institutions and between courses. After a review of 2021-22 recruitment, a new approach is being piloted for our Winter Start courses using a centralised management of the process and alternative methods whereby applicant can apply for a cluster of courses and be placed on the most relevant course to suit their skills and needs. The aim is to simplify the application process for the applicants, as well as improving conversion to enrolment. The Winter Start programme includes an extended Transitions 2 College course on every campus designed to develop core skills and provide a range



of taster vocational activity to enable students to make informed choices for progression and improve pathways.

The Learner Development Sector has supported transitions with all their students successfully completing and progressing onto other Learner Development courses or gaining places on mainstream courses. A new internal partnership approach has been adopted whereby Learner Development staff jointly interview with vocational staff for SCQF4 courses to ensure students are placed on the most appropriate course and provision can be more personalised to student needs.

### **School College Partnership**

The College places real value the School College partnership work with all our Local Authority partners to provide vocational opportunities, skills development, and pathways for young people. In the past we provided opportunities for almost 4,000 pupils each year but there was a 60% reduction in the number of school pupils engaging with the College in 2020-21 due to the pandemic restrictions and changes to SFC funding criteria for pupils below Senior Phase for STEM activities. While numbers overall were down, there was an increase in credit activity for Senior Phase pupils undertaking vocational qualifications and an increase in Foundation Apprenticeships.

College School College Partnership course enrolment in 2021-22 has increased slightly from last year by 3%. This has been accompanied by a decrease in withdrawals of 47% at the same point this session. Engagement and attendance have improved in most programmes compared to the previous year and we believe this is due to the fact that the majority of programmes are now being delivered on campus rather than online. Where it is appropriate to the learning activity, online learning remains in place.

Recruitment onto Foundation Apprenticeship programmes in this session has decreased by 17%, accompanied by a decrease in withdrawals at the same point this session.

It is anticipated that the new DYW Coordinator roles will play a significant role in supporting those school pupils most at risk of not reaching a sustained positive destination. It is envisaged that these roles will work closely with the DYW Regional Group and be able to introduce more employer offers into the school and we have plans to engage and work closely with the Coordinators once fully recruited.

As a regional College we are actively promoting post-school progression opportunities via the School College Programme where pupils get the opportunity during their course to speak with lecturers and other students regarding progression pathways. The West Partnership has a dedicated member of staff, Foundation Apprenticeship School Engagement Coordinator working with all the schools in the West Region partnership promoting FAs. Our marketing material and course specifications outline articulation routes. The Student Advisory Service, SDS Careers Advisor and Sector staff also take part in post-school progression giving information and advice.

## **2.2 High quality learning, teaching and support**

The College is committed to ensuring the highest quality of learning experience for students and to enable them to engage, achieve and progress and a safe, supportive environment.

Staff continue to build on the experiences of adapting classroom-based learning into interactive online learning providing a blended approach for delivery. A survey of new and continuing students at the start of the session showed 89% of new students looking forward to undertaking part of their course online but only 64% of returning students were. Returning students found learning online last session convenient but had found it difficult to interact with their peers,

struggled with the lack of routine and working in an inappropriate learning environment. Many of the students last session completed almost their entire course online. This session however, changes to COVID restrictions have enabled a tailored approach to better suit student needs and curriculum delivery with a more appropriate mix of on and off campus learning.

Through ongoing staff development, the College continues to improve the delivery of remote online learning this session. We have also significantly increased the number of lecturers provided with the opportunity to complete their TQFE qualifications in 2021-22.

Students were prepared for their 2021-22 learning through a specific induction programme, including information on student support services, COVID measures and training in the use of Microsoft Teams through the 'Developing Confidence to Learn Online' unit.

Student Advisory Services, our libraries and Enabling Services have all adapted their practice to provide online access and continued support to students. Through digital means, Enabling Services are now able to support a student on any campus and flex their staffing to ensure equity in student access to support, no matter where staff are based. This has helped our efficiencies and response times to students. Demand for this service continues to grow however and staffing levels are under review to ensure our students receive the support they need.

### **2.3 Student Participation and Engagement in their educational experience**

The College works in partnership with the Students' Association to support and develop the student voice across all areas of curriculum and Support Services. During the pandemic this partnership working has been even more critical, and we work effectively together to plan and coordinate important messages to students about COVID, learning arrangements and support student wellbeing. The College worked with the Student Association to adapt the Student Behaviours Framework in response to COVID and to promote the health and safety measures for students on campus and the Student President continues to be a key member of the 'Mobilisation Group' to address COVID safe operations.

In 2020-21, we had improved participation rates in the end of session Student Satisfaction and Engagement Survey. Whilst unsurprisingly satisfaction rates were generally not as high as previous years due to the COVID disruption to the learning experience, there were the same positive response rates to the question about student suggestions being taken seriously and an increase in the percentage believing that all students are treated equally and fairly by staff. As a College we are proactive in gathering and responding to student feedback. We have a dedicated Stakeholder Experience Team with Student Feedback Assistants and have invested in an additional staff post to work with the Student Association.

The in early student experience survey at the start of 2021-22, 99% of new students reported a positive experience with West College Scotland so far.

### **2.4 Learning with impact**

Our major priority is to provide a curriculum which meets employer needs, supports the economic growth of our Region, and provides our students with appropriate qualifications and skills to build successful long-term careers.

The College has significantly increased the work experience elements in courses over the last few years and works closely with employers to provide students either with placements or live project working. In addition, students benefit from simulated work-experience within the College, particularly in Hospitality, Hairdressing and Beauty Therapy. In these areas, our facilities were

forced to close due to COVID restrictions and students were not able to undertake the breadth of work-experience. However, areas are now reopening with appropriate additional safety measures to provide critical work experience opportunities. For example, with £25,000 from the Savoy Educational Trust, the College has purchased specialist video equipment to facilitate and stream live practical demonstrations in our professional cookery kitchens, to allow students to watch at home or view from a socially distanced environment within the College.

As a College, we have recognised the critical digital skills needed for both learning and future employment and developed a 'Developing the Confidence to Learn Online' unit which was provided for all 2021-22 students prior to them starting their courses to develop skills for collaborating, learning, and working online. Unlike last year, the COVID situation at the start of this session allowed us to bring students onto campus to better prepare and equip them for the online learning parts of the course.

During the initial lockdown period in 2019-20, we scaled up our online learning curriculum and the associated staff team to respond to and support the significantly increased demand, particularly from those in the Care sector. Our learning materials to support upskilling for those working in Care, with children or to support mental health proved to be very relevant to meet the needs of online learners at that time and we continue to have high demand this session. The Team also are providing support for mainstream students undertaking additional online options to improve their employability skills and chances of gaining employment.

Our training for employers has been adapted to online and blended provision and we have developed packages of learning to meet key upskilling requirements. Our work with Renfrewshire Council in providing 'Your Employability Skills' provision was recognised in the CDN 2020 Awards by winning the Essential Skills category and shortlisted in the Herald Diversity Awards.

## 2.5 Public Health Emergency

From the initial planning for session 2020-21, in response to COVID the College adopted three Key Principles:

- To have the **fewest** possible people on a campus at any one time.
- To ensure the **safest** possible environment for those on any campus
- To ensure the **best** possible learning and working experience for students and staff.

These principles guided our College operations and ensured that we had very restricted campus activity from the start of 2020-21, with most staff working off campus and student classes delivered online. In 2021-22, our first principle has been amended and the others two remain, with a changed priority order to reflect the College focus:

- To ensure the **best** possible learning and working experience for students and staff.
- To ensure the **safest** possible environment for those on any campus.
- To ensure that any campus attendance either **enables or enhances** learning and work for students and staff.

The West Region communities have been disproportionately impacted by COVID due to the high levels of deprivation in Inverclyde, Renfrewshire, and West Dunbartonshire. In the initial part of the pandemic, Inverclyde was the 'COVID capital of Scotland' and the West Region has continued to have high levels of cases, however the College has had no related cases where transmission relates to being on Campus. Any related cases which we have identified appear to be attributable to students car sharing or to off campus social activities. The enforcement of mask wearing, appropriate social distancing, hand hygiene, sanitisation cleaning and adequate ventilation are our key control measures.

The College has implemented rigorous health and safety measures on all campuses and monitor and address our COVID response through a weekly Mobilisation Group, including student and Union participation, reporting into a COVID Executive Group. The health and safety of our staff and students is prioritised and ensured through the collaborative approaches of the Mobilisation Group and with regular communication to staff and students. The College continues to comply with and exceed Government Guidance at all times and has adjusted activities in response to changes in local and national restrictions. The College has provided vaccination opportunities on all campuses in 2021-22 and distributes lateral flow testing kits.

After extensive consultation, new staff Hybrid Working guidance was launched at the start of 2021-22 to support new ways of working, capitalising on the benefits the pandemic has brought and empowering staff, where possible, to take ownership and make the right decision for the College, their students, customers, and themselves about how and where they work from each day. It is intended that this will allow staff to work in a way which achieves maximum productivity but ensures that students remain at the core of our work.

## **2.6 Equalities and inclusion.**

The College has published our [Equality Outcomes 2021-23](#) which aim to mitigate the impact of the pandemic on staff and students who share protected characteristics. We anticipate that our Equality Outcomes will be iterative, and emerging data will drive how we proceed. While we are committed to doing everything possible to achieve our Outcomes, we are also conscious of the impact of the current challenging economic environment, with volatility in funding. We will aim to make the maximum possible use of our resources to drive our ambitions in Equality, Diversity and Inclusion.

The College has continued to support students with disabilities, including remote support for our deaf students. Caption.ed (<https://talk-type.com/captioned/>) was implemented in 2020-21. This provides a means of supporting those with Specific Learning Difficulties, not only BSL and will provide invaluable support for those who struggle with the written word as a form of communication.

## **3. Outcomes for Economic Recovery and Social Renewal**

### **3.1 Responsive Institutions.**

The College is focused on responding to employer needs and to prioritising the current and future skills requirements of our Region. A new College Curriculum Strategy was published at the start of 2021-22 to make the direction of curriculum change explicit in response to student, employer, and regional needs, capitalising on the changes through COVID and to ensure that the College curriculum is best placed to provide the required learning and skills development opportunities. The Strategy is 2021-26 and an action plan for 2021-22 includes a revised course approvals process including a schedule of reapproval to ensure consistency in course design, with explicit pathways, work integrated learning and the development of core and Meta Skills. The Action Plan prioritises the work to make our courses more flexible, respond to growth opportunities and discontinue or revise provision. We are working to grow apprenticeship delivery and standardise the learning approaches and management of SCQF4 provision across the College. Whilst we continue to develop a cross-campus approach to curriculum development and delivery, the Strategy also recognises the requirement to differentiate our curriculum to meet specific local needs. In meeting the aims of the Strategy, we will require to adapt resources including accommodation and staffing.

Senior staff have been participating in Local Authority economic development forums and economic recovery planning. Prior to the College Curriculum Planning and Review process in the autumn, specific development sessions were held with Heads and Curriculum & Quality Leaders to consider the labour market information and Regional Skills Assessments for our region and discuss the impact on our College and how we should respond to contribute to economic recovery. In a response to COVID and labour market information, we have adjusted our curriculum far more rapidly to respond to demand from students and employers and to take advantage of any additional funding opportunities available. We have increased our Construction offering, including adapting some accommodation to facilitate the increased numbers. We have met the increased demand for Engineering Apprentices for companies including BAE, Babcock, Fergusons and Dyodes. We have however reduced demand in areas where employment has been particularly impacted by COVID, such as in Travel and Tourism, as well as sectors where employment is currently available for those with few qualifications such as Hospitality and Care.

The College continues to engage with local Community Planning partners and regional stakeholders in curriculum planning. We are an active and key contributor to economic recovery discussions with West Dunbartonshire Delivery and Improvement Group, Inverclyde Alliance Board, East Renfrewshire Local Employability Group and Renfrewshire Economic Leadership Panel as well as the Glasgow City Deal Skills group; supporting integrated economic recovery planning and ensuring skills alignment with a Covid-19 focus and economic recovery response. From this, a range of interventions and partnerships have been developed, including measures to address digital equity, tackle poverty and respond to the needs of our local and regional economy.

The College is at the heart of skills development in our local area. We have been successful in three bids for Community Renewal funds totalling £820,000. This will provide a Care Academy in West Dunbartonshire and another one in Inverclyde. It will also fund a Blue Economy initiative for the College in partnership with Inverclyde Trust, Verdancy Group, Travel Tech for Scotland, Inverclyde Chamber of Commerce and University of the West of Scotland to transform Inverclyde's marine economy through equipping local people with the skills to enter marine and tourism jobs, build the digital capability of local tourism businesses, support marine businesses collaborate to develop circular economies and help local people create new enterprises.

In addition, the College will receive over £100,000 to from Renfrewshire Community Grants to support a Chef and Hospitality school and employability delivery.

The College involvement in delivering the Tackling Child Poverty 'Learning beyond Lockdown' project will enable young parents (under 25) of school age children, to develop their Essential, Digital and Communication literacy skills, equipping young parents with skills that enable them to be both parent learners, more impactful students; and better prepared for the world of work.

The College is committed to ensuring we respond to meet the growing upskilling and re-skilling needs of individuals within our Region with appropriate provision and pathways. We have amended the 'Winter Start' January and February programme and offered increased November Start courses. We are working closely with the Local Authorities to offer appropriate up-skilling courses and provision suitable for school winter leavers.

### **Flexible Workforce Development Fund**

Our Flexible Workforce Development Funded (FWDF) provision continues to grow and respond to market and economic recovery requirements particularly in the areas of Digital,

Management, Leadership, Health and Safety, and Wellbeing. In Year 4 (20-21) an increase in funds to support SMEs allowed us to increase our already substantial relationships to include over 60 small and medium sized enterprises in the West Region. In Year 5 (21-22) SFC has maintained our FWDF allocation at ~£1.2m reflecting our success in business engagement, company training analysis and delivery of key upskilling requirements and associated qualifications. We continue to work closely with our local Chambers of Commerce, the Federation of Small Businesses, SDS and CPP partners to maximise the impact and range of organisations being supported. Responding to individual and organisational changing needs, our FWDF upskilling and reskilling training is offered on a face to face, blended, and fully online basis.

### **3.2 Confident and Highly Capable Work-ready students**

Undoubtedly, the employment situation for our students leaving courses will be impacted by COVID. At this time, staff are working to support our students' employability skill development, continue to work closely with employers and adapt provision where required to provide the best opportunities for our students to be prepared to enter employment. All of our courses are designed to develop employability skills and we have a clear focus on core and Meta Skills.

The College works in partnership with Skills Development Scotland (SDS) to provide students with access to careers advice and other services. SDS Careers provide support in relation to career management skills. This service has remained active throughout the pandemic and continues to grow from strength to strength. We also advertise courses directly with SDS when we are recruiting and through the relationship developed, they contact us with particular enquires re guidance for individuals. We are working on the reintroduction of "My world of work" online support systems. SDS are working closely with teaching teams across the College to develop online sessions with the group working through skills profiling, practical approaches to career management skills and CV Building and preparing for interviews. This has been an advantageous partnership which is both beneficial to the staff and students.

Despite COVID restrictions, we have work-integrated learning in all courses and develop employment related Meta skills to enable our students to flourish in current or future employment. In the 2020-21 student survey, despite serious limitations on work-experience, 85% of our students reported that their courses had allowed them to develop the knowledge and skills for the workplace. Students in Health and Social Care who were unable to complete the mandatory placements required for their courses last session are being supported to do so in 2021-22. We are also ensuring any skills development restricted last session is addressed this session for progressing students to ensure they have the competence and confidence to enter the workplace. In 2021-22, in partnership with the company SAS, we will be providing some students with the opportunity to develop relevant data literacy and data analytics skills.

SFC published the College Leaver Destination report for session 2018-19 in November 2020 reporting on student destinations 3-6 months after finishing a course. Individuals who are in work, training or further study are counted as having a positive destination. The confirmed positive destinations for the West College Scotland students leaving session 2018-19 was 94%, a small decrease of 1% and just 1% below the Sector average. The employment situation for those who completed courses last session and in 2021-22 may be difficult but the College is focusing strongly on employability skills for our students and in using our 'Your Essential Skills' portal and guidance time to help students reflect on and recognise the development of their skills, including those gained by managing their studies during the COVID disrupted period.

The College has signed up as a Young Persons Guarantee Employer and are employing MAs in Science and Engineering Technical Support and taking on nine Kickstart posts in Administration, Hospitality, Creative Digital and as a Videographer. In addition, we are providing placements in Marketing for Foundation Apprentices, as well as the paid Student Placements in IT for Computing students to run the IT Student Helpdesk and work in the College IT Team

### **3.3 Knowledge Exchange and Innovation**

West College Scotland continues to be a leader in the college sector in its approach to knowledge exchange and innovation particularly in its offer to employers and in recognising the need for our staff and students to be resilient and agile in order to support Scotland's economic recovery.

#### **Innovation - Supporting Place and Industry**

The College is currently working closely with Renfrewshire Council and other regional stakeholders in supporting the Advancing Manufacturing Innovation District (AMIDS) to be an internationally recognised location for innovation, research and advanced manufacturing. At the heart of AMIDS is the National Manufacturing Institute for Scotland (NMIS) which will support the transformation of Scotland's manufacturing industry in terms of innovation and digital opportunities, creating sustainable, high-value and highly skilled jobs. The College is also delivering Engineer Apprenticeships for the Advanced Forming Research Centre (AFRC) in partnership with the University of Strathclyde.

Our Critical Engineer project with a multi-funding package of almost £1m has allowed the College to create our regional skills hub giving SMEs access to the latest training in Manufacturing 4.0 technologies through a combination of online, College and work-based learning, expert support and innovation partnerships. In 21-22, we plan to install state-of-the-art Manufacturing 4.0 equipment at our Paisley campus and create an associated bespoke online learning platform and learning content. All of this will facilitate industry and education knowledge exchange between the College and Renfrewshire SMEs as part of a coherent and integrated package of support. Supporting this, West College Scotland and other educational partners are planning to work with UK design experts to collaborate and design 4 courses for local, regional and national organisations covering: 1) An Introduction to Meta Skills; 2) Applying Critical Thinking in the Workplace; 3) Using Creativity for Business Solutions and 4) Creating an Innovation Culture within your Business. We fully anticipate having the content, course framework, learning tools and platforms to offer these courses to our respective regional businesses in place by the start of 2022.

#### **Innovation – Supporting Skills**

Harnessing the innovation potential of employees depends on both Fair Work and the employers' ability to be innovative in how the workplace and work practices are designed. In the current economic situation, digital and management skills have become an even greater challenge for many organisations, and a lack of skills in these areas is recognised as a key barrier in the ability of some Scottish businesses to realise their full productivity.

To ensure businesses have the ability to maximise their potential to sustain and innovate, we continue to grow our number of online and blended Microcredential training packages which focus on developing vocational specific digital skills, lean management, leadership, team working, and enhancing productivity. As one of the country's largest providers of training through the Flexible Workforce Development Fund (FWDF), West College Scotland is supporting the upskilling and reskilling of employees from across various parts of the Region including

private, public and third sector organisations. Building on previous years, we continue to nurture current and new client relationships and develop new products and services directly informed by business demand.

### **Innovation – Supporting People**

To support workforce development, our Learning Technology team continues to develop and enhance CoLT, the Centre of Learning Technologies, our bespoke online hub which aggregates all interactive online learning, teaching and assessment tools in one place and supports people through tutorials and examples to easily create engaging and enriching interactive content to provide high quality teaching and learning assessment experiences for students and staff.

This resource provides key digital skills enhancement for both our staff and students supporting them on their digital journey. Several new products have been developed for students both in employment and those who are hoping to enter industry to ensure they have the requisite digital skills to sustain themselves through their training and qualification and ultimately in the workforce.

Given the shift in digital skill requirements, we recognised that a significant number of people would need baseline skills to be able to undertake training and skills development whether provided remotely, blended or online. A multifaceted resource was developed to help build confidence to learn online, provide the tools and skills to engage, support health and wellbeing and maximised connectivity with others. We not only provided this to people undertaking skills and qualifications but also offered it to parents, carers and families who may also require these skills themselves or to support others. In showcasing this product and its potential reach and impact, the College has had significant interest from our community and local authority partners in how we can provide further access to people who need this most and for whom it may be a barrier to work, education, services, and ultimately inclusive economic growth within the Region.

### **3.3. Collaboration**

West College Scotland senior staff are very active externally, working collaboratively with other Colleges, with Awarding Bodies, SDS and Local Authorities in addressing the COVID challenges and response to the pandemic. The current emergency has improved the collaborative working of the College sector nationally and joint working has been instrumental in successfully meeting many of the recent challenges, particularly in relation to quality and health and safety. College teaching staff have benefited from collaborative working at curriculum level with other Colleges and through networks, including CDN, to share development work and approaches to adjusting the curriculum and enabling interactive online learning.

We work collaboratively in Community Planning Partnerships, with educational establishments, CLD, a range of Sector Skills agencies and with employers. A new partnership is developing this session with the NHS Academy and the Golden Jubilee Hospital. The College will be at the heart of the NHS upskilling plans.

### **3.4 Climate Emergency**

The College is responding to the climate emergency in several ways including:

- Development of a College Sustainability Strategy which encompasses all aspects of College operations and is based upon the [Climate Action Roadmap for FE Colleges](#).



- Use of sustainability webpage to keep the wider college community updated on actions they can take to alleviate the impacts of climate change, as well as the work that the College is doing in this area.
- The 2016-21 Carbon Management Plan (CMP) was due to be updated at the end of 2021 but has been delayed as we consider the impact of the global pandemic on the use of facilities. The 2016-21 CMP had a stated aim of a 10% reduction over the course of the plan which was equivalent to 530 tonnes of CO<sub>2</sub>. The latest reporting period to 31 July 2021 shows that the College has reduced its carbon emissions by 2,241 tonnes (42%). An element of this reduction is due to the closure of the College campuses as part of the response to the global pandemic. In the last full year of operations (2018-19) the College had reduced its emissions by 1,024 tonnes (19%) which is almost double the intended target. The College intends to build upon this solid baseline position through the implementation of the Sustainability Strategy and updated Carbon Management Plan.

The College has, during the past 12 months:

- Refined its consolidated waste contract with almost all waste materials being recycled
- Removed the use of single use plastic bottles and aiming to remove completely the purchase of single use plastic containers and cutlery by the end of 2022
- Transferred staff connectivity to Microsoft Teams thereby significantly reducing the need for staff to travel between campuses.
- Started the review of printing across the College with the aim being to reduce the number of printers thereby, reducing electricity and paper consumption.
- Despite the global pandemic, continued to deliver online training to staff on how they can reduce their carbon footprint.

The objective in the coming year is to ensure that the lessons learned/good practices implemented during the global pandemic are built upon. One of the more significant areas of investment which will be undertaken this year is the replacement of windows across several floors of the Finnart Street campus. It is intended that this will prolong the life of the building and reduce heat loss thereby reducing the consumption of gas for heating. The College is also replacing the roof at its Renfrew Road campus which will decrease heat lost through the roof.

The College continues to be a Sector Leader in delivering training in green energy, including training for Electric Vehicle charging, Heat Pumps and Smart Controls. We purchased electric and hybrid vehicles last session to provide training in 2021-22, and in other areas of provision, have bought in boilers that can operate on a mix of natural gas and hydrogen to support sector transition to fuel sources with reduced carbon emissions. We are currently developing Hydrogen Fuel Cell technician courses to meet other aspects of a hydrogen economy. With investment in facilities to train for in-roof solar panel installation, the College is one of nine new Renewable and Energy Efficient Training Centres as launched by Michael Matheson, Cabinet Secretary for Net Zero, Energy and Transport in June, supported by ESP and funded by SP Energy Networks' £20 million Green Economy Fund. The College has received an upgrade to our Renewable Training Centre facility, as well as the creation of a centre of excellence for insulation, one of only four in the country.

The College aims to further develop its training facilities to ensure we are the key institution for employers to support their Green Economy and Net Zero training needs.

## **Spending Review Submission - Delivering success for Learners, Communities and the Economy Key Messages document - November 2021**

Colleges Scotland is asking the Scottish Government to:

- **For 2022/23 commit to additional revenue funding of £124.8m and capital investments of £92.0m. (Note – last year an additional £35.7m revenue (5.6% cash terms increase) and £33.7m capital (reduction of £2m) was announced)**
- Consolidate the substantial one off funding streams enacted during the pandemic into core funding for colleges – including securing Foundation Apprenticeships, digital inclusion, mental health, Young Persons Guarantee, and the National Transition Training Fund.
- Increase investment for the college sector in relation to the Flexible Workforce Development Fund.
- Commit to an increase in the ongoing core teaching grant of an amount equivalent to the Retail Price Index (RPI) each year, across the whole period of the Spending Review.
- Invest to establish a Future Technology Partnership and programmes of work to help close Scotland's digital workforce gap, support students in digital poverty, and appropriate upskilling of college staff.
- Provide a Transformation Investment Fund to allow colleges to make the transitions required, including to provide continued and adequate support for delivery of the Fair Work and National Bargaining Agendas.
- Ensure colleges gain access to the Green Jobs Fund and Just Transition Fund, both set out in the Programme for Government published in September 2021, so the full contribution of the college sector can be used to help address the challenges faced by Scotland.
- Provide the same reassurance for 2022/23 that the SFC will not recover funds for shortfalls against core outcome agreement targets where these are related to Covid-19.

**Barnett Consequentials** - In the previous session of the Scottish Parliament, Ministers pledged that increased spending on English colleges by the UK Government would be directed towards the college sector in Scotland in consequentials, a pledge we continue to expect to be honoured. As part of its Autumn Budget on Wednesday, 27 October 2021, we will await confirmation of the additional revenue amount due to come to the college sector in Scotland as a result of the additional spending on Skills T-Levels, and the increased capital amount, following the UK Government's further spending on modernising the college estate in England.

**Colleges contribute to the realisation of Scottish Government ambitions** of supporting learners, widening access to education, closing the attainment gap, and providing a platform of skills provision for truly inclusive growth.

**Investing in colleges supports wider Scottish Government policy drivers and strategies**, including those focused on the recovery from the impact of Covid-19 pandemic.

The backdrop of this submission is **the recent Scottish Funding Council (SFC) Review of Coherent Provision and Sustainability** - these are the changes needed in the landscape to create a successful environment:

- For Ministers to work with the college sector to set out the clear purpose of colleges, as acknowledged in the Scottish Government's response to the SFC Review.
- Deliver stable and sustainable funding to colleges as a core part of the Scottish public sector, in turn enabling long term planning and investment through multi-year settlements, and so we look forward to further details of the forthcoming multi-year framework expected from the Cabinet Secretary for Finance.
- Support initiatives to mitigate against the impact of loss of learning experienced by college learners.
- Commit to equity of funding across the education landscape, to address the current inequality in spending per head and student experience.

T: 0300 244 4000  
E: scottish.ministers@gov.scot

**College Principals  
College Board Chairs**

26 October 2021

Dear Colleagues

**Scottish Funding Council (SFC) review of Coherence and Sustainability: A review of Tertiary Education and Research**

I am pleased to inform you that my response to the SFC Review has been published today, and is available to view at: <https://www.gov.scot/isbn/9781802015041>.

Our further and higher education institutions make an invaluable contribution to our society, to economic growth and, most important of all, to improving the life chances of students across the country. I am grateful to you for your engagement with the SFC over the course of the review, and for sharing your thoughts and views since the publication of the final report in June this year.

When we met with your sector representatives in relation to this review at the end of August, one of the recommendations which generated discussion was in relation to multi year funding settlements. I am therefore pleased to note that the Cabinet Secretary for Finance and the Economy has confirmed her plans to publish a multi-year resource spending review framework for public consultation alongside Budget 2022-23 and the Medium Term Financial Strategy. Although there are dependencies upon UK Government fiscal events in order to publish multi-year financial plans, the framework should provide the catalyst to explore multi-year options for resource funding.

As we now look forward to the implementation phase, it is important that we remain focussed, working together to ensure action taken will help to support our national performance outcomes. My expectation is that our initial work happens at pace to allow any transition plans for the sector to be in place as quickly as possible.

I look forward to further engagement with you moving forward, as we build on our already excellent tertiary education system to ensure we are equipped for the challenges and opportunities that lie ahead.



**JAMIE HEPBURN**

Scottish Ministers, special advisers and the Permanent Secretary are covered by the terms of the Lobbying (Scotland) Act 2016. See [www.lobbying.scot](http://www.lobbying.scot)

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<b>Meeting</b>	Board <b>Agenda Item 8.1</b>
<b>Date</b>	13 December 2021
<b>Location</b>	MS Teams
<b>Title of Paper</b>	Board Committees – Update
<b>Presented By</b>	Dr Waiyin Hatton, Chair of the Board of Management
<b>Recommendation to Members</b>	<p>The Board is asked to:</p> <ul style="list-style-type: none"> <li>• Homologate its decisions made by email in respect of standing Committee memberships, Chairs and Vice-chairs as attached.</li> <li>• Note that Ministerial approval for the 5 new non-executive Board member appointments was received on Thursday 25 November 2021.</li> <li>• Note that two members (Malcolm Bennie and Lynsey Joyce) have withdrawn.</li> </ul>
<b>Appendix Attached</b>	<p>Yes</p> <p>Appendix 1 - email considered by Board members outwith the Board meeting cycle.</p>

**APPENDIX 1**

**EMAIL AND ATTACHMENTS SENT TO ALL BOARD MEMBERS ON WEDNESDAY 10 NOVEMBER 2021**

MESSAGE FROM THE CHAIR

Dear Board members

As you know from our Board meeting on 4 October 2021 and approval of my paper 8.1, our standing Committees were to be repopulated to include our 5 new Board members. I undertook to meet with the Principal and Committee Chairs to discuss the allocation of our 5 new Board members to the Committees. I can confirm that we met on Monday 1 November.

*The Nominations Remit states "To make recommendations to the Board of Management regarding the appointment or reappointment of the Vice Chair of the Board of Management, the Senior Independent Member, as well as the Chairs and members, including co-opted members, of its standing committees".*

With this in mind, I sought Nominations Committee approval by email on the proposed memberships, Chairs and Vice-chairs of the Committees and this has now been received with all members fully supportive. I now attach the paper I submitted to the Nominations Committee members alongside a list of all Committee memberships and, as Chair of the Nominations Committee, seek formal Board approval by email. I can confirm I have also contacted current Board member nominees to check they are happy to serve on the respective Committees and have advised them that nominations are subject to Board endorsement.

This will allow us to move to the new structure as soon as possible and, although Ministerial approval is awaited, the aim is to 'activate' the 3 new BMs for Audit, CDC and LTGC before the December 2021 Board meeting, so long as Ministerial approval is received.

Please let me know if you are agreeable to approving the Nominations Committee recommendations in the attached paper. If yes, please do let me have your approval or comments by no later than Wednesday 17 November 2021, if at all possible. waiyin@waibeyond.com

If all approved, the nominations will be homologated at the Board at its December 2021 meeting.

Regards,

Waiyin

## **West College Scotland**

### **Nominations Committee – Report for Consideration by Email – November 2021 Board Committee Membership, Chairs and Vice-Chairs of Committees**

#### **Introduction**

At the Board meeting held on Monday 4 October 2021, the Board approved the following appointments:

- Malcolm Bennie
- Lynsey Joyce
- Ronald Leitch
- Jane McKie
- Daniel McMahon

to join the Board. Lynsey Joyce, Ronald Leitch and Jane McKie with effect from 1 December 2021 and Malcolm Bennie and Daniel McMahon with effect from 1 February 2022 for a period of 4 years, subject to the approval of the Scottish Ministers.

Ministerial approval is awaited. The aim is to ‘activate’ the 3 new BMs for Audit, CDC and LTGC before the December 2021 Board meeting, so long as Ministerial approval is received.

It was also agreed that the Chair meet with the Principal and Committee Chairs to discuss the allocation of the 5 new Board members to the standing Committees. That meeting duly took place on Monday 1 November 2021.

#### **Proposals**

Appendix 1 attached details the recommended membership, Chairs and Vice Chairs for the respective Committees. I have contacted current Board member nominees to check they are happy to serve on the respective Committees and have advised them that nominations are subject to Board endorsement. The following are highlighted in support of the recommendations:

#### **Audit Committee**

- Chair – Graeme Bold.
- Vice-Chair – Grant Lyall.
- Vacancies filled by – Ronald Leitch and Malcolm Bennie (Wai Wong, co-opted member, has intimated his intention to stand down when his current term ends on 28 February 2022).

#### **Corporate Development Committee (CDC)**

- Chair – Jim Hannigan – due to retire from the Board at the end of January 2022.
- Vice Chair – John Leburn – with a view to him becoming Chair from 1 February 2022 on retirement of Jim Hannigan.
- New Vice Chair from 1 February 2022 when John becomes Chair – leave for now to allow new Committee members to bed in.
- Vacancies filled by – Jane McKie and Daniel McMahon.

### **Learning, Teaching & Quality Committee**

- Chair – Mark Newlands.
- Vice Chair – Gordon Hunt.
- Vacancy filled by – Lynsey Joyce.

### **Remuneration Committee**

- Standing membership consists of the Chair and Vice-Chair of the Board, Chairs of Audit, CDC, LTQC and Nominations Committee.
- Vacancy filled by – Jane McKie.
- Chair - Jim Hannigan – to his retirement from the Board at the end of January 2022.
- New Chair from 1 February 2022 – Linda Johnston.
- Vice Chair – Mark Newlands.

### **Nominations Committee**

- Standing membership consists of the Chair and Vice-Chair of the Board, Chairs of Audit, CDC, LTQC and Remuneration Committee, a Staff and a Student Board member.
- Vacancy filled by – Fiona McKerrell.
- Vice Chair – Fiona McKerrell.

### **Recommendations**

The Nominations Committee is recommended to consider and approve the nominations above.

When approved:

- 1) I will forward the proposals to the Board on Wednesday 10 November 2021 to seek members' approval by Wednesday 17 November 2021.
- 2) The approved nominations will be homologated at the Board at its December 2021 meeting.

***Dr Waiyin Hatton  
Chair, Nominations Committee  
November 2021***

## Board and Committee Membership Breakdown

### Board Composition (Para 2.1 of the Articles of Governance) Meetings – at least 4 per annum

Category	Name
A person appointed by the Scottish Ministers to chair meetings of the Board.	Dr Waiyin Hatton
The Principal of the College.	Liz Connolly
2 members of staff: 1 elected by the teaching staff from among their own number; and 1 elected by the support staff from among their own number.	Teaching - Mark Gillan Non-Teaching – Douglas Bayley
2 students nominated by the Students Association	Abbie McGrath Paul Sefton
Up to 12 non-executive members.	Nick Allan – will be replaced by Malcolm Bennie on 1 Feb 22 Graeme Bold Jim Hannigan – will be replaced by Daniel McMahon on 1 Feb 22 Linda Johnston ( <b>Vice Chair</b> ) Gordon Hunt John Leburn ( <b>Board rep on WCS Foundation</b> ) Grant Lyall Fiona McKerrell ( <b>Senior Ind Member</b> ) Mark Newlands Lynsey Joyce from 1 Dec 21 Ronald Leitch from 1 Dec 21 Jane McKie from 1 Dec 21

In Attendance	Name
Vice Principal Operations	Amy McDonald
Vice Principal Educational Leadership	Stephanie Graham
Secretary	Shirley Gordon

Directors / Senior Management Team as Required	Name
Director of Finance	Alan Ritchie
Director Organisational Development & HR	Natalie Smith
Director of Infrastructure	Martin Joyce

<b>Quorum</b>	<b>A quorum will be no less than 50% of Board members.</b>
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**Audit Composition (Para 2 of the Remit)**  
**Meetings – 4 per annum plus 1 Joint Audit / CDC**

Category	Name
<b>A minimum of three</b> Members of the Board of Management, one of whom will Chair.	Graeme Bold ( <b>Chair</b> ) Grant Lyall ( <b>Vice Chair</b> ) Ronald Leitch from 1 Dec 21 Malcolm Bennie from 1 Feb 22
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.	Wai Wong is leaving end Feb 22

In Attendance	Name
Principal	Liz Connolly
Vice Principal Operations	Amy McDonald
Director of Finance	Alan Ritchie
Secretary	Shirley Gordon
Internal Auditor (Wylie Bisset)	Graham Gillespie Stephen Pringle
External Auditor (Mazars)	Lucy Nutley Joanne Buchanan

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

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

Category	Name
The Principal and a <b>minimum of four</b> members of the Board of Management, one of whom will Chair.	Liz Connolly, Principal <b>Jim Hannigan (Chair until 31 Jan 22)</b> Linda Johnston John Leburn <b>(current Vice Chair but Chair from 1 Feb 22)</b> Jane McKie from 1 Dec 21 Daniel McMahon from 1 Feb 22
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

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

**LTQ Composition (Para 2 of the Remit)**  
**Meetings – 4 per annum**

Category	Name
The Principal and <b>a minimum of four</b> members of the Board of Management, one of whom will Chair.	Liz Connolly – Principal Gordon Hunt ( <b>Vice Chair</b> ) Fiona McKerrell Mark Newlands ( <b>Chair</b> ) Lynsey Joyce from 1 Dec 21
One Staff member (teaching)	Mark Gillan - Teaching Staff
One Student member	Abbie McGrath - Student President
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.	Ruth Binks Mark Hamilton

In Attendance	Name
Vice Principal Educational Leadership	Stephanie Graham
Secretary	Shirley Gordon

Directors / Senior Management Team as Required	Name
Assistant Principal, Performance and Skills	Cathy MacNab
Assistant Principal, Student Life and Skills	Iain Forster-Smith
Assistant Principal Creativity and Skills	Angela Pignatelli
Assistant Principal Technology and Skills	Rob Aitken
Assistant Principal Enterprise and Skills	Sara Rae

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

**Remuneration Composition (Para 2 of the Remit)  
Meetings – 2 per annum**

<b>Category</b>	<b>Name</b>
The Chair of the Board of Management	Dr Waiyin Hatton
The Vice Chair of the Board of Management	Linda Johnston <b>(Chair from 1 Feb 22)</b>
The Chairs of each of the standing Committees of the Board	LTQ Chair – Mark Newlands <b>(Vice Chair)</b> Audit Chair – Graeme Bold CD Chair – <b>Jim Hannigan then John Leburn from 1 Feb 22 (Chair until 31 Jan 22)</b> Nominations Chair – Dr Waiyin Hatton
<b>A minimum of 1</b> member of the Board of Management	<b>Jane McKie from 1 Dec 21</b>

<b>In Attendance</b>	<b>Name</b>
Principal	Liz Connolly
Director of Organisational Development & HR	Natalie Smith
Secretary	Shirley Gordon

<b>Quorum</b>	<b>A quorum will be no less than 50% of Board members on the Committee.</b>
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**Nominations Composition (Para 2 of the Remit)**  
**Meetings – 1 per annum**

<b>Category</b>	<b>Name</b>
Chair of the Board of Management	Dr Waiyin Hatton <b>(Chair)</b>
The Vice Chair of the Board of Management	Linda Johnston
The Chairs of each of the standing Committees of the Board	LTQ Chair – Mark Newlands Audit Chair – Graeme Bold CDC Chair – Jim Hannigan until 31 Jan 22 then John Leburn Remuneration – Jim Hannigan until 31 Jan 22 then Linda Johnston
<b>A minimum of 1</b> member of the Board of Management	<b>Fiona McKerrell (Vice Chair)</b>
One Staff Member (The Staff members will serve for 2 years each (in succession), so that both the Teaching staff member and the Support staff member will have the opportunity to join this committee during their period of membership of the Board).	Mark Gillan – Teaching (14.06.23 – 13.06.25) Douglas Bayley – Support (NOTE - SC was 1.04.20 – 31.03.22 – DB took over on 14.06.21 – 13.06.23)
The Student President	Abbie McGrath

<b>In Attendance</b>	<b>Name</b>
Secretary	Shirley Gordon

<b>Quorum</b>	<b>A quorum will be no less than 50% of Board members on the Committee.</b>
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<b>Meeting</b>	Board of Management
<b>Date</b>	13 December 2021
<b>Location</b>	MS Teams
<b>Title of Paper</b>	Internal Audit Annual Report 2021-22
<b>Presented By</b>	Amy McDonald Vice Principal Operations
<b>Recommendation to Members</b>	Approval
<b>Appendix Attached</b>	Yes 09.1(a) – Internal Audit Annual Report 2021-22

#### **PURPOSE**

To present to the Board of Management the *Internal Audit Annual Report 2020-21* for approval as part of the College's year end reporting requirements in line with the SFC guidance on [College financial statements and returns 2020-21](#) (Issued 25 November 2021).

The paper is presented in line with the Board of Management Scheme of Delegation:

*'(d) the approval of the year-end Annual Report and Accounts, the Annual Budget, College financial plans, forecasts, delegations and regulations;*

*(e) Final consideration of the Annual Audit Report;'*

The paper is submitted *For Approval*.

## 1. BACKGROUND

- 1.1 The Internal Audit Annual Report 2020-21 is presented to the Board of Management to provide background information in considering approval of the 2020-21 College Financial Statements. The Internal Audit Annual Report will also be submitted to the Scottish Funding Council (SFC), as this is required as part of the annual financial reporting pack.

## 2. FURTHER DETAIL ON THE REPORT TOPIC

- 2.1 Wylie & Bisset were appointed as the College internal auditors for the three years to 31 July 2023. As part of that appointment, they are required to provide an annual report each year. The report for the year to 31 July 2021 was considered and approved by the Audit Committee at the 8 September 2021 meeting.
- 2.2 The College has confirmed with Wylie & Bisset that they are not aware of any factors since the report was presented to the September 2021 Audit Committee that requires them to change the content and conclusion contained within their annual report.
- 2.3 The key extract from the report is in relation to the overall audit opinion based on the work undertaken during the year – which is as follows:

*'We are satisfied that sufficient internal audit work has been undertaken to allow us to draw a conclusion as to the adequacy and effectiveness of the College's risk management, control and governance processes.'*

*In our opinion West College Scotland did have adequate and effective risk management, control and governance processes to manage its achievement of the College's objectives at the time of our audit work. In our opinion, the College has proper arrangements to promote and secure value for money. However, we were only able to provide 'weak' assurance around the review of External Communications – Website. The College accepted all of the internal audit recommendations and will be undertaking the required actions to address the weaknesses identified. We were also asked to undertake additional work during the year as a result of an IT incident. From the work undertaken we were able to provide 'Strong' assurance on the College's response to the incident.'*



## **NEXT STEPS**

- 2.4 The College will submit the Internal Audit Annual Report 2020-21 to the SFC in line with the reporting deadline of 31 December 2021.

## **3. FINANCIAL IMPLICATIONS**

- 3.1 There are no financial implications in this report.

## **4. STUDENT EXPERIENCE**

- 4.1 There are no student experience implications associated with this paper.

## **5. HUMAN RESOURCES IMPLICATIONS**

- 5.1 There are no human resources implications associated with this paper.

## **6. LEGAL IMPLICATIONS**

- 6.1 There are no further legal implications in this paper to those listed above.

## **7. REPUTATIONAL IMPLICATIONS**

- 7.1 There are no reputational implications associated with this paper.

## **8. COMMUNITY/PARTNERSHIP IMPACT**

- 8.1 There are no community implications associated with this paper.

## **9. EQUALITIES IMPLICATIONS**

- 9.1 There are no equality implications associated with this paper.

## **10. ENVIRONMENT IMPLICATIONS**

- 10.1 There are no environmental implications associated with this paper.

**RECOMMENDATION**

The 23 November 2021 Joint Audit and Corporate Development Committee considered this report and approved the content for presentation to the Board of Management.

The Board of Management is requested to approve the Internal Audit Annual Report 2020-21.



# West College Scotland

Internal Audit 2020/21

Annual Report

August 2021

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# 1. Introduction

The prime responsibility of the Internal Audit Service is provide the Board of Management, the Principal and other Senior Management of the College, with an objective assessment of the adequacy and effectiveness of management's internal control systems.

We conduct our activity within the overarching framework of the Chartered Institute of Internal Auditors, Definition of Internal Auditing, Code of Ethics and International Standards for the Professional Practice of Internal Auditing, together with the UK Public Sector Internal Audit Standards, first introduced in April 2013.

In line with these Standards, we have developed a robust quality assurance process to ensure that each of our activities and reports are of a high and consistent standard. Quality assurance activity includes interim reviews during the internal audit process and an extensive final review before reports are issued to clients and other stakeholders. We actively seek to improve the services we deliver through a programme of CPD, training, networking and engagement with internal peers, as well as by piloting new ways of working.

We had an extensive external assessment undertaken against these standards in October 2019. The assessment was undertaken by the Chartered Institute of Internal Auditors who concluded:

“We are pleased to report that the Wylie and Bisset LLP Internal Audit Department (IAD) fully meet all of the Standards, apart from a single Standard which the team partially conform with. The IAD conforms with the Definition, Core Principles and the Code of Ethics, which form the mandatory elements of the Public Sector Internal Audit Standards (PSIAS) and the Institute of Internal Auditors' International Professional Practices Framework (IPPF), the globally recognised standard for quality in Internal Auditing. We found no aspects of non-conformance. This is an excellent result and represents a further improvement on the results of our 2017 exercise.”

This Annual Report should be considered by the Audit Committee prior to the committee submitting their annual report to the Board of Management.

A copy of this report requires to be submitted to the Scottish Funding Council not later than 31 December following the financial year-end to which it relates.

## 2. Executive Summary

### Overall Opinion

We are satisfied that sufficient internal audit work has been undertaken to allow us to draw a conclusion as to the adequacy and effectiveness of the College's risk management, control and governance processes.

In our opinion West College Scotland did have adequate and effective risk management, control and governance processes to manage its achievement of the College's objectives at the time of our audit work. In our opinion, the College has proper arrangements to promote and secure value for money. However, we were only able to provide 'weak' assurance around the review of External Communications – Website. The College accepted all of the internal audit recommendations and will be undertaking the required actions to address the weaknesses identified. We were also asked to undertake additional work during the year as a result of an IT incident. From the work undertaken we were able to provide 'Strong' assurance on the College's response to the incident.

Our fieldwork was carried out between August 2020 and May 2021 and we have not undertaken any further internal audit assignments at the time of this report.

The overall findings and conclusion of each report are highlighted in Section 3. As can be seen from the summary in Section 3 all areas included in the Operational Plan for 2020/21 have been completed.

In forming our opinion, we have carried out the following work:

- A review and appraisal of financial and other controls operated by the College;
- A review of the established policies and procedures adopted by the College;
- An assessment of whether the internal controls are reliable as a basis for producing the financial accounts;
- A review of accounting and other information provided to management for decision making;
- Compliance and substantive audit testing where appropriate;
- A review of the College's procedures in place to promote and secure value for money.

The analysis of performance indicators for the internal audit work carried out in the year is included at section 5.

# 2. Executive Summary

## Basis of Opinion

As the Head of Internal Audit at West College Scotland we are required to provide the Audit Committee with an opinion on the adequacy and effectiveness of the College's risk management, control and governance processes. In giving our opinion it should be noted that assurance can never be absolute. The most that we can provide to the Audit Committee is reasonable assurance that there are no major weaknesses in the College's risk management, control and governance processes.

In assessing the level of assurance given, we have taken into account:

- All audits undertaken during the year ended 31 July 2021;
- Any follow-up action taken in respect of audits from previous periods;
- The College assurance mapping procedures and review process;
- Any significant recommendations not accepted by management and the consequent risks;
- The effects of any significant changes in the College's objectives or systems;
- Matters arising from previous reports to the Audit Committee and Board of Management;
- Any limitations which may have been placed on the scope of internal audit;
- The extent to which resource constraints may impinge on the Head of Internal Audit's ability to meet the full audit needs of the College;
- What proportion of the College's audit need has been covered to date;
- The outcomes of our quality assurance processes.

# 3. Audit Findings

## Summary of Work Undertaken

The following table summarises the audit work undertaken in 2020/21. The grading structure used in our reports can be found in Appendix A.

Area	Planned Days	Actual Days	Status	Overall Conclusion	High Priority Recommendations	Medium Priority Recommendations	Low Priority Recommendations
Overall Financial Controls	6	6	Complete	Strong	-	-	-
Study of effects of Covid 19	8	8	Complete	Strong	-	-	-
Fraud Awareness	5	5	Complete	Strong	-	-	2
Complaints Handling	5	5	Complete	Substantial	-	3	6
External Communications - Website	6	6	Complete	Weak	1	3	1
Assurance Mapping	6	6	Complete	Substantial	-	4	2
HR: Sickness and Absence Reporting	5	5	Complete	Strong	-	-	-
<b>Total c/f</b>	<b>41</b>	<b>41</b>			<b>1</b>	<b>10</b>	<b>11</b>



# 3. Audit Findings

## Summary of Work Undertaken

Area	Planned Days	Actual Days	Status	Overall Conclusion	High Priority Recommendations	Medium Priority Recommendations	Low Priority Recommendations
<b>Total Days b/f</b>	<b>41</b>	<b>41</b>			<b>1</b>	<b>10</b>	<b>11</b>
Response of IT incident*	-	3	Complete	Strong	-	-	-
Student Support Funds	4	4	Complete	n/a	-	-	-
Educational Maintenance Allowance	3	3	Complete	n/a	-	-	-
Credits	8	8	Complete	n/a	-	-	4
Follow Up**	4	4	Complete	n/a	n/a	n/a	n/a
Audit Management	5	5	n/a	n/a	n/a	n/a	n/a
<b>Total</b>	<b>65</b>	<b>68</b>			<b>1</b>	<b>10</b>	<b>11</b>

\*The Response to IT Incident was added to the plan at the request of the Audit Committee.

\*\*We followed up on recommendations throughout the year at the request of management but didn't produce an overall report for this area.

# 3. Audit Findings

## HIGH PRIORITY RECOMMENDATION

The following high priority recommendation was raised during the year. This comes from our External Communications – Website Review.

Area	Original Finding	Original Recommendation	Management Response
External Communications	<p>There should be a Marketing &amp; Communications Strategy in place, which covers the website design and content. The Strategy should be complimented by a comprehensive action plan that will detail how the strategy objectives will be achieved. The action plan should include how the College intends to refresh and improve its website.</p> <p>From our review we found that the College does not have a Marketing &amp; Communications Strategy nor an action plan to implement the Strategy.</p> <p>There is a risk that the College does not have a clear plan regarding its marketing and communications due to the lack of a comprehensive Strategy being in place. In addition, there is a risk that the College's website is not fit for purpose which may damage the College's reputation with potential students and stakeholders.</p>	<p>We recommend that the College implement its intention to produce a Marketing &amp; Communications Strategy and comprehensive action plan which should include the development of its website. As part of the production of the Strategy we recommend that the College consider setting up an internal working group to start considering the design and content of the website. The work of this group will then be augmented with the findings from the external consultant's review of the website. The action plan should also contain the findings from with the Accessibility Audit to ensure that the College are complying with Accessibility Regulations.</p>	<p>The College will engage in the process of developing a Marketing and Communications Strategy once the Director of Communication, Policy and Engagement has started in post. This is anticipated to be in early July 2021. A detailed action plan will be developed from the Strategy including the development of the College website and any findings from the external reviews undertaken including the accessibility audit.</p>

# 4. Benchmarking

We include for your reference comparative benchmarking data of the number and ranking of recommendations made for audits of a similar nature in the previous financial year.

Area	High	Medium	Low	Total
<b>Overall Financial Controls</b>				
Average number of recommendations in similar audits	-	1	1	<b>2</b>
Recommendations at West College Scotland	-	-	-	-
<b>Study of effects of Covid 19</b>				
Average number of recommendations in similar audits	-	1	-	<b>1</b>
Recommendations at West College Scotland	-	-	-	-
<b>Complaints Handling</b>				
Average number of recommendations in similar audits	-	2	3	<b>5</b>
Recommendations at West College Scotland	-	3	6	<b>9</b>
<b>HR: Sickness and Absence Reporting</b>				
Average number of recommendations in similar audits	-	1	-	<b>1</b>
Recommendations at West College Scotland	-	-	-	-
<b>Summary</b>				
<b>Average number of recommendations in similar audits c/f</b>	-	<b>5</b>	<b>4</b>	<b>9</b>
<b>Recommendations at West College Scotland c/f</b>	-	<b>3</b>	<b>6</b>	<b>9</b>

# 4. Benchmarking

Area	High	Medium	Low	Total
<b>Summary</b>				
<b>Average number of recommendations in similar audits b/f</b>	-	5	4	9
<b>Recommendations at West College Scotland b/f</b>	-	3	6	9
<b>Credits</b>				
Average number of recommendations in similar audits	-	-	2	2
Recommendations at West College Scotland	-	-	4	4
<b>Educational Maintenance Allowance</b>				
Average number of recommendations in similar audits	-	-	1	1
Recommendations at West College Scotland	-	-	-	-
<b>Student Support Funds</b>				
Average number of recommendations in similar audits	-	-	1	1
Recommendations at West College Scotland	-	-	-	-
<b>Summary</b>				
<b>Average number of recommendations in similar audits</b>	-	5	8	13
<b>Recommendations at West College Scotland</b>	-	3	10	13

As highlighted above, West College Scotland has a similar number of recommendations in comparison with the colleges it has been benchmarked against. There were a number of reviews which were unique to West College Scotland and benchmarking was not used.

# 5. Key Performance Indicators

## Analysis of Performance Indicators

Performance Indicator	Target	Actual
Internal audit days completed in line with agreed timetable and days allocation	100%	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%	100%
Draft reports issued within 10 working days of exit meeting	100%	100%
Management provide responses to draft reports within 15 working days of receipt of draft reports	100%	75%*
Final reports issued within 5 working days of receipt of management responses	100%	100%
Recommendations accepted by management	100%	100%
Draft annual internal audit report to be provided by 31 August each year	100%	100%
Attendance at Audit Committee meetings by a senior member of staff	100%	100%
Suitably experienced staff used on all assignments	100%	100%

\*The management responses for the Complaints Handling, Assurance Mapping and HR: Sickness & Absence Reporting reviews were received after 15 working days.

# Appendix A - 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

<b>Meeting</b>	Board of Management
<b>Date</b>	13 December 2021
<b>Location</b>	MS Teams
<b>Title of Paper</b>	2020-21 Annual Report from the Audit Committee to the Board of Management
<b>Presented By</b>	Graeme Bold Chair of Audit Committee
<b>Recommendation to Members</b>	Approval
<b>Appendix Attached</b>	Yes 09.2(a) – 2020-21 Annual Report from the Audit Committee

## PURPOSE

To present to the Board of Management the *2020-21 Annual Report from the Audit Committee to the Board of Management* for its considerations as part of the College's year end reporting requirements in line with the SFC guidance on [College financial statements and returns 2020-21](#) (Issued 25 November 2021).

The paper is presented in line with the Board of Management Scheme of Delegation:

*'(d) the approval of the year-end Annual Report and Accounts, the Annual Budget, College financial plans, forecasts, delegations and regulations;*

*(e) Final consideration of the Annual Audit Report;'*

The paper is submitted *For Approval*.

## **1. BACKGROUND**

- 1.1 The Annual Report to the Board of Management details the work carried out by the Audit Committee during the period 1 August 2020 to 31 July 2021
- 1.2 The Report was considered at the Audit Committee meeting of 8 September 2021 and further considered by the Joint Audit and Corporate Development Committee meeting on 23 November 2021 as part of the 2020-21 financial statement considerations. The report was agreed as a fair and accurate representation of the work undertaken by the Audit Committee during 2020-21

## **2. FURTHER DETAIL ON THE REPORT TOPIC**

- 2.1 The Annual Report is a requirement of both the Scottish Funding Council (SFC) Financial Memorandum and the Scottish Public Finance Manual. The Annual Report is based upon the guidance laid out in the Scottish Governments 'Audit and Assurance Committee Handbook', which states that the Annual Report should summarise the committee's work for the year past, and present its opinion about:
  - the effectiveness of governance, risk management and control.
  - the comprehensiveness of assurances in meeting the Accountable Officer's and Board's needs.
  - the reliability and integrity of these assurances.
  - whether the assurance available is sufficient to support the Accountable Officer and Board in their decision taking and their accountability obligations.
  - the implications of these assurances for the overall management of risk.
  - any issues the committee considers pertinent to the Governance Statement and any long-term issues the committee thinks the Accounting Officer and/or Board should give attention to.
  - financial reporting for the year.
  - the quality of both Internal and External Audit and their approach to their responsibilities.
  - the Committee's view of its own effectiveness, including advice on ways in which it considers it needs to be strengthened or developed.

## **3. FINANCIAL IMPLICATIONS**

- 3.1 There are no financial implications in this report.



**4. STUDENT EXPERIENCE**

4.1 There are no student experience implications associated with this paper.

**5. HUMAN RESOURCES IMPLICATIONS**

5.1 There are no human resources implications associated with this paper.

**6. LEGAL IMPLICATIONS**

6.1 There are no further legal implications in this paper to those listed above.

**7. REPUTATIONAL IMPLICATIONS**

7.1 There are no reputational implications associated with this paper.

**8. COMMUNITY/PARTNERSHIP IMPACT**

8.1 There are no community implications associated with this paper.

**9. EQUALITIES IMPLICATIONS**

9.1 There are no equality implications associated with this paper.

**10. ENVIRONMENT IMPLICATIONS**

10.1 There are no environmental implications associated with this paper.

**RECOMMENDATION**

The Board of Management is requested to approve the Annual Report from the Audit Committee for the year ended 31 July 2021.

## 2020-21 ANNUAL REPORT FROM THE AUDIT COMMITTEE TO THE BOARD OF MANAGEMENT

This report covers the activities of the Audit Committee of West College Scotland for the year 1 August 2020 to 31 July 2021. The Committee notes that despite the governance and operational challenges faced by the College due to the global pandemic, the 2020-21 schedule of Committee business was completed within the year.

### Terms of Reference

The Terms of Reference were reviewed by the Audit Committee on 11 March 2021 as changes had been made to the Audit Committee membership and quorum in accordance with the principles approved by the Board at its meeting held on 1 February 2021. The revised Audit Committee remit was, thereafter, approved by the Board at its meeting held on 22 March 2021.

### Membership and Attendance

The Audit Committee membership and attendance for 2020-21 was as follows:

Name	Status	Date of Appointment	Resigned	Appointment End Date	Attendance	
					Possible	Actual
G Bold	Co-opted Member	1 July 2017	31 Jan 2021	-	3	3
G Bold	Non-Executive Member and Chair of the Audit Committee	1 Feb 2021	-	31 Jan 2025	2	2
W Wong	Co-opted Member	1 Mar 2019	-	29 Feb 2022	5	5
S Akram	Non-Executive Member	1 Feb 2021	23 Aug 2021	-	2	1
G Lyall	Non-Executive Member	1 Feb 2021	-	31 Jan 2025	2	2
J McMillan	Chair Audit Committee	1 Feb 2015	31 Jan 2021	31 Jan 2021	3	3
A Hetherington	Non-Executive Member	1 Feb 2015	31 Jan 2021	31 Jan 2021	3	3

The following were in regular attendance at Committee meetings:

- Liz Connolly (Principal and Chief Executive)
- David Alexander (Vice Principal Operations)
- Alan Ritchie (Director of Finance)
- Shirley Gordon (Secretary to the Committee)

The College's internal auditors, Wylie & Bissett LLP, attended all Committee meetings during the year. 2020-21 is the first year of their initial three-year appointment to 31 July 2023, with an option to extend the contract for a further two years. As part of the appointment Wylie & Bissett LLP were appointed to undertake the annual audit review of SFC student activity, student support funds, educational maintenance allowances and SAAS discretionary funds.

The College external auditors, Mazars LLP, were appointed by Audit Scotland to undertake the review of the Annual Report and Accounts for five years, concluding with the completion of the 2020-21 audit. Due to the significant disruption for public bodies as a result of Covid-19, [Audit Scotland announced in October 2020](#) that their appointment would be extended by a further year to take the contract through the audit of 2021-22. Mazars have attended three Audit Committee meetings during the year at which they presented their Management Letter and Financial Statement as of 31 July 2020 and subsequently their 2020-21 Audit Strategy Memorandum.

### **Meetings**

Audit Committee meetings were held on the following dates:

- 3 September 2020
- 3 December 2020
- 11 March 2021
- 20 May 2021

Additionally, a joint meeting of the Audit Committee and Finance and General Purposes Committee was held on 24 November 2020 to approve the Annual Report and Accounts for Board of Management consideration for the year ended 31 July 2020.

### **GENERAL EFFECTIVENESS REPORT**

#### **Assessment of the effectiveness of the College's financial and other internal control systems**

Audit Committee members have received assurance on the College's control systems through the work undertaken by internal and external auditors. The following reports have been considered by the Committee during the 2020-21 year:

- In response to the requirements of the April 2018 *'Audit and Assurance Committee Handbook'*, the College has worked with the internal auditors to produce an Assurance Framework appropriate to the organisation. The College is required to 'Develop an assurance framework and consider whether there are gaps or duplication in the assurance that the Committee are receiving.'

The College has worked with Wylie & Bissett to produce an appropriate Assurance Map which:

- Identified the areas on which assurance was required.
- Identified all of the sources of assurance currently active using the three lines of defence approach.
- Assessed the quality of the assurance activities identified above.
- Determined the level of assurance required for each of the areas identified.

- Collated the overall assurance being provided for each area of the assurance map.

The Committee has been kept apprised of the work undertaken to provide this key documentation.

In May 2021 the Committee approved the Assurance Framework and considered the newly created Assurance Map as part of the 2021-22 internal audit plan. Going forward the Assurance Map, which is linked to the Strategic Risk Register, will be a key document in providing assurance to the Board of Management that the College has in place the appropriate internal controls and governance structures.

- The 2020-21 Internal Audit Plan was approved and update reports on progress received by the Committee at each meeting.
- Internal Audit Reports have been reviewed by the Committee as outlined later within this report and detailed within Appendix B.
- Update reports relating to the delivery of the College Regional Outcome Agreement with the Scottish Funding Council as it pertained to the remit of the Committee were considered during the year.
- A report on the actions required and undertaken by the College / Committee to address the revised Scottish Government Audit and Assurance Committee Handbook. Progress reports have been provided to the Committee throughout the year.
- The Committee schedule of business was reviewed at each meeting to ensure adherence to and delivery of the Committee remit.
- 2020-21 year-end reports were received and considered by the Committee:
  - The Annual Internal Audit Report: the auditors were satisfied with the control framework in place.
  - EMA Audit (Education Maintenance Allowance): unqualified audit certificate.
  - SFC Aggregated Student Funding Audit: unqualified audit certificate.
  - Student Credit Audit: unqualified audit certificate
  - Financial Statements Management Letter: unqualified audit certificate
  - Report and Financial Statements
- Report on the outcome of the College involvement in Audit Scotland National Fraud Initiative, which is undertaken every two years.
- Report on actions taken following the purchase ledger fraud and the attempted IT fraud.

Members of the Audit Committee had the opportunity to meet in closed session with the internal and external auditors during 2020-21. This enabled a discussion to take place in relation to audit and governance matters without the College management present. No matters of concern were raised, and the internal and external auditors confirmed their satisfaction with the engagement provided by College management in relation to the audit process.

The Audit Committee also met in closed session with members of the College Executive and identified no issues with either the internal / external auditors or audit arrangements.

### **Fraud and Corruption Policy and Processes**

The Committee remit includes a requirement *'To advise the Board on the adequacy of the anti-fraud policy and processes ....'*. The College Anti-Fraud and Corruption Policy was reviewed and approved by the Committee at its September 2021 meeting.

The internal auditors also carried out a separate review of the College response to the attempted ransomware attacked during 2020-21. The outcome of the review provided strong assurance on the College response to the attempted fraud and had no recommendations.

### **Public Interest Disclosure (Whistleblowing) Policy**

In September 2019 the Committee reviewed and approved the College Public Interest Disclosure (Whistleblowing) Policy and Procedure. This procedure and policy will be reviewed by the Committee as part of its 2021-22 schedule of business. An annual report is provided to the Committee on the number and type of items reported under the College Public Interest Disclosure (Whistleblowing) Policy. The 2020-21 report did not highlight any reportable instances.

### **Compliance with Corporate Governance requirements**

The Committee considered the annual report on governance compliance at the 20 May 2021 meeting. This confirmed that the College had complied with corporate governance requirements and good practice guidance and had operated in accordance with the SFC Financial Memorandum, the Scottish Public Finance Manual, and the Code of Good Governance for Scotland's Colleges. The Committee welcomed this report and the assurance that it brought and advised the Board of Management accordingly.

In accordance with Paragraph D.23 of [\*The Code of Good Governance for Scotland's Colleges\*](#)

*"the board must keep its effectiveness under annual review and have in place a robust self-evaluation process. There should also be an externally facilitated evaluation of its effectiveness at least every three years. The board must send its self-evaluation (including an externally facilitated evaluation) and board development plan (including progress on previous year's plan) to its funding body and publish them online".*

It was agreed at the 1 February 2021 Board meeting that, for the annual internal Board effectiveness review 2021, the same survey that was used in 2018 and 2019 should be issued to all Board members again this year. The survey was issued on 1 March 2021 with a closing date of 19 March 2021. The outcomes of this review were used to inform and update the Board Development Action Plan. Both the Effectiveness Review Report and Board Development Action Plan were approved by the Board of Management at its meeting held on 14 June 2021 and, thereafter, forwarded to the SFC and are published on the College website at the following link:

<https://www.westcollegescotland.ac.uk/college/about-us/board-of-management/>

The Board last undertook an externally facilitated evaluation of its effectiveness in late 2019 with the feedback report being approved at the Board meeting held in February 2020.

Each Board member has an individual review meeting with the Chair of the Board during the year. This allows Board members to discuss any training or development needs and helps identify the training and development programme for the following session. The Chair has an annual review meeting conducted by the Vice Chair of the Board and the Board Senior Independent Member.

### **Review of Audit Committee effectiveness**

The key findings of the Audit Committee Effectiveness review were considered at the May 2021 meeting, which confirmed that the members were satisfied with:

- the operation and effectiveness of the Committee.
- the level and quality of information and assurances it received from a range of sources.

The review did not result in any suggestions as to how the Committee could make further improvements.

## **INTERNAL AUDIT SERVICE**

### **Provider**

During 2020-21 the internal audit service was provided by Wylie & Bisset. 2020-21 is the first year of an initial three-year appointment to 31 July 2023, with an option to extend the contract for a further two years. As part of the appointment Wylie & Bisset were appointed to undertake the annual audit review of SFC student activity, student support funds, educational maintenance allowances and SAAS discretionary funds.

### **Internal Audit Report 2020-21**

Appendix B contains a table of the internal audit reports presented by Wylie & Bisset during the year to 31 July 2021. The Audit Committee has reviewed the key findings of the internal audit reports and considered the recommendations and findings contained therein.

The Internal Auditor Annual Report for 2020-21 was considered at the September 2021 meeting of the Audit Committee, where it was noted the programme of internal audit activity for 2020-21 had been completed as planned.

## **Unplanned Audit Assignment – Response to Attempted IT Fraud**

Wylie & Bisset were asked to undertake a review of the College response to the January 2021 attempted ransomware fraud. The purpose of the review was to assess whether, once the incident was identified, that the fraud response plan contained within the Fraud and Corruption Policy was activated correctly and the agreed process was appropriately followed by the College.

The internal audit review concluded:

*‘We can provide a strong level of assurance over the College’s handling of the IT ransomware attack. We can also confirm that the College correctly activated its Fraud Response Plan, and the agreed process was appropriately followed in respect of the IT ransomware attack. We have raised no recommendations from our review.’*

The internal auditors identified no areas for improvement.

The Audit Committee were satisfied with the work undertaken by the College to address matter. The College provided awareness of this fraud to the Scottish Funding Council as required by the Financial Memorandum.

### **Monitoring**

The Audit Committee, through the Rolling Audit Action Plan, reviews the progress made by the College in addressing the recommendations made by both internal and external auditors. This systematic approach, which sees audit actions monitored at each Committee meeting, ensures progress is maintained in addressing audit recommendations, which is key in maintaining internal control of identified risks. The Audit Committee also reviews and monitors the College identification, management, and mitigation of risk throughout the year and sees this as an essential requirement in providing assurance on audit activity to the Board of Management.

The College maintains an electronic register of internal audit recommendations as part of the continuous rolling review process, and this enables the relevant College Director with lead responsibility for each action to update the status of the audit recommendations on a real time basis. This allows the internal auditors to monitor progress continuously and report on the status of all audit recommendations on an ongoing basis, rather than a follow up review being undertaken on an annual basis.

The external auditors also review any recommendations made in the prior year external audit reports and confirm progress made in addressing these on an annual basis.

### **Internal Audit Effectiveness and Performance Review**

Following a review in May 2021 the Audit Committee confirmed it was satisfied as to the effectiveness of the work carried out by the College internal auditors, Wylie & Bisset, and with their general performance during the period. This conclusion was based upon several factors including delivery of the internal audit plan, number of days utilised in delivering the plan, interaction with the Committee and College staff and receipt of comprehensive and evaluative reports.

## **Closed Meeting**

The Committee met in closed session with Wylie & Bisset at the May 2021 Audit Committee meeting. There were no issues arising and thus no matters to be reported to the Board of Management following this meeting.

## **Internal Audit Plan**

At the May 2021 Audit Committee meeting, Wylie & Bisset presented the draft 2021-22 Internal Audit Plan. The Internal Audit Plan was based upon the College assurance mapping process and a risk analysis exercise carried out by Wylie & Bisset in conjunction with the College Senior Management Team. The aim of the Internal Audit Plan is to provide the Board of Management with assurance on the effective management of the College's key risks. This means that the internal audit plan considers the full range of systems and risks within the College, not just the financial systems.

The 2021-22 Internal Audit Plan was approved by the May 2021 Audit Committee subject to any implications that might arise from the ongoing review/updating of the College Strategic Risk Register.

## **EXTERNAL AUDITORS**

Mazars LLP were appointed by Audit Scotland as the external auditors of West College Scotland with effect from 1 August 2016 until 31 July 2021. Due to the significant disruption for public bodies because of Covid-19, Audit Scotland in October 2020 confirmed that the current appointments would be extended by one year to include the 2021-22 audits.

The Audit Committee received and accepted Mazars Audit Strategy Memorandum for the year ending 31 July 2021 at the May 2021 meeting.

The External Auditors presented their Annual Report to the Board of Management and the Auditor General for Scotland on the External Audit for the year ending 31 July 2021 to the joint Audit / Finance and General Purposes Committee meeting held on 23 November 2021. The external audit annual report had an unqualified opinion regarding the financial statements for the year to 31 July 2021.

## **Cost**

The cost of providing the external audit service to the Board of Management for the year to 31 July 2021 was £32,500 (2019-20: £31,000). The agreed external audit fee is within the parameters stipulated by Audit Scotland.

## **External Audit Effectiveness and Performance Review**

The December 2020 Audit Committee considered the effectiveness of the external auditors and concluded that they were satisfied with the performance of the external auditors, Mazars. This conclusion was based upon several factors including delivery of the external audit assignment, number of audit days utilised in delivering their opinions, interaction with the Committee and College staff and receipt of comprehensive and evaluative reports.



## **Closed Meeting**

In line with best practice, the Audit Committee met in closed session with Mazars and Wylie & Bisset at the November 2020 joint meeting with the Finance and General Purposes Committee. Both sets of auditors confirmed that the information provided to them by the College had allowed them to reach their opinions with confidence. Both audit firms were of the opinion the Senior Management Team at West College Scotland worked together well and were diligent and professional.

## **Other Audit Coverage**

Additional audit work is undertaken to validate several mandatory returns required each year by the Student Awards Agency for Scotland (SAAS) and the SFC. For 2020-21 this work was undertaken by Wylie & Bisset LLP. The College is required to submit audit certificates to the SFC / SAAS relating to:

- 1. HE Student Support Funds Return**  
Unqualified audit certificated submitted to SAAS in line with required deadline with no recommendations made on the controls operated by the College.
- 2. SFC Aggregate Student Support Return**  
Unqualified audit certificated submitted to SFC in line with required deadline with no recommendations made on the controls operated by the College.
- 3. EMA Return**  
Unqualified audit certificated submitted to SFC in line with required deadline with one low level recommendation made on the controls operated by the College.
- 4. SFC Credit Return**  
Unqualified audit certificated submitted to SAAS in line with required deadline with one medium and four low level recommendations made on the controls operated by the College.

## **RISK MANAGEMENT**

The College [Risk Management Strategy](#) was reviewed by the Audit Committee during its March 2021 meeting with only two minor amendments being made. The Board of Management approved the revised Risk Management Strategy in March 2021.

The College continues to develop the process of risk management within the College, with several actions undertaken during 2020-21, including:

- The Strategic Risk Register is now stored on the Pentana Management System allowing users on-line access to the register, including both the internal and external auditors. The mitigating controls have been allocated to the relevant members of the Senior Management team to allow these to be updated as required, including the addition of any new mitigating actions.
- The consideration of risk by the College Senior Management Team continues to be ongoing throughout the year.

- The College Strategic Risk Register is considered at all Board and Committee meetings, with the reporting format reviewed and updated as required.
- The College operational planning process has the consideration of risk and mitigations as a key aspect of the development of departmental plans.

## **OTHER REPORTING**

During the year the Audit Committee also received an Annual Report in relation to:

- Register of interests for Board and Committee members.
- Freedom of Information and Data Protection Acts requests received by the College.
- Register of Interests for all College staff members.
- Hospitality/Gifts Registers for all College staff members.

The Audit Committee was satisfied with the content of the reports and had no issues to report to the Board of Management.

## **2021-22 Forward Look**

The Committee maintains a Schedule of Business which is reviewed at the end of each meeting. This enables the members to assess that all areas of the Committee remit are being addressed through the work being undertaken. As part of the Schedule of Business, the Committee also look ahead to establish what work is planned and when it reasonably can anticipate receipt of the relevant reports. This ensures the work of the Committee is met throughout the year, ensuring material items are given due consideration at the appropriate time. The work of the Committee in 2021-22 will include:

- Receipt of internal audit report in line with the agreed 2021-22 Internal Audit Plan.
- Review of Fraud, Bribery and Whistleblowing policies.
- Review of governance compliance.
- Review of College Assurance Map.
- Review of revised Risk Management Strategy and updated risk register.

## **COMMITTEE OPINION**

The role of the Audit Committee is to support the Board in its responsibilities of risk, control, and governance by reviewing the comprehensiveness of assurances in meeting the assurance needs of the Board, and by reviewing the reliability and integrity of these assurances through a process of constructive challenge.

Based on the assessments and reports provided by the internal / external auditors and the College management the Audit Committee is satisfied that its responsibilities to the Board of Management have been satisfactorily discharged.

**Signed:**

**Date:**

**Chair of Audit Committee**

## **Appendix A – Audit Committee Remit**

### **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 role of the Audit Committee is to support the Board in its responsibilities of risk, control and governance by reviewing the comprehensiveness of assurances in meeting the assurance needs of the Board, and by reviewing the reliability and integrity of these assurances through a process of constructive challenge.

### **1. Remit**

#### **.1 General**

- To provide advice to the Board on the strategic processes for risk, control and governance.
- To develop and review the assurance framework and receive reports relating to it in order to provide the necessary assurances to the Board or determine any further action or assurances required.
- To review and advise the Board of the Internal Auditor's and External Auditor's assessment of the effectiveness of the College's financial and other internal control systems, including controls specifically designed to prevent or detect fraud or other irregularities as well as those for securing economy, efficiency and effectiveness (value for money).
- To advise the Board on the adequacy of the anti-fraud policy and processes, and on the whistle blowing process, and to receive an annual report on any matters raised through these processes.
- To consider and advise the Board accordingly on any arrangements for special investigations and the outcomes of such investigations.
- To advise the Board on its compliance with corporate governance requirements and good practice guidance, and in particular its compliance with the Financial Memorandum with SFC, the SPFM and the Code of Good Governance for Scotland's Colleges.
- To consider the College's Annual Financial Statements at a joint meeting with the Corporate Development Committee, and to recommend to the Board for approval.
- To provide an annual report to the Board, timed to support the finalisation of the accounts and the Statement on Internal Control, and summarising its conclusions from the work it has done during the year.
- To report to the Board after each meeting.
- To review its own effectiveness at least annually and to report the results of that review to the Board.

#### **.2 Internal Audit**

- To advise the Board on the selection, appointment or re-appointment and remuneration, or removal of the Internal Auditors. The responsibility for selection of the Internal Auditor may be delegated to a Selection Committee as agreed by the Committee.
- To advise the Board on the terms of reference for the Internal Auditors.
- To review the scope, efficiency and effectiveness of the work of the Internal Auditors and to advise the Board on these matters.
- To agree the Internal Audit Plan and review the Internal Audit Annual Report.

- To review the Internal Audit reports, the management response to them and to review implementation of the actions required.
- To review the Rolling Audit Action Plan at each meeting.
- To encourage appropriate liaison and co-ordination between internal and external audit.
- To establish appropriate performance measures and indicators to monitor the effectiveness of the Internal Auditors.

### **.3 External Audit**

- To receive information on the general terms and conditions of appointment of the External Auditors who are engaged by Audit Scotland to provide audit services to the College.
- To consider the External Auditors report on the Financial Statements and the management letter prior to submission to the Board, and to review the implementation of the recommendations.
- To review the Statement of Corporate Governance prior to finalisation and incorporation into the Financial Statements.
- To review the External Audit strategy and plan.
- To establish appropriate performance measures and indicators to monitor the effectiveness of the External Auditors.
- To consider the objectives and scope of any non-statutory audit work to be undertaken by the External Auditors firm and advising the Board of any potential conflict of interests.

### **.4 Risk**

- To review the Risk Management Strategy and recommend to the Board for approval.
- To consider the Strategic Risk Register and to advise the Board accordingly.
- To consider matters of risk at each meeting and to satisfy itself that risks are being managed, including seeking assurances from internal and external audit on the adequacy of their management, and to report to the Board.

### **.5 Other**

- To receive annual reports on Freedom of Information and Data Protection Acts requests; Register of Interests; and Hospitality/Gifts Registers.
- To request any member of the College staff to attend and/or to provide a written report on any matter that falls within the remit of the committee.
- To procure ad-hoc specialist advice at the expense of the College as appropriate and when necessary, subject to budgets being agreed by the Board.

## **2. Membership**

### **Category**

A minimum of three Members of the Board of Management, one of whom will Chair. 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**

Principal  
Vice Principal Operations  
Director of Finance  
Secretary  
Internal Auditor (Wylie Bisset)  
External Auditor (Mazars)

At least one member should have a background in finance, accounting, or auditing but membership should not be drawn exclusively from people with such a background.

The Committee will **not** include any of the following as members:

- The Principal or other senior post holders.
- The Chair of the Board of Management.
- Members of the Corporate Development Committee.
- Connected parties such as the employee, partner, spouse or family member of the College's solicitors, bankers, auditors, insurers, or other professional advisers.

Committee members may sit privately without any non-members present for all or part of a meeting if appropriate.

Audit Committee members will annually meet with the Internal and External Auditors without the Executive Management Team present.

External and Internal Auditors will have the right to unrestricted and confidential access to Chair of the Audit Committee.

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 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.

The Committee will also hold an annual joint meeting with the Corporate Development Committee to consider the Financial Statements and audit reports. Additional meetings will be convened as necessary.

### **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.

**Appendix B - Internal Audit Reports Received by the Audit Committee during 2020-21**

<b>Report</b>	<b>Audit Plan Year</b>	<b>Planned Audit Committee</b>	<b>Actual Audit Committee</b>
Assurance Mapping	2020-21	December 2020	December 2020
Fraud Awareness	2020-21	December 2020	December 2020
Overall Financial Controls	2020-21	March 2021	March 2021
HR: Sickness and Absence Reporting	2020-21	March 2021	March 2021
Study of effects of Covid-19 – phase 1	2020-21	March 2021	May 2021
External Communications – Website	2020-21	May 2021	May 2021
Complaints Handling	2020-21	May 2021	May 2021
Study of effects of Covid-19 – phase 2	2020-21	May 2021	May 2021
<b>Additional Audit Assignment</b>			
Fraud Response Review	2020-21	-	May 2021



<b>Meeting</b>	Board of Management
<b>Date</b>	13 December 2021
<b>Location</b>	MS Teams
<b>Title of Paper</b>	External Auditor Annual Report and Letter of Representation 2020-21
<b>Presented By</b>	Amy McDonald Vice Principal Operations
<b>Recommendation to Members</b>	Approval
<b>Appendix Attached</b>	Yes 09.3(a) – Annual Audit Report to the Board of Management and the Auditor General for Scotland

## **PURPOSE**

To present to the Board of Management the external auditors (Mazars LLP) report on the Financial Statements for the year ended 31 July 2021 for approval as part of the College's year end reporting requirements in line with the SFC guidance on [College financial statements and returns 2020-21](#) (Issued 25 November 2021).

The paper is presented in line with the Board of Management Scheme of Delegation:

*'(d) the approval of the year-end Annual Report and Accounts, the Annual Budget, College financial plans, forecasts, delegations and regulations;*

*(e) Final consideration of the Annual Audit Report;'*

The paper is submitted *For Approval*.

## 1. BACKGROUND

- 1.1 Audit Scotland appointed Mazars to undertake the external audit of the College Financial Statements for a 5-year period, with the appointment to conclude following completion of the 2020-21 review. Due to the impacts of the global pandemic, and to provide the public sector with some confidence and continuity in the audit process through this challenging period, Audit Scotland have extended this appointment for a further year, to now include the audit of 2021-22 financial statements.
- 1.2 The external auditors for West College Scotland, Mazars, presented their annual report on the audit of the financial statements for the year ending 31 July 2021 to the 23 November 2021 Joint Audit and Corporate Development Committee.
- 1.3 The external report considers the following matters and provides a commentary or opinion as required:
- Executive Summary
  - Audit of the Financial Statements
  - Internal Control Recommendations
  - Summary of Misstatements
  - Wider Scope
  - Financial Management
  - Financial Sustainability
  - Governance and Transparency
  - Value for Money
  - Fees
  - Appendices:
    - A) Letter of Representation
    - B) Auditor's Report
- 1.4 In addition to approving the Audit Report to the Board of Management and the Auditor General for Scotland for the year ended 31 July 2021, the Board of Management are also requested to approve the Letter of Representation for signature (**Appendix A** of the External Auditor Annual Report). The external auditors require that the Letter of Representation is signed by the College prior to the external auditors signing the 2020-21 Audit Report and Financial Statements. The content of the Letter of Representation confirms to the auditors the validity of representations made by the College on which they have relied in arriving at their audit opinion.
- 1.5 The content of the letter is in a standard form with no amendments.

- 1.6 The SFC Accounts Direction issued for 2020-21 requires the College to submit the adjusted operating position calculation with draft accounts to the SFC for review before the accounts are signed off. The College submitted the required paperwork to the SFC on 1 October 2021. The SFC confirmed on 21 October 2021 that they were content with the presentation of the adjusted operating position for the College.
- 1.7 The report contains no recommendations following from the completion of the required audit work.

## **2. CONCLUSION**

2.1 In considering this report the College would highlight that the auditors have delivered an unqualified opinion concerning:

- The financial statements for the year ending 31 July 2021.
- The regularity of income and expenditure (in all material respects the expenditure and income recognised in the financial statements have been applied for the purposes intended).
- The remuneration and staff report, performance report and governance statement.

2.2 The external auditors concluded that the College has:

- effective arrangements, including budgetary control, that help the Board members scrutinise finances.
- adequate financial planning arrangements in place, although there remains a challenging funding environment going forward, with further efficiencies required to achieve an adjusted breakeven financial position.
- a need for significant capital investment to maintain building standards and therefore ensure continued revenue income based on student numbers. There has been no development in obtaining funding from the SFC to support significant College estates developments during the year - and thus the risk of reduced performance as a result of a deteriorating estate remains.
- governance arrangements in place that provide appropriate scrutiny of decisions made by the Board.

- an effective framework in place that supports progress towards the achievement of value for money.

2.3 The Audit Report (**Appendix B** to the External Auditor Annual Report) is unqualified.

2.4 The report contains a **matter of emphasis section** in relation to the valuation of the College property portfolio. This matter is not unique to the College and will apply to all organisations who have valued their properties during the year. It does not impact the operations of the College and is there to raise awareness of the unpredictable nature of any valuation given the current market conditions. Consequently, less certainty – and a higher degree of caution – should be attached to the valuation than would normally be the case. As this is reported in the property valuation report, the auditors require to bring this to the attention of the College.

### **3. FINANCIAL IMPLICATIONS**

3.1 There are no financial implications in this report.

### **4. STUDENT EXPERIENCE**

4.1 There are no student experience implications associated with this paper.

### **5. HUMAN RESOURCES IMPLICATIONS**

5.1 There are no human resources implications associated with this paper.

### **6. LEGAL IMPLICATIONS**

6.1 There are no further legal implications in this paper to those listed above.

### **7. REPUTATIONAL IMPLICATIONS**

7.1 There are no reputational implications associated with this paper.

### **8. COMMUNITY/PARTNERSHIP IMPACT**

8.1 There are no community implications associated with this paper.

## **9. EQUALITIES IMPLICATIONS**

9.1 There are no equality implications associated with this paper.

## **10. ENVIRONMENT IMPLICATIONS**

10.1 There are no environmental implications associated with this paper.

### **RECOMMENDATION**

The Board of Management is requested to approve:

- Mazars Annual Report to the Board of Management and the Auditor General for Scotland on the external audit for the year ended 31 July 2021
- The Letter of Representation for signing by the Chair of the Board of Management and the Principal.



Annual Audit Report  
to the Board of Management and the  
Auditor General for Scotland

West College Scotland  
Year ending 31 July 2021

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Appendix A – Draft management representation letter

Appendix B – Draft audit report

Appendix C – Independence

This document is to be regarded as confidential to West College Scotland. It has been prepared for the sole use of the Audit Committee as the appropriate sub-committee charged with governance by the Board of Management. No responsibility is accepted to any other person in respect of the whole or part of its contents. Our written consent must first be obtained before this document, or any part of it, is disclosed to a third party.

The Joint Audit / Corporate Development  
Committee  
West College Scotland  
Paisley Campus  
Renfrew Road  
Paisley  
PA3 4DR

23 November 2021

Dear Members,

**Annual Audit Report – Year ended 31 July 2021**

We are pleased to present our Annual Audit Report for the year ended 31 July 2021. The purpose of this document is to summarise our audit conclusions.

The scope of our work, including identified significant audit risks and other areas of management judgement, was outlined in our Audit Strategy Memorandum which we presented to the Audit Committee on 21 May 2021. We have reviewed our Audit Strategy Memorandum and concluded that the original significant audit risks and other areas of management judgement remain appropriate.

We would like to express our thanks for the assistance of your team during our audit.

If you would like to discuss any matters in more detail then please do not hesitate to contact me on 0738 724 2052.

Yours faithfully



Lucy Nutley

For and on behalf of Mazars LLP



## Executive summary

### Purpose of this report and principal conclusions

This Annual Audit Report sets out the findings from our audit of West College Scotland ('the College') for the year ended 31 July 2021 and forms the basis for discussion at the Joint Audit / Corporate Development Committee meeting on 23 November 2021.

Our responsibilities are defined by the Public Finance and Accountability (Scotland) Act 2000 and the Code of Audit Practice ('the Code') issued by Audit Scotland. Subject to the satisfactory completion of the outstanding work, at the time of issuing this report we have the following conclusions:

Opinion on the financial statements	We anticipate issuing an unqualified opinion, without modification, on the financial statements. As outlined in more detail in section 2, we intend to include an Emphasis of Matter paragraph within our auditor's report with respect to the material valuation uncertainty disclosed in the financial statements regarding the College's land and buildings valuation in the year. Our proposed audit opinion is included in the draft auditor's report in Appendix B
Opinion on regularity	We anticipate issuing an unqualified regularity opinion, meaning that in our opinion, in all material respects the expenditure and income recognised in the financial statements have been applied for the purposes intended.
Opinion on other requirements	We anticipate issuing an unqualified opinion on the matters prescribed by the Auditor General for Scotland. Namely that the remuneration and staff report, performance report and governance statement have been properly prepared in accordance with the relevant legislation.
Wider scope work	<p>We anticipate concluding as follows against each of the four wider scope dimensions:</p> <ul style="list-style-type: none"> <li>• The College has effective arrangements, including budgetary control, that help the Board Members scrutinise finances;</li> <li>• The College has adequate financial planning arrangements in place. The long-term operational funding gap previously identified by the College as well as a need for significant capital investment increases and becomes more urgent. The College is reliant on the outcome of dialogue with the Scottish Funding Council to ensure future capital investment is made and therefore the risk of the College not being financially sustainable is reduced</li> <li>• The College has governance arrangements in place that provide appropriate scrutiny of decisions made by the Board of Management; and</li> <li>• The College has an effective performance management framework in place that supports progress towards the achievement of value for money.</li> </ul>

Our proposed audit and regularity opinion is included in the draft audit report in Appendix B.

# Executive summary (continued)

## Status of our audit work

We have substantially completed our work on the financial statements and wider scope work for the year ended 31 July 2021. At the time of preparing this report the following matters remain outstanding:

Audit area	Status	Description of outstanding matters
Closure procedures and review	●	<p>A final review of the Annual Report and Financial Statements will be completed on receipt of the final draft document. Standard audit completion still procedures require to be performed.</p> <p>We will also consider post balance sheet events until the date of sign-off.</p>

## Status

- Likely to result in material adjustment or significant change to disclosures within the financial statements
- Potential to result in material adjustment or significant change to disclosures within the financial statements
- Not considered likely to result in material adjustment or change to disclosures within the financial statements

## Internal control recommendations and misstatements

We did not identify any significant control weaknesses during our audit and have not raised any internal control recommendations. There were also no internal control recommendations from prior years to provide an update on.

Section 4 outlines the misstatements noted as part of our audit as at the time of issuing this report. To date we have not identified any misstatements through our audit work. If any additional misstatements are noted on completion of the outstanding work, these will be reported to the Audit Committee in a follow-up letter.

# Executive summary (continued)

## Our audit approach

We provided details of our intended audit approach in our Audit Strategy Memorandum on 21 May 2021. We have not made any changes to our audit approach since we presented our Audit Strategy Memorandum.

## Adding value through the audit

We recognise that all of our clients want us to provide a positive contribution to meeting their ever-changing business needs. Our aim is to add value to West College Scotland through our external audit work by being constructive and forward looking, by identifying areas of improvement and by recommending and encouraging good practice. In this way we aim to help the College promote improved standards of governance, better management and decision making and more effective use of limited financial resources.

## Materiality

Materiality is an expression of the relative significance or importance of a particular matter in the context of financial statements as a whole. Misstatements in financial statements are considered to be material if they, individually or in aggregate, could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

We set materiality at the planning stage of the audit at £1,323,000 using a benchmark (2%) of total expenditure. Our final assessment of materiality, based on the draft financial statements is £1,294,000 using the same benchmark.

	Initial Threshold £'000	Final Threshold £'000
Overall materiality	1,323	1,294
Performance materiality	1,058	1,036
Trivial threshold for errors to be reported to the Audit Committee	40	39

## Executive summary (continued)

The assessment of what is material is a matter of professional judgement and is affected by our perception of the financial information needs of the users of the financial statements. In making our assessment we assume that users:

- have a reasonable knowledge of business, economic activities and accounts;
- have a willingness to study the information in the financial statements with reasonable diligence;
- understand that financial statements are prepared, presented and audited to levels of materiality;
- recognise the uncertainties inherent in the measurement of amounts based on the use of estimates, judgement and the consideration of future events; and
- will make reasonable economic decisions on the basis of the information in the financial statements.

We consider materiality whilst planning and performing our audit based on quantitative and qualitative factors.

### **Performance Materiality**

Our audit testing is based on a level of performance materiality, which is a percentage of overall materiality, but also dependent on the level of inherent risk assessed on the area being tested. It is lower than overall materiality as it helps to reduce the risk that the total of the uncorrected or undetected misstatements does not exceed materiality for the financial statements as a whole. It is based on between 50 – 80% of overall materiality depending on the inherent risk level assessed. Our initial assessment of performance materiality is based on low inherent risk, meaning that we have applied 80% of overall materiality as performance materiality. This assessment has not changed during the audit process.

### **Misstatements**

We aggregate misstatements identified during the audit that are other than clearly trivial. We set a level of triviality for individual errors identified (a reporting threshold) for reporting to the Audit Committee that is consistent with the level of triviality that we consider would not need to be accumulated because we expect that the accumulation of such amounts would not have a material effect on the financial statements. This level was set at 3% of materiality.

## Audit of the financial statements

Set out below are the significant findings from our audit. These findings include:

- our audit conclusions regarding significant risks and key areas of management judgement outlined in the Audit Strategy Memorandum;
- our comments in respect of the accounting policies and disclosures that you have adopted in the financial statements. On page 12 we have concluded whether the financial statements have been prepared in accordance with the financial reporting framework and commented on any significant accounting policy changes that have been made during the year;
- any further significant matters discussed with management; and
- any significant difficulties we experienced during the audit.

### Significant risks and key areas of management judgement

As part of our planning procedures we considered the risks of material misstatement in the College's financial statements that required special audit consideration. Although our report identified significant risks at the planning stage of the audit in our Audit Strategy Memorandum, our risk assessment is a continuous process and we regularly consider whether new significant risks have arisen and how we intend to respond to these risks. No new risks have been identified since we issued our Audit Strategy Memorandum.

# Audit of the financial statements (continued)

## Valuation of Land and Buildings

### Description of area of focus

The College held land and buildings with a net book value of £98m as at 31 July 2020.

In line with the requirements of the Government Financial Reporting Manual, the College has adopted a formal revaluation policy of an external valuation every five years, with a desktop, interim valuation performed during the five year period. As the full valuation was performed as at 31 July 2018, an interim valuation was carried out as at 31 July 2021.

The College policy meets the requirements of the FE SORP that assets are valued sufficiently regularly so that the carrying value of the asset is not materially different from its fair value. The College is required to assess on an annual basis whether there are indicators of impairment to asset at the reporting date.

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### How our audit addressed this area of management judgement

We have performed a range of substantive procedures including:

- Examining the professional qualifications of the valuer;
- Challenging and substantiating the assumptions and the appropriateness of the date of valuations used by the valuer;
- Ensuring valuations and impairments have been completed on the appropriate basis and that movements are in line with expectation;
- Assess whether the report produced by the valuer has been appropriately reflected in the accounts;
- Review of the reconciliation between the College's asset register and general ledger; and
- Consider the College's impairment review process for land and buildings.

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### Audit conclusion

An interim valuation of the College estate was performed as at 31 July 2021, by a professional external valuer. The estate was valued at £109.9m. This has been appropriately reflected in the financial statements.

The College's external valuer has included a material valuation uncertainty paragraph within their valuation report covering the College's land and buildings. Consequently, the College has included a disclosure reporting the material valuation uncertainty in the notes to the financial statements. In our view, this matter is fundamental to the users' understanding of the financial statements and as such we intend to include an 'Emphasis of Matter' paragraph in respect of this disclosure within our draft auditors report set out in Appendix B. This is not a modification of opinion.

# Audit of the financial statements (continued)

## Management override of controls

### Description of the risk

In all entities, management at various levels within an organisation are in a unique position to perpetrate fraud because of their ability to manipulate accounting records and prepare fraudulent financial statements by overriding controls that otherwise appear to be operating effectively. Due to the unpredictable way in which such override could occur, we consider there to be a risk of material misstatement due to fraud and thus a significant risk on all audits.

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### How we addressed this risk

We addressed this risk through performing audit work over:

- Accounting estimates impacting on amounts included in the financial statements;
- Consideration of identified significant transactions outside the normal course of business; and
- Journals recorded in the general ledger and other adjustments made in preparation of the financial statements.

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### Audit conclusion

Satisfactory assurance has been gained in respect of the presumed risk of management override. We have no matters to report.

# Audit of the financial statements (continued)

## Revenue recognition

### Description of the risk

There is a presumption under International Standards on Auditing that there is a significant risk of fraud and error in the timing of revenue recognition leading to the material misstatement of revenue overall. This is because revenue is an area of particular focus by users of financial statements and can be subject to judgements as to when grant income should be recognised and if clawback conditions apply to the funding.

The presumption is able to be rebutted, which we have done for the College's grant income, as it carries very low inherent risk of fraud or error in its recognition. However the risk does apply to non-grant income generated by the College.

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### How we addressed this risk

We addressed this risk through performing audit work over:

- The design and implementation of controls management has in place to ensure income is recognised in the correct period;
- Cash receipts around year end to ensure they have been recognised in the appropriate year;
- The judgements made by management in determining when grant income is recognised; and
- Obtaining counterparty confirmation for major grant income.

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### Audit conclusion

Satisfactory assurance has been gained in respect of the presumed risk of revenue recognition. We have no matters to report.



# Audit of the financial statements (continued)

## **Expenditure recognition**

### **Description of the risk**

For public sector organisations, the same risk in relation to fraud and error in respect of the timing of recording of transactions can apply to the recognition of non-payroll related expenditure and contractual obligations.

The pressure to manage expenditure to ensure that budgeted outcomes are achieved increases the risk surrounding fraudulent reporting of expenditure.

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### **How our audit addressed this risk**

We have undertaken a range of substantive procedures including:

- The design and implementation of controls management has in place;
- Testing of non-payroll expenditure around the year end to ensure transactions are recognised in the appropriate year;
- Testing material year end payables, accruals and provisions; and
- Reviewing judgements about whether the criteria for recognising provisions are satisfied.

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### **Audit conclusion**

Satisfactory assurance has been gained in respect of the risk of expenditure recognition. We have no matters to report.

# Audit of the financial statements (continued)

## Key Areas of Management Judgement

Key areas of management judgement include accounting estimates which are material but are not considered to give rise to a significant risk of material misstatement. These areas of management judgement represent other areas of audit emphasis.

### Valuation of Pension Liabilities

#### Description of area of focus

The College makes contributions to two pension schemes – the Scottish Teachers Superannuation Scheme (STSS) and the Strathclyde Pension Fund (SPF). While both are defined benefit schemes, it is not possible to identify the College's share of the underlying assets and liabilities in the STSS and it is therefore accounted for as a defined contribution scheme. The College's share of the SPF's underlying assets and liabilities is identifiable and is recognised in the accounts.

Given the scale of the liability recognised, a misstatement in the reported position could be material to the financial statements.

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#### How we have addressed this area of management judgement

We have addressed the risk by:

- Considering the arrangements put in place, including the controls, for making estimates in relation to pension entries in the financial statements; and
- Considering the reasonableness of the actuary's assumptions used in providing the College with information in the financial statements through the use of our internal experts

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#### Audit conclusion

There have been no other significant findings arising from our review of the defined benefit liability valuation and disclosures in the financial statements.

# Audit of the financial statements (continued)

## **Qualitative aspects of the entity's accounting practices**

We have reviewed the College's accounting policies and disclosures and concluded they comply with the requirements of the 2015 Statement of Recommended Practice: Accounting for Further and Higher Education and the Government Financial Reporting Manual 2020/21 and were appropriately tailored to the College's circumstances.

Draft financial statements were received from the College on 15 September 2021 at the start of audit fieldwork. The draft annual report was received during fieldwork on 20 October 2021. Both draft financial statements and draft annual report were of a good quality.

Producing quality supporting working papers is a crucial part of compiling financial statements that are complete and materially accurate. They also support the delivery of an efficient audit. Working papers provided for audit were of a good standard and staff were responsive to our requests during the audit.

## **Significant matters discussed with management**

No significant matters arose during the course of the audit.

## **Significant difficulties during the audit**

We completed our audit remotely. During the course of the audit we did not encounter any significant difficulties and we have had the full co-operation of management, the draft accounts, working papers and annual report were all provided in line with the agreed timetable. We would like to express our thanks to management and officers for their co-operation throughout the audit.

## Internal control recommendations

The purpose of our audit is to express an opinion on the financial statements. As part of our audit we have considered the internal controls in place relevant to the preparation of the financial statements. We do this in order to design audit procedures to allow us to express an opinion on the financial statement and not for the purpose of expressing an opinion on the effectiveness of internal control, nor to identify any significant deficiencies in their design or operation.

The matters reported are limited to those deficiencies and other control recommendations that we have identified during our normal audit procedures and that we consider to be of sufficient importance to merit being reported. If we had performed more extensive procedures on internal control we might have identified more deficiencies to be reported or concluded that some of the reported deficiencies need not in fact have been reported. Our comments should not be regarded as a comprehensive record of all deficiencies that may exist or improvements that could be made.

We did not identify any significant control weaknesses during our audit and have raised no internal control recommendations.

## Summary of Misstatements

This section outlines the misstatements identified during the course of the audit, above the trivial threshold for adjustment of £39k.

### Adjusted misstatements

There were no adjusted misstatements identified during the course of the audit above the trivial threshold of £39k.

### Unadjusted misstatements

There were no unadjusted misstatements identified during the course of the audit above the trivial threshold of £39k.

## Wider Scope

### Our approach to Wider Scope work

The Code requires us to conclude and make a judgement on the four dimensions of wider scope work. These are:

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

The table overleaf sets out the four dimensions of Wider Scope and our adopted approach.

## Wider scope (continued)

Dimension	Description	Our approach
<b>Financial sustainability</b>	Extending our work on the going concern assumption in the financial statements looking forward two to five years from the reporting date, reviewing, and assessing the college's arrangements for financial planning and affordable and sustainable service delivery	<p>We have considered:</p> <ul style="list-style-type: none"> <li>• the financial planning system in place for short, medium and long term periods</li> <li>• the adequacy and accuracy of financial reporting arrangements</li> <li>• the reasonableness of affordability assumptions made in financial planning</li> <li>• the extent to which the financial planning assumptions have been updated and affected by the COVID-19 pandemic</li> </ul>
<b>Governance Statement</b>	The Governance Statement sets out the internal control arrangements and governance framework in place for the year under review	<p>We have considered:</p> <ul style="list-style-type: none"> <li>• The effectiveness of internal control arrangements</li> <li>• the appropriateness of disclosures made in the Governance Statement</li> <li>• whether the disclosure requirements of the Accounts Direction and the Code of Good Governance for Scotland's Colleges have been met</li> </ul>
<b>Financial Management</b>	Financial management is concerned with financial capacity, sound budgetary processes and whether the control environment and internal controls are operating effectively.	<p>We have considered:</p> <ul style="list-style-type: none"> <li>• the monitoring of the effectiveness of internal control arrangements</li> <li>• the response to the COVID-19 pandemic and whether this has involved changes to the governance of the College</li> <li>• whether the College's budgetary control system is timely and accurate</li> <li>• whether and how the College has assessed their financial capacity and skills</li> </ul>
<b>Value for Money</b>	Value for money concerns using resources effectively and continually improving services.	<p>We have considered:</p> <ul style="list-style-type: none"> <li>• the College's evidence of providing value for money</li> <li>• the focus on improving value for money and the pace of change at the College.</li> </ul>

## Wider scope

### Financial management

#### Dimension

Financial management is concerned with financial capacity, sound budgetary processes and whether the control environment and internal controls are operating effectively.

#### Our conclusion

West College Scotland has effective arrangements, including budgetary control, that help Board of Management members scrutinise finances.

### Financial performance

#### FE/HE SORP position

	2020/21 £'000	2019/20 £'000
Operating income	58,985	57,745
Staff costs	(46,876)	(46,160)
Operating expenditure	(17,847)	(19,019)
<b>Operating Deficit for the year (FE/HE SORP basis)</b>	<b>(5,738)</b>	<b>(7,434)</b>

The above table shows the financial performance of the College for 2020/21 and 2019/20 under the FE/HE SORP. Despite a deficit being shown over both years:

- The College achieved its financial targets and spending was in line with the plan;
- There were no significant changes to the reported position during the year; and
- The student credit target was met confirming the level of funding in the financial statements.

#### Adjusted operating position

The table above sets out the financial position in accordance with the SORP requirements. The table overleaf reflects the 'adjusted operating position' as required by the Accounts Direction set by the SFC. The adjusted operating position removes more volatile accounting entries, such as the valuation of pensions. Full details of the adjustments included are shown in the Performance Report within the Annual Report and Financial Statements.



## Wider scope

### Financial management (continued)

	2020/21 £'000	2019/20 £'000
<b>(Deficit) before other gains and losses</b>	(5,738)	(7,434)
<b>Add back:</b>		
- Depreciation (net of deferred capital grant release)	2,732	2,638
- Non-cash pension adjustment – Net Service Cost	3,122	2,950
- Non-cash pension adjustment – Net Interest Cost	625	505
- Loss on Disposal of assets	-	25
<b>Deduct:</b>		
- Loan repayments	(527)	(510)
<b>SFC Declared adjusted operating surplus / (deficit)</b>	<b>214</b>	<b>(1,826)</b>

The Accounts Direction issued by the SFC for 2020/21 required Colleges to submit the adjusted operating position calculation with draft accounts to the SFC for review before the accounts are signed off. SFC have confirmed they are satisfied with the Adjusted Operating Position calculation reported to them.

The table above shows that once the non-cash and other applicable adjustments are made, the College has achieved a surplus in the year of £214k. This demonstrates that the College has operated within its budget for the 2020/21 financial period in comparison to the previous year where a significant deficit was incurred as a result of the impact of COVID-19 in areas such as commercial income, tuition fees and flexible workforce development training funding. Whilst this loss of income was unexpected in the prior year and had an immediate impact in the final quarter of 2019/20, the College has managed its income levels in conjunction with its associated spending to manage its operating position throughout 2020/21.

#### Impact of Depreciation Budget

The Statement of Comprehensive Income and Expenditure is prepared under the FE/HE SORP, which does not permit the inclusion of the non-cash budget for depreciation. Colleges may show a deficit equivalent to net depreciation as a result of having to meet Government accounting rules.

## Wider scope

### Financial management (continued)

	2020/21 £'000	2019/20 £'000
Operating Deficit for the year (FE/HE SORP basis)	(5,738)	(7,434)
Add: Depreciation budget for government funded assets (net of deferred capital grant) for academic year	2,732	2,638
Operating Deficit on Central Government accounting basis	(3,006)	(4,796)

The table above shows a deficit when the impact of the depreciation budget is taken as the only adjusting factor to the financial position. The operating position table at the top of the page also shows an operating deficit for 2020/21. This is considered to be a result of the continued impact of COVID-19 in areas such as loss of commercial income, rising staff costs due to national wage raises, and the cost of the voluntary severance scheme put in place by the College during the year.

#### **Budgetary process**

We have reviewed and considered the budgetary processes and controls and budget monitoring arrangements in place at the College. Our work consisted of a review of budget monitoring reports and committee papers and attendance at committees. Overall, we consider that the Board of Management obtains regular and timely financial information that reflects the actual financial position.

We note that budget reports were produced on a timely basis and considered by the appropriate committee throughout the year. Budget reports and forecasts were appropriately updated based on prudent assumptions, there was considered no unreasonable movements throughout the quarterly forecasts and budgets considering the impact of actual and potential Covid-19 lockdowns throughout the year. The Corporate Development Committee considers the management accounting pack regularly, reporting to the Board of Management. Minutes of the meeting document the level of challenge made by the Committee to the financial performance. The Corporate Development Committee was established during 2020/21, replacing the HR and Corporate Development; Finance and General Purposes; and Asset and Infrastructure Committees. The Corporate Development Committee therefore now receives the financial papers that were previously submitted to the Finance and General Purposes Committee.

## Wider scope

### Financial management (Continued)

#### **Internal controls**

As part of our audit we have considered the internal controls in place that are relevant to the preparation of the financial statements. We do this to design audit procedures that allow us to express an opinion on the financial statements; this does not extend to expressing an opinion on the effectiveness of internal control or to identify any significant deficiencies in their design or operation.

We have also considered the work of internal audit, from individual reviews of financial systems and their annual audit opinion on the control framework in place at the College.

We conclude that the processes and controls in place at the College are operating effectively. The College has all the expected control, risk, performance and financial arrangements in place. There are a series of regularity documents including standing orders, articles of governance, code of conduct, and financial regulations intended to ensure regularity of transactions.

#### **Prevention and detection of fraud and irregularity**

Management and the Audit Committee, as those charged with governance, also have responsibilities in respect of fraud. They are responsible for safeguarding assets and for the prevention and detection of fraud, error and non-compliance with laws and regulations.

We have a responsibility to review the College's arrangements for the prevention and detection of fraud. Our audit work was planned to provide a reasonable expectation of detecting material misstatements in the financial statements resulting from fraud and irregularity. We found the arrangements in place to be satisfactory and identified no material misstatements resulting from fraud or irregularity.

#### **National Fraud Initiative**

The College participates in the National Fraud Initiative (NFI) exercise. Data was submitted in line with timescales and the Audit Committee have been informed of the exercise. No significant findings or issues arose from NFI during the 2020/21 audit process. The College met all deadlines set by the NFI and investigated potential matches in a timely manner.

## Wider scope

### Financial sustainability

#### Dimension

Financial sustainability extends the going concern assumption from the financial statements, looking forward two to five years, reviewing and assessing arrangements for financial planning and affordable and sustainable service delivery in this timescale.

#### Our conclusion

West College Scotland has adequate financial planning arrangements in place. The long-term operational funding gap previously identified by the College as well as a need for significant capital investment increases and becomes more urgent. The College is reliant on the outcome of dialogue with the Scottish Funding Council to ensure future capital investment is made and the risk of the College not being financially sustainable is reduced.

#### Identified significant risks to our wider scope work

As part of our planning procedures we considered whether there were significant risks that would impact on any of the four areas of our wider scope work that would require special audit consideration. We set out the identified risk to this area of wider scope work and how we addressed the risk.

## Wider scope

### Financial sustainability (continued)

#### Financial Sustainability

##### Description of the risk

The College has identified that significant efficiency savings are required over the next 3 years to deliver a balanced budget and there is a need for significant capital investment to bring the current estate up to condition B standards. The risk is therefore that efficiency savings targets are not met which impact the College's ability to balance the budget and that the required capital investment is not obtained which could lead to further deterioration of the estate, potentially impacting the ability to provide services to students which would lead to inability to maintain funding levels.

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##### How we addressed the risk

We have addressed the risk by:

- Reviewing the forecast financial position in the three-year financial plans submitted to SFC;
  - Reviewing the financial and resource implications of any voluntary severance scheme run by the College;
  - Alternative plans being considered by the College to ensure a balanced budget is achieved;
  - Reviewing the financial reporting arrangements in place at the College; and
  - Reviewing progress made with plans to replace the Greenock and Paisley campuses, alongside the impact on finance performance
- 

##### Wider scope conclusion

The College and its Board of Management have a clear view of the financial challenges and long-term risks faced. The College has identified that it may need to make further staff cost efficiencies of up to £2.3m over the next three-year period. In addition to this a further £1.6m of staff costs are likely to require to be saved with the cessation of European Social Fund (ESF) activity at 31 July 2022.

The College remains in dialogue with the SFC and has submitted new business cases, progressing the plans for the replacement of the Greenock and Paisley campuses. There is no timeline as yet for a decision on the updated business cases. There is an ongoing significant risk that without further revenue funding to support estates maintenance or capital funding to support replacement, the operating environment of the College will continue to deteriorate.

Given the level of sector wide uncertainties around future funding and of the general economic environment that have arisen following Covid-19, it is reasonable that the College forecasts do not exceed the three-year modelling period requested by the SFC. Longer term actions are included within this period which demonstrates that the College is taking steps to ensure its long-term financial sustainability, however, these rely on the outcome of on-going dialogue with SFC over funding for aspects such as voluntary severance and capital investment.

## Wider scope

### Financial sustainability (continued)

#### Financial Planning

The College would normally prepare a 5-year budget and forecast which forms the basis of the Financial Forecast Return (FFR) required to be submitted to the SFC annually. The 2020/21 FFR was prepared using the figures in a baseline budget approved by the Board of Management in June 2021. In the prior year, given the level of uncertainties relating to financial planning, the SFC requested only a 3-year FFR, this approach has been adopted again in the current year due to these uncertainties continuing.

	Budget 2021/22 £'000	Updated Budget 2021/22 £'000	Forecast 2022/23 £'000	Forecast 2023/24 £'000
Adjusted Operating Position	25	(2,039)	75	83

The FFR approved by the Board in June 2021 projected a small surplus of £25k. In October 2021, the Board of Management were provided with an update to the 2021/22 budget that the College was likely to face a £2m deficit in year. Several issues were identified at the start of 2021/22 which are likely to impact the overall financial position as at 31 July 2022 and so the decision was taken to update the budget. There is expected to be a shortfall of ESF credits due to lower than expected enrolments and late changes to the SFC credit guidance. Consequently, this is forecast to result in the College not being able to deliver additional activity for Young Person's Guarantee (YPG) and The National Transition Training Fund (NTTF) programmes due to the credit shortfall. The continuation of some Covid-19 restrictions has seen a lower level of student and staff activity on all College campuses resulting in a reduced level of catering income. The College predict that this will lead to a £2,039k deficit.

The projected outturn has been discussed in detail at the October Board meeting and the November Corporate Development Committee and is scheduled to be formally approved by the Board in December 2021.

A summary of the College's three year forecast is included in the table below.

## Wider scope

### Financial sustainability (continued)

	Budget 2021/22 £'000	Forecast 2022/23 £'000	Forecast 2023/24 £'000
Total Income	62,727	63,439	64,233
Staff costs	(48,216)	(47,364)	(48,485)
Total other expenditure	(19,425)	(18,927)	(18,569)
<b>Operating surplus/(deficit) before other gains and losses</b>	<b>(4,914)</b>	<b>(2,852)</b>	<b>(2,821)</b>
Total Depreciation	3,197	3,197	3,197
Loan Repayments	(322)	(270)	(293)
<b>Adjusted Operating Result</b>	<b>(2,039)</b>	<b>75</b>	<b>83</b>

The College originally forecast a small adjusted operating surplus in each of the next 3 years. This was then revised to reflect the anticipated shortfall of credits due to late changes to the SFC credit guidance and lower than expected August 2021 enrolment figures, resulting in a budgeted deficit of £2m in 2021/22. The College has assigned actions to address this funding shortfall in 2021/22 and expects these issues to be solved by 2022/23, therefore returning to anticipated surplus results set out in the FFR.

The above forecasts include efficiency savings of £4.7m across the 3 years. There is not only a required focus on the efficiency savings targets being met, but the College also assumes in its forecast that income will increase each year. This is justified by the SFC announcing increased funding allocations for 2021/22 and the SFC intention to maintain credit funding levels after ESF has ended as per the SFC Financial Forecast Guidance 2021-2024.

The College will need to deliver a further package of savings or increased income in order to address the challenges for 2022/23.

The impact of Covid-19 provides an additional risk for the College in achieving a balanced budget over the FFR period where any efficiencies able to be generated in this time may not be sufficient to address a growing funding gap – if, for example, projections around commercial income cannot be achieved.

## Wider scope

### Financial sustainability (continued)

This is a sector-wide risk relating to uncertainties resulting from the impact of Covid-19, given the College has an existing known future funding gap and required savings in their plan, we understand the College will require to make further efficiency savings/require to obtain additional income to achieve financial sustainability.

Until such time as either additional funding is made available or the College is able to identify and implement additional cost efficiencies, we therefore consider there to be concerns over the financial sustainability of the College.

### Asset Management and Estates Strategy

Included in the operating costs in the previous table are significant maintenance costs for the College estate which are generally funded through SFC estate lifecycle maintenance. West College Scotland operates from three primary locations in Clydebank, Greenock and Paisley across 12 operational buildings. Of this, only four buildings are graded level 1 (excellent) for functional suitability. Seven buildings, at the Greenock and Paisley campuses require major repair or replacement.

The College submitted Outline Business Cases (OBC) for the replacement of the Paisley and Greenock campuses to the SFC in October 2016 and October 2017 respectively. The estimated investment required to replace both campuses at that point was approximately £200m. Since the OBC submission the College has continued to work with the SFC to refine and update these documents. During 2020/21, the SFC provided £84k to assist the College in developing an updated Greenock Business Case, which was completed and approved by the Board of Management in October 2021. The updated OBC takes account of revised space requirements following the pandemic and a hybrid approach to teaching in some cases. Shortly after the Board approval, the College received an updated list of requested amendments from the SFC. The submission of the OBC has been delayed to allow the College to address these amendments. For the Paisley campus, the SFC has requested Strategic Outline Case for this project, to assist with further consideration of the development proposed. There is no timeline currently for decisions to be reached on these significant proposed capital projects.

#### National estates survey

The 2017 survey by Gardiner & Theobald estimated that the College required an investment of £61.0m in the next 10 years. Overall, across Scotland the total backlog costs were estimated at £363m. The Scottish Funding Council has been working with the Scottish Government and Scottish Futures Trust to produce a framework for college sector estate development to manage competing demands for estate development.

The College undertook a further estate condition survey in 2019 which showed an estimate of £82.3m would be required over the next 10 years to bring the condition of the estate to category B (sound, operationally safe, and exhibiting only minor deterioration). The survey estimated that over the next 5 years £42.4m would be required to bring the College campuses to Category B status. This is made up of £16.6m and £21.3m at the Paisley and Greenock campuses, with a further £4.5m at the Clydebank campus. A further £39.9m was recognised as being required across the three campuses in the following 5 years.

The College has continued to receive variable levels of both estate lifecycle and high priority



## Wider scope

### Financial sustainability (continued)

maintenance funding from the SFC as noted in the table below:

#### Asset Management and Estates Strategy (continued)

	2019/20 £'000	2020/21 £'000	2021/22 £'000
Lifecycle maintenance funding	821	1,193	1,121
High priority maintenance funding	1,710	2,574	2,572
<b>Total estate maintenance funding</b>	<b>2,531</b>	<b>3,767</b>	<b>3,693</b>

An increasing level of lifecycle and high priority maintenance funding has been awarded for 2020/21 and 2021/22 than in 2019/20 but is significantly lower than costs identified in the 2019 condition survey.

There is also the risk associated with an aging estate that further issues will have arisen since the 2019 condition survey was completed that would increase these costs further. The College intends to continue to use the high priority maintenance funding in agreement with the SFC to address the areas of priority raised by the both survey reports. These priority areas will be supplemented by estate projects that have been identified by the College itself to support a long-term approach of the College Estate Strategy 2016-2026.

The College estate requirements cannot be met through the SFC core funding. If the condition of the estate deteriorates to the extent that students cannot be attracted, there is likely to be a reduction in student numbers, which will in turn reduce the funding received by the College.

## Wider scope

### Governance and transparency

#### Dimension

Governance and transparency covers the effectiveness of scrutiny and governance arrangements, leadership and decision making and transparent reporting of financial and performance information.

#### Our conclusion

West College Scotland has governance arrangements in place that provide appropriate scrutiny of decisions made by the Board of Management. We consider the additional governance arrangements made by the College to deal with the impact of COVID-19 to be appropriate.

#### Governance arrangements

Our work in this area has considered the overall governance arrangements in place at the College, reviewed the financial and performance reporting to the Board of Management, and reviewed the minutes of committees to inform our assessment of the appropriateness of the governance structure. We have also attended Audit Committees during the year.

Financial papers submitted to committees are relevant and timely. Each paper has a summary setting out the purpose of the paper and the action required by the members. Minutes are understandable and contain detail of discussions and rationale for decision making.

At 31 July 2021, the Board consisted of 18 members, 8 female (including the Principal) and 10 male. In the current year the Board has not continued to maintain a gender balance that meets with the objective of the Gender Representation on Public Boards (Scotland) Act 2018.

The key committees' membership comprises of, and are chaired by Board members, with each also containing the Principal, with the exception of the Audit Committee. In addition, the Chair of the Board is also not permitted to be a member of the Audit Committee. Appropriate College officers attend committees and present reports as required.

The College has co-opted independent members, appointed for their specific skills and expertise on a number of sub-committees to the Board. We have found this arrangement works well, and encourage the College to continue this, where possible.

## Wider scope

### Governance and transparency (continued)

#### **Covid-19 Governance arrangements**

Following the Government announcement of the initial lockdown in 2020, the College suspended all face-to-face teaching from Wednesday 18 March and teaching and College operations were performed remotely for the remainder of the 2019/20 academic year.

Board and Committees continued to meet on the same schedule during this period using appropriate virtual platforms. The College also set up a Covid Executive Group and a College Mobilisation Group which both met on a weekly basis to discuss the College's responses to the continuing challenges of Covid-19 pandemic and resulting lockdowns.

Ongoing communication was made with students and staff via the College website with FAQ's created and updated on a daily basis and messages shared throughout social media platforms with links to the website. Free mental health support was available to students through the College's membership of 'Big White Wall' community with messages and links shared regularly.

The College re-opened to students on 22 September 2020 for the 2020/21 academic year on a blended learning delivery method for teaching. To help plan and support for reopening actions taken by the College include;

- Issue of questionnaire to all students to identify to establish needs that may exist
- FAQ guide published on the College website and links shared throughout social media
- YouTube videos released for guidance around aspects such as online learning, ICT guidance, use of Microsoft Teams and Office 365

Lockdowns occurred throughout 2020/21 and the threat of imminent lockdowns remained throughout. The College was set up to deal with these effectively due to their blended learning approach being operational from the prior year.

The College's internal auditors reviewed the College's response to the Covid-19 pandemic and concluded that the College had strong controls in place to effectively respond to the challenges resulting from the pandemic and associated lockdowns.

We have reviewed the College's Covid-19 Governance arrangements and conclude that there is evidence of appropriate governance arrangements in this regard.

## Wider scope

### Governance and transparency (continued)

#### **Governance Statement**

As part of our audit we have read the governance statement included in the annual report. The governance statement sets out the corporate governance framework in place throughout the reporting year, the internal controls in operation, the work of internal audit and the overall efficiency and effectiveness of the governance framework.

The governance statement confirms the College's compliance with the 2016 Code of Good Governance for Scotland's Colleges.

We are required to read and provide an opinion on the governance statement. In our opinion, the information contained within is consistent with the financial statements. We also consider that the governance statement has been prepared in accordance with the Further and Higher Education (Scotland) Act 1992 and further directions made by the Scottish Funding Council.

#### **Internal audit**

An effective internal audit service is an important element of any organisation's governance arrangements. Internal audit provide the College with independent assurance on internal control and corporate governance processes. The internal audit function at the College is provided by Wylie & Bisset. Internal Audit have attended Audit Committees throughout the year and have produced 8 reports to support the overall Annual Internal Audit Opinion. An additional report was produced regarding the College's response to an attempted cyber attack in the year, concluding the College acted appropriately and had strong controls to respond to such events.

#### **Transparency**

Transparency means that service users and the public have access to understandable information about how the College is making decisions and using its resources. There is a commitment to transparency, with the minutes and papers of the Board of Management and key committees being available on the website.

## Wider scope

### Value for money

#### Dimension

Value for money concerns using resources effectively and continually improving services.

#### Our conclusion

West College Scotland has an effective performance management framework in place that supports progress towards the achievement of value for money.

#### Performance management

The College delivered its Regional Outcome Agreement (ROA) target credits. A financial deficit was incurred in the year, highlighting the continued financial difficulties the College faces. There is close monitoring of the delivery of the ROA and financial performance reports provide sufficient information to allow members to understand performance. Budget monitoring information provides a detailed analysis of variances allowing budget to be appropriately managed. Through this management of the 2020/21 budget there is clear evidence that the College understands cost drivers and is in control of costs as far as can be reasonably expected given the circumstances of the year.

#### Regularity

As part of our audit of the College's financial statements, we are required by the Public Finance and Accountability (Scotland) Act 2000 to give an opinion on the regularity of expenditure and receipts shown in the financial statements. Regular expenditure and income is that which has been incurred / obtained in line with guidance issued by the Scottish Ministers and the terms and conditions of funding of the Scottish Funding Council.

The College has arrangements to monitor the requirements of the Scottish Funding Council, Audit Scotland and other regulatory or advisory bodies to ensure it complies with the terms and conditions of funding including regular reporting of financial and operational performance to the Board of Management and its committees.

Our review found an effective control environment exists over regularity of expenditure and receipts. No instances of non-compliance with Scottish Funding Council terms and conditions were noted.

## Our fee

### Fees for work as the College's appointed auditor

We reported our proposed fees for the delivery of our work in our Audit Strategy Memorandum, presented to the Audit Committee on 21 May 2021. Having completed our work for the 2020/21 financial year, we can confirm that our final fees are as follows:

Area of work	Proposed fee 2020/21	Final fee 2020/21
Auditor remuneration	£29,230	£30,230
Pooled costs	£1,600	£1,600
Contribution to Audit Scotland costs	£1,670	£1,670
<b>Total Fee</b>	<b>£32,500</b>	<b>£33,500</b>

The audit of the valuation of land and buildings is subject to a high level of scrutiny from our regulators, which has resulted in us having to perform higher levels of work to ensure we are meeting the expectations of our regulators. In addition, due to the land and building valuation as at 31 July 2021 including a Material Valuation Uncertainty clause, we have incurred additional costs in our audit and reporting. An additional £1,000 will be charged for this work.

We confirm that these fees are in line with the scale fee set by Audit Scotland. We also confirm that we have not undertaken any non-audit services for the College in the year.





## Appendix A

### **Draft Management Representation letter**

Dear Sirs

#### **LETTER OF REPRESENTATION**

We confirm to the best of our knowledge and belief the following representations given to you in connection with your audit of the College's accounts for the period ended 31 July 2021.

We acknowledge as members of the Board of Management our responsibility for ensuring:

- a) the financial statements are free of material misstatements including omissions;
- b) that the financial statements give a true and fair view of the state of affairs of the College as at 31st July 2021;
- c) all the accounting records have been made available to you for the purpose of your audit and all the transactions undertaken by the College have been properly reflected and recorded in the accounting records;
- d) all other records and related information, including minutes of all management meetings, have been made available to you;
- e) the accounting policies used are detailed in the financial statements and are consistent with those adopted in the previous financial statements and are in accordance with the Accounts Direction issued by the Scottish Funding Council (SFC) under the terms of the Further and Higher Education (Scotland) Act 1992; and
- f) compliance with the terms and conditions of the Financial Memorandum issued to the Board of Management by the SFC.

Wylie & Bisset acted as Internal Auditors to the College during the year. All reports issued to the College and our responses to them have been made available to you.

We acknowledge our responsibility for the design and implementation of internal control systems to prevent and detect fraud. We have disclosed to you the results of our risk assessment that the financial statements may be misstated as a result of fraud. There have been no irregularities (or allegations of irregularities) involving management, employees who have a significant role in internal control or others that could have a material effect on the financial statements.

The College has no liabilities or contingent liabilities other than those disclosed in the accounts.

All claims in connection with litigation that have been, or are expected to be, received have been properly accrued for in the financial statements

## Appendix A

There have been no events since the balance sheet date that require disclosure or which would materially affect the amounts in the accounts, other than those already disclosed or included in the accounts. Should further material events occur, which may necessitate revision of the figures included in the financial statements or inclusion of a note thereto, we will advise you accordingly.

The College has had at no time during the year any arrangement, transaction or agreement to provide credit facilities (including loans, quasi-loans or credit transactions) for the Board of Management nor to guarantee or provide security for such matters.

We confirm that we have disclosed to you all related party transactions relevant to the College and that we are not aware of any further related party matters that require disclosure in order to comply with the requirements of charities legislation, the Statement of Recommended Practice for Further and Higher Education accounts or accounting standards.

The College has not contracted for any capital expenditure other than as disclosed in the accounts.

The College has satisfactory title to all assets and there are no liens or encumbrances on the College's assets, except for those that are disclosed in the financial statements.

We are not aware of any irregularities, including fraud, involving existing management or employees of the College, nor are we aware of any breaches or possible breaches of statute, regulations, contracts, agreements or College's Constitution and Articles of Government which might result in the College suffering significant penalties or other loss. No allegations of such irregularities, including fraud, or such breaches have come to our attention.

We confirm that we are not aware of any possible or actual instance of non-compliance with those laws and regulations which provide a legal framework within which the College conducts its business.

We confirm that, in our opinion, the College is a going concern on the grounds that current and future sources of funding or support will be more than adequate for the College's needs. We have considered a period of twelve months from the date of approval of the financial statements. We believe that no further disclosures relating to the College's ability to continue as a going concern need to be made in the financial statements.

We confirm that we have carried out an assessment of the potential impact of the Covid-19 pandemic on the College, including the impact of mitigation measures and uncertainties, and that the disclosure in the Performance Report fairly reflects that assessment.



# Appendix A

We confirm that we have carried out an assessment of the potential impact of the United Kingdom leaving the European Union, including the potential outcomes at the end of the Implementation Period, and that the disclosure in the Performance Report fairly reflects that assessment.

We confirm that no unadjusted misstatements have been brought to our attention.

We confirm that the above representations are made on the basis of enquiries of management and staff with relevant knowledge and experience (and, where appropriate, of supporting documentation) sufficient to satisfy ourselves that we can properly make each of the above representations to you.

Yours faithfully

..... Chair of Board

..... Principal

# Appendix B

## Draft Audit Report

**Independent auditor's report to the members of the Board of Management of West College Scotland, the Auditor General for Scotland and the Scottish Parliament**

### Reporting on the audit of the financial statements

#### Opinion on financial statements

We have audited the financial statements in the annual report and accounts of West College Scotland for the year ended 31 July 2021 under the Further and Higher Education (Scotland) Act 1992 and section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005. The financial statements comprise the Statement of Comprehensive Income and Expenditure, Statement of Changes in Reserves, Balance Sheet, and Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the accompanying financial statements:

- give a true and fair view in accordance with the Further and Higher Education (Scotland) Act 1992 and directions made thereunder by the Scottish Funding Council of the state of the College's affairs as at 31 July 2021 and of its surplus for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- have been prepared in accordance with the requirements of the Further and Higher Education (Scotland) Act 1992 and directions made thereunder by the Scottish Funding Council, the Charities and Trustee Investment (Scotland) Act 2005, and regulation 14 of The Charities Accounts (Scotland) Regulations 2006 (as amended).

#### Basis for opinion

We conducted our audit in accordance with applicable law and International Standards on Auditing (UK) (ISAs (UK)), as required by the Code of Audit Practice approved by the Auditor General for Scotland. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We were appointed by the Auditor General on 31 May 2016. The period of total uninterrupted appointment is five years. We are independent of the college in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. Non-audit services prohibited by the Ethical Standard were not provided to the college. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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## **Emphasis of Matter: Material valuation uncertainty**

We draw attention to Note 1(t) of the financial statements, which discloses a material valuation uncertainty caused by Covid-19 declared in the valuation report for property. Our opinion is not modified in respect of this matter.

## **Conclusions relating to going concern basis of accounting**

We have concluded that the use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the college's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from when the financial statements are authorised for issue.

## **Risks of material misstatement**

We report in a separate Annual Audit Report, available from the [Audit Scotland website](#), the most significant assessed risks of material misstatement that we identified and our judgements thereon.

## **Responsibilities of the Board of Management for the financial statements**

As explained more fully in the Statement of the Board of Management's Responsibilities, the Board of Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the financial reporting framework, and for such internal control as the Board of Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Management is responsible for assessing the college's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless deemed inappropriate.

## **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. Irregularities, including fraud, are instances of non-compliance with laws and regulations.

We design procedures in line with our responsibilities outlined above to detect material misstatements in respect of irregularities, including fraud. Procedures include:

- obtaining an understanding of the applicable legal and regulatory framework and how the college is complying with that framework;
- identifying which laws and regulations are significant in the context of the College;
- assessing the susceptibility of the financial statements to material misstatement, including

## Appendix B

how fraud might occur; and

- considering whether the audit team collectively has the appropriate competence and capabilities to identify or recognise non-compliance with laws and regulations.

The extent to which our procedures are capable of detecting irregularities, including fraud, is affected by the inherent difficulty in detecting irregularities, the effectiveness of the college's controls, and the nature, timing and extent of the audit procedures performed.

Irregularities that result from fraud are inherently more difficult to detect than irregularities that result from error as fraud may involve collusion, intentional omissions, misrepresentations, or the override of internal control. The capability of the audit to detect fraud and other irregularities depends on factors such as the skilfulness of the perpetrator, the frequency and extent of manipulation, the degree of collusion involved, the relative size of individual amounts manipulated, and the seniority of those individuals involved.

A further description of the auditor's responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

### **Reporting on regularity of expenditure and income**

#### **Opinion on regularity**

In our opinion in all material respects the expenditure and income in the financial statements were incurred or applied in accordance with any applicable enactments and guidance issued by the Scottish Ministers.

#### **Responsibilities for regularity**

The Board of Management is responsible for ensuring the regularity of expenditure and income. In addition to our responsibilities to detect material misstatements in the financial statements in respect of irregularities, we are responsible for expressing an opinion on the regularity of expenditure and income in accordance with the Public Finance and Accountability (Scotland) Act 2000.

### **Reporting on other requirements**

#### **Opinion prescribed by the Auditor General for Scotland on audited part of the Remuneration and Staff Report**

We have audited the parts of the Remuneration and Staff Report described as audited. In our opinion, the audited part of the Remuneration and Staff Report has been properly prepared in accordance with the Further and Higher Education (Scotland) Act 1992 and directions made thereunder by the Scottish Funding Council.

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## **Statutory other information**

The Board of Management is responsible for the statutory other information in the annual report and accounts. The statutory other information comprises the Performance Report and the Accountability Report excluding the audited part of the Remuneration and Staff Report.

Our responsibility is to read all the statutory other information and, in doing so, consider whether the statutory other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this statutory other information, we are required to report that fact. We have nothing to report in this regard.

Our opinion on the financial statements does not cover the statutory other information and we do not express any form of assurance conclusion thereon except on the Performance Report and Governance Statement to the extent explicitly stated in the following opinions prescribed by the Auditor General for Scotland.

## **Opinions prescribed by the Auditor General for Scotland on Performance Report and Governance Statement**

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the Performance Report for the financial year for which the financial statements are prepared is consistent with the financial statements and that report has been prepared in accordance with the Further and Higher Education (Scotland) Act 1992 and directions made thereunder by the Scottish Funding Council; and
- the information given in the Governance Statement for the financial year for which the financial statements are prepared is consistent with the financial statements and that report has been prepared in accordance with the Further and Higher Education (Scotland) Act 1992 and directions made thereunder by the Scottish Funding Council.

## **Matters on which we are required to report by exception**

We are required by the Auditor General for Scotland to report to you if, in our opinion:

- adequate accounting records have not been kept; or
- the financial statements and the audited part of the Remuneration and Staff Report are not in agreement with the accounting records; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in respect of these matters.

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## Conclusions on wider scope responsibilities

In addition to our responsibilities for the annual report and accounts, our conclusions on the wider scope responsibilities specified in the Code of Audit Practice are set out in our Annual Audit Report.

## Use of our report

This report is made solely to the parties to whom it is addressed in accordance with the Public Finance and Accountability (Scotland) Act 2000 and for no other purpose. In accordance with paragraph 120 of the Code of Audit Practice, we do not undertake to have responsibilities to members or officers, in their individual capacities, or to third parties.

Lucy Nutley  
For and on behalf of Mazars LLP

Apex 2  
97 Haymarket Terrace  
Edinburgh  
EH12 5HA

[Full date]

Lucy Nutley is eligible to act as an auditor in terms of section 21 of the Public Finance and Accountability (Scotland) Act 2000

# Appendix C

## **Independence**

As part of our ongoing risk assessment we monitor our relationships with you to identify any new actual or perceived threats to our independence within the regulatory or professional requirements governing us as your auditors.

We can confirm that no new threats to independence have been identified since issuing the Audit Strategy Memorandum and therefore we remain independent.

<b>Meeting</b>	Board of Management
<b>Date</b>	13 December 2021
<b>Location</b>	MS Teams
<b>Title of Paper</b>	Financial Statements for the Year Ending 31 July 2021
<b>Presented By</b>	Amy McDonald Vice Principal Operations
<b>Recommendation to Members</b>	Approval
<b>Appendix Attached</b>	Yes 09.4(a) – Financial Statements for the Year Ending 31 July 2021

## **PURPOSE**

To present to the Board of Management the Financial Statements for the Year Ending 31 July 2021 for approval as part of the College's year end reporting requirements in line with the SFC guidance on [College financial statements and returns 2020-21](#) (Issued 25 November 2021).

The paper is presented in line with the Board of Management Scheme of Delegation:

*'(d) the approval of the year-end Annual Report and Accounts, the Annual Budget, College financial plans, forecasts, delegations and regulations;*

*(e) Final consideration of the Annual Audit Report;'*

The paper is submitted *For Approval*.



## 1. Background

- 1.1 The Scottish Funding Council (SFC) annually issues mandatory guidance for the preparation of College annual report and financial statements. The 2020-21 SFC guidance has been considered by both the Audit and the Corporate Development Committees.
- 1.2 As with previous years the College is required to comply with the requirements of the:
- SFC Accounts Direction for Scotland's College 2020-21.
  - 2019 Statement of Recommended Practice: Accounting for Further and Higher Education (SORP).
  - Government Financial Reporting Manual.
- in preparing the 2020-21 Report and Financial Statements for the College.
- 1.3 The 2020-21 Report and Financial Statements require to be submitted to the Auditor General for Scotland and the SFC by 31 December 2021.
- 1.4 The September 2021 paper to the Corporate Development Committee and Audit Committee highlighted the College annual reporting requirements, and how the College planned to meet these. The external audit Annual Audit Report, considered at *Agenda Item 9.3* confirmed the College has complied with the requirements noted in section 1.2, above, in preparing and presenting the attached 2020-21 Financial Statements for approval.

## 2. Year End Position

### Adjusted Operating Position

- 2.1 The Corporate Development Committee has been updated at each meeting on the financial position of the College for the year to 31 July 2021.
- 2.2 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 (3) of this report.

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

### Student Activity

- 2.3 The College has exceeded by 8 credits its Scottish Funding Council (SFC) core teaching and European Social Fund (ESF) credit target of 158,693 thereby guaranteeing its core funding for 2020-21.
- 2.4 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 has been provided for in the year end accounts and will require to be repaid.

	<b>Budget 2020-21 Credits</b>	<b>31 January 2021 Credits</b>	<b>31 July 2021 Credits</b>
Core teaching	152,855	152,855	151,259
ESF	5,838	5,838	7,442
<b>Core Credits</b>	<b>158,693</b>	<b>158,693</b>	<b>158,701</b>
YPG / NTTF	0	2,761	1,005
<b>Total Credits</b>	<b>158,693</b>	<b>161,454</b>	<b>159,706</b>

### Cash at Bank

- 2.5 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:

	<b>31 January 2021 £'000</b>	<b>31 July 2021 £'000</b>
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	(539)
ESF provision	0	(480)
Other provisions including dilapidations	0	(450)
<b>Underlying cash balance</b>	<b>3,100</b>	<b>3,557</b>
<b>Days</b>	<b>20</b>	<b>23</b>

- 2.6 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

- 2.7 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.
- 2.8 The table below provides a reconciliation between the budgeted financial accounting deficit and the actual accounting surplus which will be shown in the College Financial Statements:

	<b>£'000</b>
<b>Board of Management approved financial deficit</b>	<b>(2,237)</b>
Improved College adjusted operating position	187
Adjustment to depreciation charge following interim revaluation	59
Pension cost of service and interest charges	(3,747)
Pension actuarial gain based upon year end valuation report	16,703
<b>Financial accounting surplus as of 31 July 2021</b>	<b>10,965</b>

- 2.8 The College has seen a slight improvement in the budgeted adjusted operating position from a surplus of £27k to £214k, a gain of £187k. A fuller explanation of this movement is provided in section (3) of this report.
- 2.9 There was a minor adjustment to the annual deprecation charge following the interim land and building valuation exercise carried out in July 2021. This was carried out in line with the accounting policy with a full valuation being undertaken as of 31 July 2023.
- 2.10 The pension service charge and interest charge of £3,747k is comparable to the prior year charge of £3,265k and reflects the changes made to the pension actuarial assumptions. In 2019-20 Financial Statements the College seen an actuarial deficit of £16,957k whilst this year the annual pension valuation exercise has resulted in an actuarial gain of £16,703k

- 2.11 As the table below shows the College share of the Strathclyde Pension Fund assets has increased by £20.5m compared to the level of the liability due to be paid (£7.6m) out based upon the assumptions used by the actuaries. The auditors will review and comment upon the appropriateness of the assumptions used as part of their year end audit work.

	<b>31 July 2020 £'000</b>	<b>31 July 2021 £'000</b>
College share of pension fund assets	95,783	116,291
College share of pension fund liabilities	138,896	146,448
<b>Net liability</b>	<b>(43,113)</b>	<b>(30,157)</b>
<b>Gain in year</b>		<b>12,956</b>
Pension service charge and interest		3,747
<b>Pension actuarial gain in year</b>		<b>16,703</b>

### 3 Income and Expenditure Account

- 3.1 The College Adjusted Operating Position as of 31 July 2021 is £214,000 and represents an improvement of £187,000 on the Board of Management approved budget adjusted operating position (AOP) of £27,000
- 3.2 The main variances from the 2020-21 budget are noted below:

	<b>£'000</b>
<b>SFC INCOME</b>	
Increase in SFC income from YPGF / NTTF / FWDF	348
Reduction in ESF income due to outcome of prior year audits still pending	(389)
Income from SFC Sustainability Fund 2021	1,302
Reduction in other SFC funding streams	(88)
<b>TUITION FEES AND EDUCATIONAL CONTRACTS</b>	
Increase in Foundation Apprenticeship activity in final quarter of the year	232
Increase in commercial and development funding in final quarter of the year	262
Reduction in level of SDS Modern Apprentices / SVQ activity	(59)
Reduction in HE / FE fees due to lower than anticipated recruitment	(181)
<b>OTHER INCOME</b>	

PUBLIC

Reduction in nursery income due to campus closures	(194)
Reduction in catering income due to campus closures	(607)
Reduction in other income including schools work and bookshop income	(29)
New income from the Government Job Furlough Scheme	463
<b>INCREASE IN INCOME</b>	<b>1,060</b>
<b>STAFF COSTS</b>	
Increase in staff costs to support teaching and learning	(245)
Cost of voluntary severance costs net of in year staff savings	(171)
Movement in holiday pay provision	(135)
<b>INCREASE IN STAFF COSTS</b>	<b>(550)</b>
<b>PROPERTY COSTS</b>	
Reduced estate running costs due to campus closures	216
Increase in premises costs to deal with Covid-19	(206)
Reduction in other premises costs including move from YMCA building	30
<b>SUPPLIES AND SERVICES</b>	
Increase in cost of delivery of learning – consumables, open learning	(362)
Cost of replacement of equipment in preparation for return to campus	(275)
Reduction in transport, postal services and other areas due to closures	159
Increase investment in IT equipment	(405)
Reduction in catering costs due to campus closures	201
Other operational cost savings	71
<b>OTHER OPERATING COSTS</b>	
Reduction in exam fees because of change in operational practices	98
Increase in student support costs	(98)
Other operational savings – VAT, student travel	190
Decreased depreciation charge	58
<b>INCREASE IN NON-STAFF COSTS</b>	<b>(323)</b>
<b>NET INCREASE IN ADJUSTED OPERATING POSITION</b>	<b>187</b>

- 3.3 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 core activity levels, resulted in West College Scotland receiving an additional core grant allocation of £1.3m. The College was not expected to deliver any additional teaching activity in 2020-21 in being provided with this sustainability funding.
- 3.4 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.
- 3.5 The catering service deficit for the year to 31 July 2021 was (£375,000) after accounting for voluntary severance and furlough income.
- 3.6 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.

#### **4. Conclusion**

- 4.1 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.

4.2 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.

4.3 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**

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

- **European Social Fund**

- 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**

- 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**

- 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.



## **5. Next Steps**

- 5.1 The Joint Audit and Corporate Development Committee of 23 November 2021 approved the 2020-21 Financial Statements for presentation to the Board of Management.
- 5.2 Approval of the 2020-21 Financial Statements by the Board of Management will then enable the College to provide the following required information to Audit Scotland and the SFC:
- Audited financial statements
  - Annual report from external auditor
  - Paper accompanying the financial statements
  - Internal auditors annual report
  - Audit committee annual report
  - SFC College annual accounts return

## **6. FINANCIAL IMPLICATIONS**

- 6.1 There are no financial implications in this report.

## **7. STUDENT EXPERIENCE**

- 7.1 There are no student experience implications associated with this paper.

## **8. HUMAN RESOURCES IMPLICATIONS**

- 8.1 There are no human resources implications associated with this paper.

## **9. LEGAL IMPLICATIONS**

- 9.1 There are no further legal implications in this paper to those listed above.

## **10. REPUTATIONAL IMPLICATIONS**

- 10.1 There are no reputational implications associated with this paper.

**11. COMMUNITY/PARTNERSHIP IMPACT**

11.1 There are no community implications associated with this paper.

**12. EQUALITIES IMPLICATIONS**

12.1 here are no equality implications associated with this paper.

**13. ENVIRONMENT IMPLICATIONS**

13.1 There are no environmental implications associated with this paper.

**RECOMMENDATION**

The Board of Management is requested to approve for signature by the Chair of the Board and the Principal, the West College Scotland Financial Statements for the year ended 31 July 2021.

# Report and Financial Statements

For The Year Ended 31 July 2021

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# Professional Advisors

## Financial Statement Auditors:

Mazars LLP  
100 Queen Street  
Glasgow  
G1 3DN

## Student and SFC Credit Funding Auditor:

Wylie & Bisset LLP  
168 Bath Street  
Glasgow  
G2 4TP

## Internal Auditor:

Wylie & Bisset LLP  
168 Bath Street  
Glasgow  
G2 4TP

## Banker:

Royal Bank of Scotland  
36 St Andrew Square  
Edinburgh  
EH2 2YB

## Solicitor:

Anderson Strathern  
1 Rutland Court  
Edinburgh  
EH3 8EY

# Performance Report

## Introduction from the Principal

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At West College Scotland, from the Board of Management to every staff member, we are driven by our collective ambition to generate opportunity, employment, and prosperity for our communities, linking our provision to the skills needs of local employers and supporting our students to achieve the very best they can.

Over recent years, the College has been through a period of significant change as it looked to complete the implementation of our Business Transformation Plan - realigning our offer to the skills requirements of our economy; developing and expanding our STEM (science, technology, engineering, and maths) offering and forging strong partnerships with employers to develop the talent and productivity of their businesses.

The College continues to be one of the largest regional colleges with over 20,000 enrolled students and 1,148 staff by headcount, which makes us uniquely placed to help shape the West region's educational landscape and contribute to its social and economic development. We continue to build on strong foundations with more of our students than ever completing their course; despite the challenges of a global pandemic the overall student attainment rate has slightly increased; but more importantly they have gained additional competencies and employability skills, and are successfully progressing into employment, apprenticeship, self-employment, or further / higher education.

The impact of Covid-19 has been significant to our operations, but I am proud to report that our level of student engagement remained high throughout lockdown, and that the quality of our online learning materials and delivery went from strength to strength. We are now welcoming learners back to our campuses whilst continuing to deliver elements of their education on-line to ensure their continued safety. The College has continued to invest in student and staff personal IT devices thereby allowing the whole College community to engage in learning from wherever and at a time to suit them.

After a period of financial challenges, we ended the 2020-21 in a positive position with not only strong student outcomes but also pleasingly with a small adjusted operating surplus despite the challenges the year presented. The College is now looking forward to building on this position both in terms of improving student outcomes and progressing with the business cases for investment in the College's Greenock and Paisley campuses which are both in need of significant investment.

Recognising that our staff are central and crucial to the continuing success of the College and achieving its mission – we will place a continued emphasis on the 'One College' culture which makes the West College Scotland such a fantastic place to learn and work; with 2021 delivering our highest staff satisfaction rates ever. Despite the difficult and uncertain economic climate, the College is confident that it can serve our local employers with the highly skilled talent that they need and play an increasingly important and exciting part regenerating our local and regional economy – through what appears inevitably to be a difficult economic period ahead. I would like to congratulate and thank our students, staff, and Board of Management for what has been another amazingly successful year for the College.

**Elizabeth Connolly**

**Principal and Chief Executive**

# Highlights of the Year

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During the year to 31 July 2021 there have been many highlights some of which are noted below:

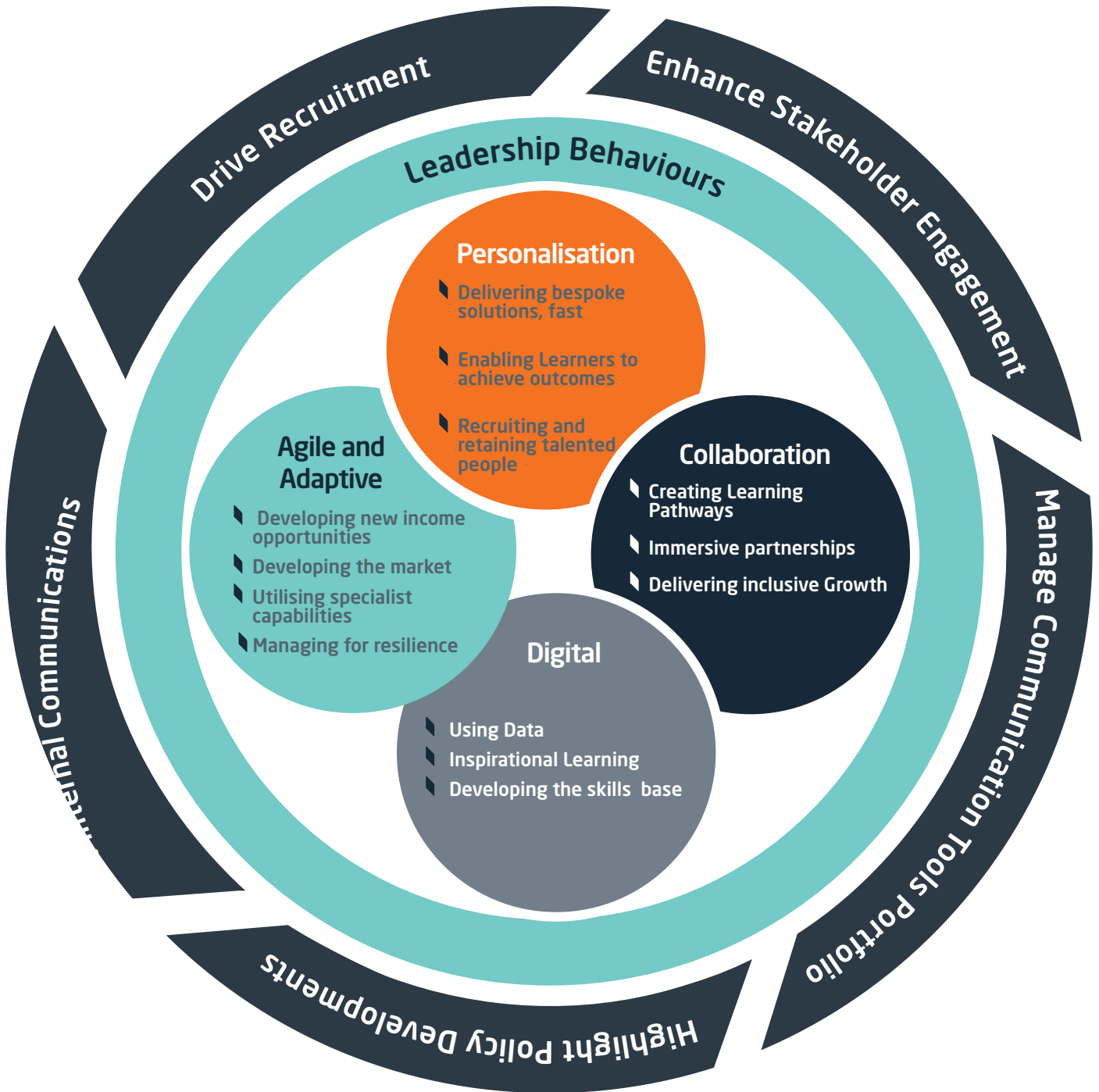
- ◆ **Given the difficult year faced by both our students and staff the College launched several wellbeing initiatives including:**
  - ◇ CALM (Care | Attitude | Listen | Mindfulness) - setup to help staff and students cope with the demands of teaching and learning online and to assist with any anxieties around being within the college environment.
  - ◇ Mindfulness in the Moment - weekly online sessions delivered by our Mindfulness Lecturer, available to both staff and students covering techniques to help you destress and unwind, enabling you to feel more relaxed and positive.
  - ◇ Helping Hand - run by our Student Wellbeing Officer, this informal support platform offers guidance and reassurance to any student concerned about their wellbeing or studies.
  - ◇ Bit of a Blether - an informal service for staff or students to have a chat over the phone to one of the volunteers.
  - ◇ Yoga Bodies - available to both staff and students, delivered weekly online by an external Yoga instructor encouraging people to take an hour to exercise and relax.
- ◆ **Over the year the College successfully hosted several virtual events including:**
  - ◇ Three graduation ceremonies.
  - ◇ A virtual visit from Jamie Hepburn, Minister for Higher Education and Further Education, Youth Employment and Training, to a group of Foundation Apprenticeship students.
  - ◇ Several commercial courses, school events, a virtual college festival, and partnership recruitment and awareness initiatives (The Critical Engineer).
- ◆ **In August 2020 the College became the only college in Scotland to offer the new regulated qualification Diploma in Pharmacy Services, which is delivered over a two-year period. The College staff have worked in partnership with NHS and community pharmacy employers, NHS Education for Scotland and the SQA in developing this new qualification to meet both the General Pharmaceutical Council's initial education and training standards for pharmacy technicians and employer requirements for a flexible workforce.**
- ◆ **The College continued its Microsoft Showcase College accreditation and as part of this delivered staff Teams training carried out by College computing staff. This also had the additional benefit of contributing to credit for staff to achieving Microsoft Innovative Educator status.**
- ◆ **The College had teams in both the eSports 'UK championship' and 'Scottish College Cup' competitions for the first time. The students did fantastic, and one student said, "The eSports competition has been fantastic, students from different class groups (who due to the pandemic have never met) have bonded through the preparation for this competition and this has enhanced their team working and communication skills."**



- ◆ The newly refurbished Performing Arts Building was opened at the College Paisley campus and is now operational with an official launch due in the new term.
- ◆ The College Marketing Team were involved in the development of the national #ChooseCollege campaign to promote and raise awareness of the college sector.
- ◆ Small end of year 'in person' exhibitions were able to take place adhering to government restrictions.
- ◆ The College provided 2,000 Chromebooks, 200 laptops and MiFi units to students to assist with their studies as part of the College Digital Devise Rollout scheme. Part of this provision was supported by [Connecting Scotland](#) initiative which aims to get 50,000 digitally excluded households online by the end of 2021. HMIE John Laird, Education Scotland said: "Your provision of equipment and support to learners is strong in comparison with the wider sector".
- ◆ In June 2021 the College completed a rolled out to students and other users a one-stop shop payment portal allowing users to pay fees and other monies on-line through a variety of payment methods.
- ◆ The staff intranet 'Safe Return to Campus' pages were built to allow a one stop shop for all Coronavirus communications, keeping College staff updated about key developments and allowing all information to be stored in a central location.
- ◆ In June 2021 the College launched its first ever Staff Awards. The judging panel received over 100 nominations for the 9 award categories in addition to the Chairpersons' Award, Principal's Award and Team of the Year.

Further highlights from the College year can be found on the [College News page](#).

# Our Vision



## INTRODUCTION

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This Report provides information on the College, its main purpose, activities, objectives, strategies, and the principal risks that it faces.

### Purpose and Activities

West College Scotland, as an incorporated college in Scotland, is a public body constituted under statute and a Scottish charity (SC021185) and was designated as a Regional College in August 2013 under the Post-16 Education (Scotland) Act 2013.

The constitution and proceedings of the Board of Management are determined by Schedule 2 to the Further and Higher Education (Scotland) Act 1992, as amended (the 1992 Act). Its powers are determined by Section 12 of the 1992 Act, as amended.

The core purpose of the College is the provision of further and higher education in the Renfrewshire, Inverclyde, and West Dunbartonshire regions. West College Scotland delivers education programmes on a full-time and part-time basis to over 20,000 students annually.

In seeking to develop a relevant curriculum and provide educational opportunities that meet the social and economic needs of the region, the College works closely with regional partners including other education providers, business leaders and Community Planning Partnerships.

The College's strategic direction is set by the Board of Management, informed by education policy as determined by Scottish Ministers, and by guidance provided by the Scottish Funding Council. The Financial Memorandum between the College and the Scottish Funding Council (SFC) sets out the terms under which the College, as a fundable body, receives and is held accountable for the use of public funds.

The College's objectives in relation to the public funding it receives are set out annually in a Regional Outcome Agreement with the Scottish Funding Council. In 2020-21, 86% (2019-20: 85%) of the College's income was from the Scottish Funding Council. Other sources of income included tuition fees, education and employability contracts, and general operating income.

# KEY ISSUES AND RISKS

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## Corporate Plan

The College's Corporate Plan 2019-2025 sets out the main priorities for the period as outlined below. The Plan has four key strategic aims:

### PERSONALISATION

The College will deliver the skills solutions that employers are looking for and the learning outcomes that students want, in a way that suits individual students

### COLLABORATION

The College will build the immersive relationships and make the connections that enhance value for customers and stakeholders by creating learning pathways, developing new delivery partnerships and integrating learning into wider local strategies.

### AGILE AND ADAPTIVE

The College will develop the capability to respond to shifts in demand and seize new opportunities, quickly putting in place specialist delivery capabilities.

### DIGITAL

We will ensure that the College has the digital capacity and capabilities to deliver in a modern economy.

In respect of its strategic and development responsibilities, the Board of Management receives recommendations and advice from its committees, the Principal and Chief Executive and the Executive Team. In addition to Board meetings, the Board of Management holds strategic sessions throughout the year, which provide opportunities to scan the horizon and to allow debate on strategic directions and major developments.

In October 2018 the Board of Management approved a Business Transformation Plan which focused on the following areas:

- ◆ **Deliver a High Quality, Relevant Curriculum**
- ◆ **Achieve More Efficient and Flexible Delivery**
- ◆ **Ensure Efficient and Effective Workforce Deployment**
- ◆ **Improve our Digital Capacity**
- ◆ **Achieve Financial Sustainability**

Progress against these objectives, as reported by the Principal and Chief Executive, continues to be monitored by the Board of Management.

The Board of Management approved three new College strategies relating to Curriculum, People and Procurement between 1 August 2020 and 31 July 2021, along with the interim 2020-21 College Regional Outcome Agreement.

The College is committed to ensuring its performance is aligned to the 11 outcomes of the National Performance Framework (NPF). Specifically, College performance contributes to the following key elements of the NPF:

- ◆ **Globally competitive, entrepreneurial, inclusive, and sustainable economy.**
- ◆ **Open, connected and make a positive contribution internationally.**
- ◆ **Tackle poverty by sharing opportunities, wealth, and power more equally.**
- ◆ **Well educated, skilled and able to contribute to society.**
- ◆ **Thriving and innovative businesses, with quality jobs and fair work for everyone.**
- ◆ **Respect, protect, and fulfil human rights and live free from discrimination.**

The Scottish Government set out a number of key policy objectives for colleges, including its Developing the Young Workforce strategy, the Commission on Widening Access, the prioritisation of Science, Technology, Engineering and Mathematics (STEM) subjects, improving the learner journey and the enhancement of gender balance in the curriculum. West College Scotland is making good progress in fulfilling these objectives within set timescales, and within its financial parameters.

The standard Regional Outcome Agreement process was halted by SFC for the pandemic years of 2020-21 and 2021-22. Interim Regional Outcome Agreements for both years were required to be submitted mid-way through the year to capture, at a high level, contributions, impact, and outcomes and provide assurance on the use of allocated funding for that year. SFC restricted the key policy priorities they expected to be covered in the ROAs and did not require longer term target setting.

The College Interim ROA for 2021-22 is due to be submitted at the end of November 2021. This document, and the 2020-21 version, outlines the College ongoing commitment to deliver on key sector priorities and outcomes for students and for economic recovery and social renewal with a priority list including:

- ◆ **Fair access and transitions.**
- ◆ **Quality learning and teaching.**
- ◆ **Learning with impact - students are equipped and ready to take up appropriate employment in the future.**
- ◆ **Student participation and engagement in their educational experience.**
- ◆ **Equalities and inclusion.**
- ◆ **Innovation.**

## Key Risks

The Board of Management has an established Strategic Risk Register, which considers matters impacting upon the College's ability to deliver its strategic objectives. Risks and mitigating factors are kept under review by the Senior Management Team and reported to the Board of Management through its Board Committee structure. Oversight of the College Strategic Risk Management Framework is undertaken by the Audit Committee.

During the year the College identified the following as the top five risks faced by the organisation. A range of mitigation plans were implemented to reduce the potential risks associated with each area. This included the following actions:

Risk	Mitigating Actions
<p><b>SFC Funding and Funding Methodology</b></p> <p>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.</p>	<ul style="list-style-type: none"> <li>▢ <b>Robust financial monitoring and scenario planning undertaken on a regular basis.</b></li> <li>▢ <b>Active liaison with the Scottish Funding Council on potential changes to funding and targets.</b></li> <li>▢ <b>Implementation and reporting on College Business Transformation Plan.</b></li> </ul>
<p><b>Estate Strategy</b></p> <p>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.</p>	<ul style="list-style-type: none"> <li>▢ <b>Regular monitoring and reporting on approved Estate Strategy 2016-2026 to Board of Management.</b></li> <li>▢ <b>Engagement with Scottish Futures Trust and Scottish Funding Council on challenges presented by condition of College estate.</b></li> <li>▢ <b>Progress and submission of Outline Business Cases for development of Greenock and Paisley campuses reported to the Board of Management.</b></li> </ul>
<p><b>Estates and IT Investment</b></p> <p>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.</p>	<ul style="list-style-type: none"> <li>▢ <b>Corporate Development Committee receive reports on levels of SFC estate maintenance funding and planned level of expenditure compared to need.</b></li> <li>▢ <b>Use of Estate Condition Survey to direct limited resources to areas of most need regularly reviewed.</b></li> <li>▢ <b>Continuing investment in underlying IT infrastructure and digital devices for students to address areas of digital poverty.</b></li> </ul>
<p><b>Impact upon Business Continuity Planning of Covid-19 pandemic</b></p> <p>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.</p>	<ul style="list-style-type: none"> <li>▢ <b>Detailed Business Continuity Planning arrangements in place and tested throughout the global pandemic period.</b></li> <li>▢ <b>College Mobilisation Group created to oversee implementation of changes. Continues to meet on a weekly basis.</b></li> <li>▢ <b>Continued engagement with Scottish Funding Council, Skills Development Scotland, and other funding bodies to gain clarity on future funding.</b></li> </ul>

## Risk

## Mitigating Actions

### 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.

- Alternative income plans, targets and activities developed annually as part of the Operational Planning Process and shared across the College.
- 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.

## Performance Summary

West College Scotland provided education to 25,267 unique students (2019-20: 28,818) during the year to 31 July 2021, and in doing so achieved the core credit target set of 158,693 for the year.

Although the College has posted a £5.7m operating deficit for the year, it achieved an adjusted operating surplus of £0.2m after pension actuarial revaluations and other non-cash items are stripped out.

Looking ahead, the College will navigate its way through several uncertainties and challenges to achieve its aims. These include the tight public sector funding environment, the ability to invest and to prepare students for the fast developing digital and data driven work and social environment, and the uncertainties associated with future investment in the College infrastructure. In the 2020-21 academic year the College continued a trend of growth in part time provision, however the success of this mode of study focused on short employer led courses funded through the Flexible Work Development Fund (FWDF) or Individual Training Accounts (ITA) rather than scheduled courses. The ability now to refocus part time provision into courses where there is increased demand, to rapidly upskill the population in sectors such as Technology, Construction and Care as well as basic entry level employability programmes, will be key to the College's and the regional economy's success. To this end the College is working with several partners in the West Region to advance joint opportunities. These partners include community planning partners in the Local Authorities, Skills Development Scotland (SDS), Developing the Young Workforce (DYW), Universities, and Third Sector Partners.

## Performance Analysis

In accordance with SFC guidance, the College is required to publish and report progress against targets for national priorities. These indicators monitor performance against the College's objectives. Most KPIs are measures of credits, student numbers, achievement, and retention, all of which are linked to the financial performance and reputation of the College.

Performance Measure	Further Detail on Measure	2018-19	2019-20	2020-21
<b>Student activity (credits)</b>				
<b>Core and ESF Credits</b>	Measure of student activity	164,528	164,597	158,701
<b>Performance against target</b>		100.2%	100.3%	100.0%
<b>Additional delivery 2020-21</b>	Measure of Young Person Guarantee funding			1,005
<b>Performance against target</b>				36.4%
<b>Overall staff FTE</b>		821	834	830
<b>Credits per enrolled student</b>		5.83	5.71	6.28
<b>Unique student enrolments</b>		28,243	28,818	25,267
<b>Number of enrolled students aged 16-19</b>		8,792 (39%)	8,262 (39%)	5,534 (36%)
<b>Adjusted operating surplus/ (deficit) as % of total income</b>		0.04%	(3.2%)	0.4%
<b>Non SFC income as a % of income</b>		16.0%	15.2%	13.9%
<b>Staff costs (excluding exceptional items) as a % of total income</b>		76.3%	79.9%	79.5%

As the above table shows the College has again met its SFC core and European Social Fund credit target thereby guaranteeing receipt of all its SFC teaching grant during what was a difficult year. The College has also been able to deliver additional activity in relation to the Scottish Governments priority areas of Young Person Guarantee and National Transition Training Funds. The late issue of guidance regarding what courses were acceptable for funding purposes did have an impact on the overall delivery level.

The College has continued to improve the efficiency of its delivery by increasing the number of credits generated by enrolled students. The reduction in unique student enrolments is a direct result of the planned reduction in SFC credit activity. Whilst the overall number of students is reducing the College has been able to generate more learning and teaching activity. The reduction in students aged 16-19 is as a direct result of the SFC prioritisation of senior phase school pupils rather than other year groups.



The College has been able to generate a small adjusted operating surplus in 2020-21 despite the challenges of the global pandemic. Without the additional financial support provided by the SFC in the last quarter of 2020-21, the College would have returned another operating deficit. The delivery of an adjusted operational surplus is one of the key indicators of a financially sustainable college according to the SFC and Audit Scotland. The College budgets to generate a small annual operating surplus.

As the ability of the College to generate additional non-SFC income is key in enabling the College to invest in development activities. The impact of the global pandemic has severely constrained the ability of the College to generate alternative income streams, which places a greater reliance on public funding. The College aims to increase the level of non-SFC income as the overall economic recovery continues.

As the above table shows the level of staff costs as a percentage of income continues to grow and now is an average of 80% of total income. The impact of increasing costs as result of national bargaining and the reduction in non-SFC income has meant that this figure has remained consistent over the last couple of years and is now forecasted to remain at this level going forward. The College continues to monitor this performance measure.

## Student Activity Performance Highlights

### Delivery of widening access and progression targets

Delivery of widening access and progression targets	2018-19 %	2019-20 %	2020-21 %
<b>Student Gender Balance</b>			
<b>Male</b>	42	44	42
<b>Female</b>	58	56	57
<b>Prefer not to say</b>	0	0	1
<b>Students with a Disability</b>	22	25	26
<b>Students from SIMD10 Data Zone</b>	25	25	25
<b>School College Partnership (SCP) Pupils</b>	4	5	5

West College Scotland is committed to equality of opportunity and outcome for students and staff who share protected characteristics, and to a culture that respects difference. The College is committed to providing an inclusive ethos and environment, where everyone feels welcome, supported, and respected. In April 2021, West College Scotland published [Equality, Diversity and Inclusion \(EDI\) Report](#) which reports on the end of the life cycle of the College Equality Outcomes 2017-2021. This report sets out the progress the College has made towards mainstreaming equality across the curriculum and in delivering equal opportunities for all our students.

The College also published in April 2021 its [Equality Outcomes 2021-2023](#) which is a legislative requirement that states all listed authorities must use equality evidence to develop Equality Outcomes which will enhance how the authority can pay due regard to the General Equality Duty, namely the duty to advance equality, eliminate discrimination and promote good relations. The Regulations state that Equality Outcomes should be developed at least every four years. The 2021-2023 outcomes set out what the College wants to achieve in a two-year period as opposed to four. The reason for this shorter timeframe is because of the extraordinary circumstances – the College wants to be as responsive as it can as soon as it can. The document sets out the main rationale for the College Equality Outcomes and key methods to achieve these. It is accompanied by an Action Plan which sets out the timeline, responsibilities and indicators of success.

Over the next two years the College will:

- 1. Ensure that staff and students from protected groups are supported and engaged in the recovery process.**
- 2. Stand up to racism and progress race equality.**
- 3. Enhance the wellbeing of all our staff and students.**
- 4. Ensure are digitally inclusive.**

Projects relating to this plan include:

- Conduct Staff Survey to learn about pandemic experience.**
- Review recruitment using the Scottish Government Race Equality Toolkit. Use results of review to develop practice to attract diversity.**
- Investigate further student data to understand more about concentration of students with mental health conditions in curriculum areas. Share findings with Curriculum Quality Leaders and Enabling Services.**
- Share best practice in digital inclusion with Digital Strategy Group.**

The College reports widening access outcomes quarterly to the Board of Management and the Learning, Teaching and Quality Committee. The Board of Management leads, with support from all other committees, on how the College uphold the College's Equal Opportunities Policy, which reflects equality legislation and best practice.

The College updated its [Access and Inclusion Action Plan 2020](#) with successful completion of targets. This highlights a continued commitment to creating an inclusive curriculum and improving student outcomes for everyone studying at our College. We are currently reviewing and updating our Access and Inclusion Plan 2023 to take account of Covid-19 pandemic lessons learned and student feedback during 2020-21 and will report and publish this in line with Regional Outcome Agreement requirements.

**School College Partnership** - The College continues to work in partnership to deliver on national priorities such as the Scottish Government's Youth Employment Strategy by working in partnership with local authorities, schools, and a variety of employers in the region. The revised delivery model and common cross region timetabling ensures pro-active planning and co-ordination thereby improving the efficiency of the programmes delivered. The College has worked collaboratively to introduce Foundation Apprenticeship opportunities to school pupils across the region.

Other partnership work with schools has extended as the College continually revises and improves the curriculum being offered to stakeholders. The College has increased the number of taster programmes and introduced new areas of interest such as cyber security and games development. In 2020-21 the College have maintained activity levels and facilitated working with 42 schools (2019-20: 42) delivering 32 courses (2019-20: 30) across the three campuses and in session with 1,385 pupils (2019-20: 1,282) were enrolled.

**Corporate Parenting** - In addition to the commitment to support all vulnerable students, the College is fulfilling its corporate parenting obligations as required under the Children and Young People (Scotland) Act 2014. We monitor, evaluate, and revise our practices and procedures to improve the outcomes for this group of students in line with our quality assurance and equalities policies and we evaluate our progress towards improving outcomes for this group of vulnerable students with reference to the targets detailed in our Corporate Parenting Action Plan. The College has continued to work with Action for Children implementing the STAY project, supporting students from a care-experienced background to succeed in college, whether that is through practical or emotional help.

As a **STEM Assured Centre**, the College is well placed to encourage female learners to be work ready for current and future STEM industries. We will continue to work in partnership with local schools, employers, parents and guardians to raise the profile of STEM among children and young women. The College leads the West Region STEM Partnership, involving all our Local Authorities, the University of the West of Scotland, Education Scotland, SDS, DYW, STEM Ambassadors and other agencies involved in supporting STEM.

**SFC/Education Scotland Quality Arrangements** - An update report on progress during session 2018-19 was submitted on 31 October 2019. This report evaluated our performance against four key areas of the student experience (1) recruitment (2) retention (3) attainment and (4) progression. Our last Progress Visit review by Education Scotland took place in January 2020 and reported good progress with our Evaluation Report and Enhancement Plan objectives. All work on the EREP was paused, at the request of SFC, in March 2020. For Session 2020-21 a Self-Evaluation Report is due to be submitted to SFC by 30 November 2021 as outlines in the [College and University Outcome Agreement Guidance 2021-22 \(sfc.ac.uk\)](#)

Education Scotland will resume visiting Progress Visits (PV) from Autumn 2021 as part of a sector wide review. We await further information on the nature and scope of these visits along with confirmation of our PV date, likely in Spring 2022.

For all students the College increased counselling provision and supported students through the student 'MyDay' app, to provide better information about funding, timetabling and other tutorial support. With the pandemic leading to the closure of campuses in March 2020, many services such as these moved online. New student service processes such as bursary funding, induction and self-enrolment were developed in 2020 to be available remotely.

## Employer Engagement

2020-21 was an exceptional year for the College where the funding, operating and employer engagement environments offered unique challenges and opportunities. We delivered a strong performance with excellent results having done so through offering agile support to our learners and developing new ways to work and partner to demonstrate our value to funders, businesses, and their employees. We have achieved this through nurturing close working relationships with key stakeholders, partners, and communities; thereby increasing the reach and growing the impact of West College Scotland.

## **Flexible Workforce Development Fund (FWDF)**

For 2020-21, the Scottish Government increased the overall college sector FWDF allocation from £10m to £17m, covering both Levy payers and, for the first time, SMEs in recognition of both the context and potential impact for small businesses. Notwithstanding the multiple challenges regarding various Covid-19 restrictions, social distancing, lockdown, and job retention schemes which significantly impacted on the ability to engage organisations and deliver training, almost £1m of employee upskilling and reskilling activity was delivered. This required teams to undertake training needs analysis with over 100 regional organisations to understand their workforce development requirements, and design appropriate upskilling and training opportunities which led to 70 new training products and delivery of over 600 training courses both virtual and face to face.

## **The Critical Engineer**

With a multi-funding package of almost £1m this project has allowed the College to create our regional skills hub giving SMEs access to the latest training in Manufacturing 4.0 technologies through a combination of online, college and work-based learning, expert support and innovation partnerships. Earlier this year, the College hosted an online innovation 'hackathon' event to inform 200 local and national SMEs and stakeholders about our project and the services and funding available to them. Since then, we have been working in partnership with Renfrewshire Council, Renfrewshire Chamber of Commerce, Scottish Enterprise, UWS and the National Manufacturing Institute for Scotland (NMIS), to engage in further meaningful dialogue with manufacturing and engineering SMEs and together we launched the Renfrewshire Manufacturing Survey 2021.

**Scottish Government SDS National Transition Training Fund (NTTF)** was created to support people whose jobs were at risk because of Covid-19, transition into areas where demand has been identified, growth sectors, or clear new job opportunities. As our 'Critical Engineer' concept attracted regional and national attention, we were approached by NMIS to develop and deliver training in meta skills awareness for people who faced redundancy or changed job roles, because of the pandemic. We engaged with Think Visual -one of our learning our education technology partners and developed and delivered an Introduction to Meta Skills for people looking to move into Scotland's advanced manufacturing sector. The online training courses formed part of an overall Manufacturing 4.0 learning suite offered by NMIS, funded by the NTTF.

## **Modern Apprenticeships**

The Skills Programmes and curriculum teams supported both active and furloughed Modern Apprentices (MAs) throughout the year. Our Apprentice and Learner Tracker showed that during the year, a third of apprentices in the West region were furloughed as part of the UK Government Job Retention scheme, with two thirds remaining actively engaged and/or making attempts to progress some form of their apprenticeship or vocational learning. The College sought to overcome logistical delivery challenges associated with MAs through utilisation of MS Teams, providing access to digital resources and identifying new ways for students to evidence online recording of learning to support existing apprentices and provide a pathway for new starts. Whilst practical challenges to work-based learning continue, the College exceeded its income target supporting over 300 Modern Apprentices, through and beyond the lockdown period. Working with c.150 employers across 12 occupational groups, the College also supported 51 local employers to start 157 new Modern Apprentices showing agility to meet changing and growing demand associated with emerging social and economic priorities.

## Looking Forward to 2021-22 and Beyond

The College continues to work with employers and partners to review emerging regional and national skills and regeneration strategies, including new programmes whose priorities were previously supported through EU programmes. These will include the funding support for staff and student international placements (Turing Programme) and community regeneration (Community Renewal Fund and Shared Prosperity Fund). These will offer opportunities to secure significant investment to deliver projects and training that will make a scalable impact to our student and professional groups, and local businesses and communities. This coupled with the continuing upskilling and reskilling FWDF funds for both large and small organisations will provide significant resources for West College Scotland to continue to influence, shape and support the West Region’s economic recovery.

## Student Attainment and Progression

College Leavers Destinations (CLD). The results of the post college destinations data collection exercise for successful leavers from session 2019-20 produced the following results:

Reporting date Session	Apr-19 2017-18			Apr-20 2018-19			Apr-21 2019-20		
	No.	College %	Sector	No.	College %	Sector	No.	College %	Sector
<b>Number of Qualifiers HE and FE</b>	4,779			4,529			3,910		
<b>Confirmed destinations</b>	4,075	85	90	3,837	85	89	3,235	83	N/A
<b>Positive destinations of those confirmed</b>	3,885	95	95	3,661	95	95	3,085	95	N/A
<b>Other known destinations</b>	190	5		176	5		150	5	
<b>Unconfirmed destinations</b>	704	15		692	15		675	17	

SFC Guidance: [College Leaver Destinations Guidance 2019-20 \(sfc.ac.uk\)](https://www.sfc.ac.uk/collegetravellers/destinations)

The data collection takes place annually in February and tracks the destinations of successful, full time completing students from the previous session. This report relates to students who completed their studies in session 2019-20 and are deemed successful through full attainment of the qualification aim of the course.

A summary of main points from the April 2021 data collection exercise are noted below:

- ◆ **The number of qualifiers continues to fall with fewer full-time completers in 2019-20. The increase in short full-time programmes is not included in the CLD data collection as these courses are classified as part time.**
- ◆ **Deferrals in relation to the Covid-19 lockdown in March 2020 negatively impacted on 2019-20 numbers of completers.**
- ◆ **There is a low response rate as many students do not answer calls from the College 0800 number.**
- ◆ **Destination information is normally gathered during graduation ceremonies and this was not possible with the move to virtual graduations in November 2020.**

- ▶ The 2021 survey was carried out during March 2021 during initial national lockdown - positive destinations include those on furlough.
- ▶ Other known destinations include those not in work, not in further study as well as those taking time out, caring responsibilities.
- ▶ Improvement action planning for next session will include a review of student contact methods in a bid to improve confirmed response rates
- ▶ HE confirmed positive destinations - 14% were in employment either full or part time with the majority progressing to further study in college or at university.
- ▶ FE confirmed positive destinations - 81% (1,540 students) returned to the College to continue their studies.

## Student Attainment and Progression

Mode	2017-18	2018-19	2019-20	2020-21
HE Full-time	69	65	70	67
HE Part-time	80	80	73	85
FE Full-time	69	68	66	67
FE Part-time	72	76	78	69

The Covid-19 pandemic continued to impact on student attainment rates into 2020-21, with proportionately high numbers of students in vocational areas unable to continue to engage in practical units. While the College reported improved retention across both, HE and FE, the ability of some students to engage in on-line assessment, impacted on success rates for full time students.

HE Full time success rates dipped by 3% to 67% (2019-20: 70%) with high proportionate numbers of students impacted by changes to their courses and especially where access to practical work experience remained a requirement for course success. An encouraging increase in HE part-time to 85% reversed a single year dip in 2019-20 (73%) and brought the College back in line with a five-year improvement trend. Analysis of success rates indicates that online learning and successful assessment were perhaps more attainable by students at higher SCQF levels while lower SCQF levels learners impacted more negatively from the absence of face-to-face teaching, encouragement, and support.

The College FE full-time rates, while improving slightly on the previous year at 67% (2019-20: 66%), overall remain stubbornly below 70%, despite introducing alternative assessment methodologies in line with awarding body Covid-19 guidance. The improving trend in FE part-time success rates has stalled with a reduction to 69% compared with 78% in 2019-20. This reduction is due to (a) 2019-20 Covid-19 deferral students who were unable to complete their work, with vocational subjects being significantly impacted where a work placement is a mandatory part of the course, and (b) a planned curriculum shift from full time to short full time courses which for achievement purposes count as part time provision and is not included in the College Leavers Destination survey.

## Deferrals from Session 2019-20

The national lockdown in March 2020 impacted on many students for whom assessment and course completion was deferred into session 2020-21. Of those who returned part time to pick up lost learning and assessment during session 2020-21:

- ▶ **At Scottish Credit and Qualifications Framework (SCQF) Levels 2-6 (FE) a total of 620 student re-enrolled and of these 88% (546) successfully achieved the qualification aim they were unable to complete in session 2019-20.**
- ▶ **At SCQF Levels 7+ (HE) a total of 143 deferrals undertook lost assessments and 86% (123) successfully achieved their qualification aim.**

For 2020-21 the SFC has changed the way in which deferrals and returners are coded and students who were unable to complete during 2020-21 are classified separately. Outcomes for those who return for completion of their qualifications will be reported in 2021-22.

Student success rates for students from SIMD10 were broadly comparable to the previous session, with a 1% reduction for FE and a 1% improvement in HE. Despite the improvement for HE, the attainment gap widened as students from non-SIMD areas had a more improved trend success rate.

Full-time FE level outcomes were varied across College departments – with some very successful, above average outcomes trends for learners evident in the Learner Development programmes which focussed on SCQF Level 4 and in FE level Construction and Building Services courses, despite the impact of the pandemic. The overall College percentage dropped because of high numbers proportionately in some areas where success outcomes fell. Improvements to outcomes for part time FE learners are, in part, attributable to the ease of access to online learning for large numbers of students and the relatively low impact the move to remote learning had on these cohorts.

Many of our vocational courses were impacted by Covid-19 with a great deal of ongoing uncertainty for staff and students on how and when courses may complete. The College had a significant number of vocational students still undertaking 2019-20 course assessments well into 2020-21 as a direct result of the Covid-19 pandemic. Success performance indicators for 2019-20 will be reviewed once the College has taken account of all of those who have returned during session 2020-21 to complete their qualifications.

The College continues to seek to continually improve on the CLD and have made some changes to planned data collection for the 2020-21 cohort, although Covid-19 may impact on positive destinations, especially into employment, for successful 2020-21 completers.

## Early Withdrawal

	<b>Actual 2018-19</b>	<b>Actual 2019-20</b>	<b>Actual 2020-21</b>
	<b>%</b>	<b>%</b>	<b>%</b>
<b>HE Full-time</b>	8.3	9.6	5.3
<b>HE Part-time</b>	7.1	7.0	3.4

The College early withdrawal rates for both FE and HE full time students has continued to fall as more enrolled students remained on programmes past the 1 November cut-off date. In the ongoing context of Covid-19 restrictions, feedback from students indicated that the flexibility offered by remote learning facilitated ongoing engagement with their studies. The College responded quickly to the pandemic restrictions for campus presence and mobilised ICT devices and support resources to provide continued delivery of learning.

## Students Association

In 2020-21 the Student Association (SA) supported the student body during the Covid-19 pandemic, prioritising wellbeing, and positive mental health initiatives. The SA actively engaged with College students online via the SA social media sites and offered online advocacy and pastoral support.

A key College aim during 2020-21 was to work in partnership with the SA to increase student participation rates from surveys. This was successfully achieved for the SFC Student Satisfaction and Engagement Survey (SSES) which was conducted entirely online and resulted in an overall increased response rate of 10% (42% compared with 32% in 2018-19 noting that SFC withdrew the 2019-20 SSES requirement). Student representative training was offered online and over 400 recruits took up this opportunity and were instrumental in supporting survey uptake as well as gathering feedback on the student experience within their courses. The early feedback resulted in specific changes to how the college supported students during the pandemic including updated ICT hardware/ software more relevant to coursework and assessment requirements, the introduction of a student help desk online and access to online support for developing confidence to learn online.

Understandably the perception of the value the SA as a force for positive change across the College, was detrimentally impacted during the pandemic. All student facing SA led high profile activities ceased, including 'Freshers' events along with fund raising and other on campus activities. The Student Association worked continually behind the scenes to support the wider work of the College. The College is confident that this perception will improve as the SA further develops its online presence through social media, and when activity and footfall from on-campus learning resumes.



## Early Indication of Progress for 2021-22

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Enrolments for full-time classes starting in August 2021 are lower than target and those in 2020, despite applications being higher earlier in the year. The reduction is likely to be in part due to the increase in places available in universities, the availability of employment in certain sectors such as Hospitality and Care and the reduction in students completing courses last year and progressing on. The uncertainty over Covid-19 restrictions in colleges may also be a factor. Some analysis is being undertaken on why applicants may not have taken up places. This situation appears to be shared with many other Colleges across Scotland.

There is very strong demand for places in Construction courses and the college has increased classes in this area but is restricted increasing further due to availability of specialist accommodation. There is also a healthy increase in Apprentice provision with growth in Engineering and Health and Social Care.

The College Covid-19 Mobilisation Group continues to operate, with multiple workstreams, to respond to changes in Covid-19 guidance. The College Digital Strategy has been taken forward by several digital workstreams, including leading the tailored CPD for online teaching and use of Microsoft Teams. All students for 2021-22 are being provided with access to an online unit 'Developing the Confidence to Lear Online' before their courses started and throughout the session.

Portfolio Review meetings have been completed and Curriculum Planning and Review meetings are scheduled for the autumn to review overall performance and plan curriculum changes for 2021-22. Curriculum changes will be in line with the Curriculum Strategy 2021-26 which was approved by the Board of Management in June 2021.

## Estate Strategy

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The College Estate Strategy 2016-2026 addresses emerging and future needs of both student and staff bodies. The College is based at three main campus locations in Clydebank, Greenock and Paisley and has continued to invest in the maintenance of its buildings to improve the teaching and learning environment as well as the underlying fabric of the estate. Our vision is to develop an estate that is fit for purpose, technologically advanced, future proofed, sustainable, and cost efficient that is responsive in meeting the needs of both current and future students.

The key College Estate Strategy challenges identified by the 2019 condition survey of the College estate, and recognised by the Scottish Funding Council college sector national condition survey of December 2017, include:

- ◆ **Challenges continue to exist in relation to fitness for purpose of our estate, with only 4 of 12 operational College buildings being graded at Level 1 (excellent) for functional suitability, and half of our operational buildings requiring major repair or replacement.**
- ◆ **A need to invest £42.4m over the next 5 years to bring our existing operational buildings up to a suitable condition and required standard.**

- ▶ **Over the next 20-year period a total of £152.5m will be required to maintain the current College estate in a suitable condition and to the required standard to undertake learning and teaching.**
- ▶ **Significant investment is required in Greenock as a high priority, with expenditure of £21.4m being necessary over a 5-year period to ensure our buildings are in the condition expected of a modern teaching and working environment. It is estimated that replacing our existing Greenock facilities could require investment of up to £100m (ex VAT) and an Outline Business Case is to be submitted to the Scottish Funding Council to this effect.**
- ▶ **Within Paisley, there is also a need for significant investment, with much of the estate not being fit for purpose. Funding is therefore required as a priority, with expenditure of £16.6m being identified as necessary simply to maintain existing buildings in an acceptable condition over the next 5-year period. However, even with this, the functional suitability of several of these buildings would not be at the level required. Thus, there is a need for investment, and it is estimated that replacing and upgrading our existing Paisley facilities would require an amount in the region of £100m.**
- ▶ **The Clydebank campus, which is now 13 years old, has a need for investment of £4.5m over the next 5-year period to maintain facilities at the required level.**

The delivery of the Estates Strategy is overseen by the Vice Principal Operations and supported by the Estates Management Team. The Corporate Development Committee retain ongoing oversight of the Estate Strategy implementation and the Board of Management receives an annual update on the implementation of the Strategy. Given the potential implications of Covid-19 on the future estate needs of the College has undertaken to review the Estate Strategy during the first half of 2021-22, with the aim being to for the Board of Management to approve a revised Strategy by the end of the first quarter of 2022.

## Sustainability Report

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### Sustainability Strategy

The College is currently refreshing its Sustainability Strategy which sets out a clear vision until 2025. At the heart of the strategy is the ambition to 'Be a College at the cutting edge of environmental sustainability through its learning, teaching, partnerships and core operations'. Specifically, to reduce carbon emissions by 50% on the College baseline by 2030, with an aspiration to be carbon neutral by 2040. The strategy is ambitious but aligns to the climate emergency that was declared in May 2019.

The key focus for the College will therefore continue to be on the following aspects: energy, water, travel and transport, community, sustainable procurement, fair trade, sustainable education, and external partnerships.

### Report on progress made during 2020-21

The College acknowledges the importance of environmental issues and sustainability, and endeavours to consider these matters as part of its ongoing decision-making process. Its environmental responsibilities as a public body, supports the national outcome to 'value and enjoy our built and natural environment, protect it, and enhance it for future generations'.

The College's strategy therefore outlines its commitment to sustainability and how it will reduce carbon emissions, adapt to climate change and act in a sustainable manner in line with its obligations. As such the College is named as a 'major player' by the Scottish Government in the Climate Change (Scotland) Act 2009.

In addition, our role in sustainable education provides us with a clear mandate to lead in sustainability in everything we do. The college is committed to ensuring progress towards embedding into college life the UN Sustainable Development Goals (SDGs).

In 2020-21, the College's approach to energy-efficiency continued with further investment in a series of lighting control measures across the estate and replacement of lighting installations with more efficient equipment. Future projects to further improve energy efficiency and drive down consumption will be implemented in upcoming years.

Up to 97% of the College's carbon footprint is associated with its buildings, from heating, lighting and use of other equipment. The first Carbon Management Plan (2015-21) shows that the College emitted 5,303 t/CO<sub>2</sub>e in 2014-15, this reduced to 3,267 t/CO<sub>2</sub>e in 2019-20, a 2,036 t/CO<sub>2</sub>e (38%) reduction. Over this period electricity and gas consumption has reduced by 55% and 11% respectively. The College closure on 23 March 2020 due to the Covid-19 lockdown led to an overall reduction in electricity and gas usage and therefore a reduction in carbon emissions. With the resumption of campus activities this downward movement will partially reverse in 2021-22.

College waste management continues to improve with an offsite recovery rate of 90% for mixed recycling and 60% for general waste. All College food waste is processed into green energy via an anaerobic digester.

At the start of the academic year the College was considering various ways to remove single use plastic, thereby reducing plastic pollution, however with the Covid-19 lockdowns this activity has been delayed until 2021-22. The College continues to develop staff and students and promote actions on sustainability enabling and encouraging them to be global citizens. The College also promoted the principles of 'Education for Sustainable Development' through teaching, research, and knowledge transfer activities. Supporting social responsibility across the College and in our communities and encourage the use of Fairtrade products. The College is also a member of the Scottish Fair-Trade Forum and complies with Scottish Government sustainability reporting in line with the requirements of the Climate Change (Scotland) Act 2009.

## Review of Financial Performance

The financial impact of Covid-19 on the College after the closure of its campuses in January 2021 has been considerable particularly as income includes a high level of commercial and international exposure. The adjusted operating position, in the table on page 27 below, shows a surplus of £0.2m for the year compared to the 2019-20 deficit of £1.8m. The Statement of Comprehensive Income shows a surplus of £11.0m for the year compared to the 2020 deficit of £(24.4)m, due to the actuarial gain on the local government pension scheme.

	<b>2020-21</b>	<b>2019-20</b>
	<b>£'m</b>	<b>£'m</b>
<b>Income</b>	59.0	57.7
<b>Expenditure</b>	(60.4)	(61.5)
<b>Operational deficit for the year</b>	(1.4)	(3.8)
<b>Exceptional staff costs</b>	(0.5)	(0.0)
<b>Annual leave provision movement</b>	(0.1)	(0.4)
<b>FRS102 pension costs -actuarial revaluation</b>	(3.1)	(2.7)
<b>FRS 102 pension interest charge</b>	(0.6)	(0.5)
<b>Deficit for the year</b>	(5.7)	(7.4)
<b>Actuarial gain / (loss) on pension</b>	16.7	(17.0)
<b>Total comprehensive income / (expenditure) for the year</b>	11.0	(24.4)

### Income

Income at £59.0m is higher by £1.3m in comparison to 2019-20. Scottish Funding Council Recurrent grants increased by £1.8m due to the receipt of sector wide financial sustainability funding, core funding to cover inflationary cost pressures and additional Young Person Guarantee / National Transition Training funding.

Tuition fees and education contracts, which includes international and commercial income, held relatively steady with a slight increase of £0.3m despite the impacts from Covid-19.

Other grant income increased by £0.4m due in the main to receipt of a development grant which was expended in year on equipment and additional teaching staff.

Other income including childcare funds was £1.2m lower than 2019-20. The impact of Covid-19 on catering and nursery income resulted in a loss of income of £0.8m. The College received Job Retention Scheme income of £0.6m in 2020-21 which was £0.1m lower than the previous year.

### Expenditure

Expenditure at £60.4m is lower by £1.1m in comparison to 2019-20. This was mainly the result of decreases in other operating expenses as the College expenditure contracted due to the impacts from Covid-19

Staff costs increased by £0.7m due in the main to cost of living increases which were partially offset by the savings from staff leaving due to voluntary severance.

Other Operating Expenses reduced by £1.7m compared to 2019-20 due to lower costs associated with income contractions relating to Covid-19, together with savings aligned to campus closures. These one-off savings relate to energy, cleaning, professional fees, catering costs and travel.

## Balance Sheet

Fixed assets at the year-end totalled £111.1m, a net increase of £13.3m compared to the prior year. This is primarily the result of the interim revaluation of land and buildings that was required in the year. The increase was also the result of fixed asset additions related to SFC ringfenced funding of digital and high priority backlog maintenance works. Depreciation charges of £3.9m were incurred during the year.

Net current liabilities decreased by £0.4m because of increased debtors and cash at the year-end offset by an increase in creditors. On 31 July 2021, the College had an accumulated surplus of £14.2m (2019-20: £13.6m surplus) on its Income and Expenditure Reserve, and in complying with FRS102 s28 (Retirement Benefits) the pension liability decreased by £12.9m to £30.1m (2019-20: £43.1m) which is included in the Income and Expenditure Reserve.

## Cash Flow

There was a net cash inflow of £1.8m (2019-20: net cash inflow of £1.3m). On 31 July 2021 the College held cash and deposits of £8.8m (2019-20: £6.9m), of which £0.4m related to student support funds. These are managed in accordance with the College's Financial Regulations. The College held long-term debt of £1.3m (2019-20: £1.7m) which is attributable to the Paisley campus inherited campus redevelopment.

## The College Estate and Capital Resources

The College has capital assets of £111.1m (£110.7m related to the College estate). In 2020-21 the College received SFC lifecycle maintenance funds of £1.2m (2019-20: £0.8m) to maintain its estate, ICT infrastructure and systems. The College has underpinned this investment with net recurring expenditure of approximately £1.6m (2019-20: £1.0m) to cover the operating costs of the estate.

## Cash Budget For Priorities

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Following the reclassification of the College as a central government body from 1 April 2014, the College is required to comply with Central Government budgeting rules. In addressing the impact of these budgeting rules, the Scottish Government and SFC committed to providing the cash budget previously earmarked for depreciation for use on specified priorities. The College has a fixed cash budget for priorities of £1.6m per year which must be spent on agreed governmental priorities as outline in the following table:

	2020-21 £'000	2019-20 £'m
<b>Revenue</b>		
Contribution towards 2015-16 cost of living award	0.6	0.6
ICT maintenance costs	0.5	0.5
<b>Total impact on operating position</b>	<b>1.1</b>	<b>1.1</b>
<b>Capital</b>		
Loan repayments	0.5	0.5
<b>Total capital loan repayments</b>	<b>0.5</b>	<b>0.5</b>
<b>Total cash budget for priorities spend</b>	<b>1.6</b>	<b>1.6</b>

## Adjusted Operating Position

Under central government budgeting rules, the non-cash depreciation and pension adjustments are reported under separate budget lines from the operating position. The accounts direction requires the disclosure of an adjusted financial position. This removes the impact from accounting adjustments for pensions from the College's deficit. It also removes the impact of the College spending net depreciation funding on those items prioritised by the SFC. The adjusted operating position on this basis is shown in the table below:

	Note	2020-21 £'m	2019-20 £'m
<b>Deficit before other gains and losses</b>		(5.7)	(7.4)
<b>Add back:</b>			
Depreciation net of deferred capital grant releases	1	2.7	2.6
Pension adjustment - Net service costs	2	3.1	2.9
Pension adjustment - Net interest costs	3	0.6	0.5
Loss on disposal of assets		0.0	0.1
<b>Remove:</b>		0.5	0.5
Revenue funding allocated to loan repayments	4	(0.5)	(0.5)
<b>Adjusted operating surplus / (deficit)</b>		<b>0.2</b>	<b>(1.8)</b>

### Note

1. Depreciation does not have a cash impact on the College and capital expenditure and will largely be funded by government grants, therefore the charge is taken out. See note 12 for depreciation and note 14 for deferred capital grants.
2. The adjustments to the pensions charge represent the net service cost (i.e., the present value of projected benefits resulting from employee service in the current year less cash contributions paid). See note 23.
3. The net interest cost is the interest accumulated on the pension liability and this is offset against the current year's interest earned on pension assets. See note 23.
4. Cash budget for priorities is included in income but the loan repayment is not reflected in the costs therefore this amount is adjusted. See table on page 26 for cash budget for priorities spend.

## Payment To Suppliers

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The College complies with the CBI Prompt Payment Code and has a policy of paying its suppliers at the end of the month following the date of invoice or supply unless supplier payment terms are different, in which case payment is made in accordance with those terms. Supplier invoices were paid on an average of 13 days in the year to 31 July 2021 (2019-20: 21 days). There was no interest paid under the Late Payment of Commercial Debts (Interest) Act 1998 during the period.

## Financial Outlook

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The impact of Covid-19 - not only on College operations but on wider society in general - is expected to result in further challenges in maintaining levels of recruitment and therefore funding in future years. Robust financial planning mechanisms continue to be employed for the next three-year period which are intended to enable West College Scotland to achieve its planned outcomes, however even with these mechanisms in place, the operating environment is likely to prove challenging.

To achieve the forecasted break even adjusted operating position, the College will require to deliver £2.3m of both staff and non-staff efficiency savings over the next three years. These efficiencies are based upon the ability of the College to attain its student enrolment targets. As noted in the 'Early Indication of Progress for 2021-22' section on page 22, the level of recruitment is lower than targeted for 2021-22. The College has continued its engagement with the SFC regarding how the College, with support from the SFC, can address the challenges it faces.

As detailed within the Estate Strategy section, significant investment will be required from Scottish Government and the Scottish Funding Council to provide and maintain 21st century teaching, learning, and working facilities that meet the needs and expectations of students, staff, and customers. Without this investment the ability of the College to attract and retain students during these difficult times will only be made more challenging.

The current uncertainty in funding and the challenging financial environment will be closely monitored in the coming months and years. The sector continues to face difficult economic conditions which are exacerbated by the College core funding only being provided for the year ahead which negates the ability of the College to effectively plan for long term financial sustainability.

**The Performance Report is approved by The Principal and Chief Executive:**

**Elizabeth Connolly**

**Principal and Chief Executive**

# Accountability Report



# CORPORATE GOVERNANCE REPORT

## Board of Management Report

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The membership of the Board of Management during the year to 31 July 2021 is outlined at page 35 and includes all members who served during the reporting period. The Register of Interests for these Board members is available on the [College website](#).

No significant company directorships or other interests were held which may have conflicted with their duties as Board Members. No member of the Board of Management had any other related party interest during the reporting period.

The Board of Management complies with all the principles of the Code of Good Governance for Scotland's Colleges ('the Code') as developed and owned by the college sector. Further to this, the Board has adopted and operates under the model Code of Conduct developed by the Standards Commission for Scotland. With regards to data protection compliance, there was one potential data-related incident which was reported to the Information Commissioners Office. The College received a response from the ICO stating that they did not require to follow up on the matter and the report was considered as closed.

The Board of Management's authority, reserved matters and the delegation of authority are set out in the [Scheme of Delegation](#). Delegation of authority in relation to financial decision-making is further detailed in the College's [Financial Regulations](#).

All agendas, minutes and relevant reports from Board and Board of Management Committee meetings are published online in accordance with the model Publication Scheme for public authorities provided by the Scottish Information Commissioner.

The College Executive Team comprises:

- ◆ **Elizabeth Connolly - Principal and Chief Executive**
- ◆ **Stephanie Graham - Vice Principal Educational Leadership**
- ◆ **David Alexander - Vice Principal Operations (resigned 25 June 2021)**
- ◆ **Amy McDonald - Vice Principal Operations (appointed 23 August 2021)**

These members also influence the decisions of the College as a whole.

# Statement of The Board Of Management's Responsibilities

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The Board of Management defines its overall responsibilities in accordance with the Code of Good Governance, with these being as follows:

- ▶ **to lead the College and set its strategic direction and values.**
- ▶ **to ensure effective management and financial controls which support the student experience within a framework of public accountability and transparency.**
- ▶ **to deliver high quality learning and outcomes.**

In addition, the Board of Management is required to prepare financial statements for each financial year which give a true and fair view of the College's state of affairs and of the surplus or deficit and cash flows for that year. The Board of Management confirms that the annual report and accounts are fair, balanced, and understandable. The Board of Management also confirms that as far as it is aware there is no relevant information of which the auditors are unaware, and that it has taken all reasonable steps to make relevant audit information available and to establish that the auditors are aware of this information.

The Board of Management governance framework sets out the roles, accountabilities and expectations for Board members and Board committees. The Board of Management Articles of Governance are publicly available via the College website.

## Corporate Governance Statement

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### Introduction

The Corporate Governance Statement is provided to summarise the operation, responsibilities, structure, and functions of the College Board of Management, with approaches in place to support this and ensure effectiveness and improvement. Due recognition has been given to the guidance set out in the Code of Good Governance for Scotland's Colleges and the Governance Statement section of the Scottish Public Finance Manual (SPFM). It is a condition of the Financial Memorandum that West College Scotland meets the principles of good governance set out in the Code of Good Governance for Scotland's Colleges.

### Governance Structure

It is the Board of Management's responsibility to provide independent judgement on issues of strategy, performance, resources, and standards of conduct. The Board of Management is provided with regular and timely information on the overall financial performance of the College as well as a variety of wider information including audit reports, human resources and organisational development matters, curriculum developments, quality/evaluation and estates and information technology projects and expenditure.

The College's Board of Management met five times during 2020-21 and conducted business through seven (reconstituted to five) supporting Committees. The Committees which operated during 2020-21 were:

- ◆ **Audit.**
- ◆ **Corporate Development (this Committee was previously three Committees namely HR and Corporate Development / Finance and General Purposes / Asset and Infrastructure).**
- ◆ **Learning, Teaching and Quality.**
- ◆ **Remuneration.**
- ◆ **Nominations.**

Each Committee has a formally constituted remit and terms of reference.

All Board Committees operate under the authority of, and with terms of reference approved by, the Board of Management. Meetings of the Board of Management and Board of Management Committees are conducted in accordance with Standing Orders which are approved by the Board, and minutes of these meetings are published on the [College website](#).

The Board is supported by a Secretary to the Board. The Secretary maintains a register of financial and personal interests of Board Members. The Secretary is also responsible for ensuring full minutes of all Board and Board Committee meetings are available and that all applicable procedures and regulations are complied with. Formal agendas, papers and reports are supplied to Board members in a timely manner, in advance of meetings. All the above information is available on the [College website](#).

Amendment to Committee Structure effected during the year

At its meeting held on 1 February 2021, the Board of Management approved a realignment of Board Committees from a total of seven to five as noted above.

## Corporate Development Committee

The Corporate Development Committee was formed by combining the HR and Corporate Development / Finance and General Purposes / Asset and Infrastructure 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.**

## Audit Committee

The Audit Committee ensures compliance with corporate governance requirements, monitors adherence to regulatory requirements, provides oversight on systems of internal control and provides the principal mechanism through which the audit process works with particular emphasis on compliance, management of risk, and internal and external audit activities as well as ensuring systems are in place to provide efficiency, effectiveness, and economy. This Committee provides a forum for reporting by the College external and internal auditors and advises on the appointment of the internal auditors and their remuneration.

The Audit Committee meets at least four times a year and, in addition, meets once a year with the Corporate Development Committee to consider the annual audit report of the external auditors, review the integrity of the Annual Report and Financial Statements and to recommend their approval to the Board of Management. Whilst senior executives attend meetings of the Audit Committee as necessary, they are not members, and once a year the Committee members meet both the internal and external auditors independently.

The College internal auditors undertake reviews which test and monitor systems of internal control, risk management controls and governance processes in accordance with an agreed audit plan and report their findings to College management and the Audit Committee. College management is responsible for the implementation of agreed audit recommendations and the internal audit providers undertake periodic follow-up reviews to ensure that such recommendations have been implemented.

The Audit Committee considers detailed reports together with recommendations for the improvement of College systems of internal control and management responses and implementation plans. It also receives and considers reports from the Scottish Funding Council and monitors adherence to regulatory requirements.

Learning, Teaching and Quality Committee

The main purpose of the Learning, Teaching and Quality Committee is to:

- ▶ **Have strategic oversight of all learning, teaching, training and skills development within the College, ensuring the highest quality of student experience and the development of a sustainable and innovative curriculum to meet the current and future skills needs of students, employers and the Region.**
- ▶ **Advise on the strategic direction for the allocation and development of College resources to best meet the needs of learning, teaching and students.**
- ▶ **Ensure the College meets the Scottish Government and Scottish Funding Council requirements relating to Learning, Teaching and Quality in the Regional Outcome Agreement and monitor associated targets and performance indicators.**
- ▶ **Advise on the strategic implementation, review and development of required strategies and policies that reflect best practice and improve the student experience.**

## Remuneration Committee

The purpose of the Remuneration Committee is to determine the remuneration and terms and conditions of the Principal, all other members of the Senior Management Team (SMT) including the College Executive and Heads, and the Secretary to the Board, and to ensure due process is followed.

## Nominations Committee

The purpose of the Nominations Committee is to consider and make recommendations to the Board of Management on appointments ensuring due process is followed, to consider matters of succession planning, and to consider processes in place for the induction, training, and development of Board members.

## Operation of The Board of Management

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### Membership

In alignment with the Post-16 Education Act (2013), West College Scotland continued to formally review Board membership during the year to 31 July 2021. The Board of Management comprises 18 members encompassing:

- ◆ **a Chair appointed by Scottish Ministers.**
- ◆ **the Principal.**
- ◆ **12 Non-Executive Members whose appointments are made in accordance with Scottish Government Ministerial guidance issued in 2014 and approved by both the Board of Management and the relevant Scottish Minister.**
- ◆ **two Staff Members elected by the College teaching and support staff.**
- ◆ **two Student Members nominated by the Students' Association.**

The College's Board of Management is drawn from industry and the professions. The wide experience of the Board ensures the strategic direction of the College is set in conjunction with industry's needs and that due attention is paid to maintaining a financially sustainable College.

Details of membership during the year to 31 July 2021 are provided at page 35.

### Induction and Development

All new Board members receive a formal induction provided by the College and through training organised by the College Development Network. Additional Board development sessions held within the College during the year 2020-21 focused on the SFC Review of Coherent Provision and Sustainability, College estate (including a detailed update in relation to College Outline Business Cases for Paisley and Greenock) and the financial environment within which the College operates.

## Evaluation





*In accordance with Paragraph D.23 of The Code of Good Governance for Scotland's Colleges, "the board must keep its effectiveness under annual review and have in place a robust self-evaluation process. There should also be an externally facilitated evaluation of its effectiveness at least every three years. The board must send its self-evaluation (including an externally facilitated evaluation) and board development plan (including progress on previous year's plan) to its funding body and publish them online".*

It was agreed at the 1 February 2021 Board meeting that, for the annual internal Board effectiveness review 2021, the same survey that was used in 2019 should be issued to all Board members. The survey was issued on 1 March 2021 with a closing date of 19 March 2021. The outcomes of this review were used to inform and update the Board Development Action Plan. Both the Effectiveness Review Report and Board Development Action Plan were approved by the Board of Management at its meeting held on 14 June 2021 and, thereafter, forwarded to the SFC and are published on the [College website](#). The Board last undertook an externally facilitated evaluation of its effectiveness in late 2019 with the feedback report being approved at the Board meeting held in February 2020.

Each Board member has an individual review meeting with the Chair of the Board during the year. This allows Board members to discuss any training or development needs and helps identify the training and development programme for the following session. The Chair has an annual review meeting conducted by the Vice Chair of the Board and the Board Senior Independent Member.

## Board of Management Membership

The membership of the Board of Management during the year was as follows:

Name	Status	Job Title	Date Appointed / Reappointed	Term End Date	Date Resigned
W. Hatton	 Chair, Board of Management and Nominations Committee (2)	Business Consultant	3 March 2020	2 March 2024	N/a
E. Connolly	 Principal and Chief Executive	Principal, West College Scotland	1 September 2018	Ex officio	N/a
J. Hannigan	 Non-Executive Member  Chair CDC and Remuneration	NMIS Programme Manager, Skills Development Scotland	Re-appointed 1 February 2018	31 January 2022	N/a

Name	Status	Job Title	Date Appointed / Reappointed	Term End Date	Date Resigned
J. Henry	<ul style="list-style-type: none"> <li>Non-Executive Member</li> <li>Board Vice Chair</li> <li>Chair LTQC</li> <li>Vice Chair Nominations</li> <li>Vice Chair Remuneration</li> </ul>	Part-time Researcher, Scottish Parliament	Re-appointed 1 February 2018	31 January 2022	7 July 2021
A. Hetherington	<ul style="list-style-type: none"> <li>Non-Executive Member</li> <li>Vice Chair A&amp;IC</li> </ul>	Retired	Re-appointed February 2017	31 January 2021	31 January 2021
J. McMillan	<ul style="list-style-type: none"> <li>Non-Executive Member</li> <li>Chair Audit Committee</li> <li>Senior Independent Member</li> </ul>	Retired	Re-appointed 1 February 2017	31 January 2021	31 January 2021
N. Allan	<ul style="list-style-type: none"> <li>Non-Executive Member</li> <li>Vice Chair, CDC Feb 21 to July 21</li> </ul>	Self-employed Property Consultant	Re-appointed 1 February 2019	31 January 2023	N/a
J. Johnston	<ul style="list-style-type: none"> <li>Non-Executive Member</li> </ul>	External Affairs Manager, Citizens Advice Scotland	Re-appointed 1 February 2019	31 January 2023	1 January 2021
M. Newlands	<ul style="list-style-type: none"> <li>Non-Executive Member</li> <li>Chair LTQC</li> </ul>	Head of Partnerships, Scottish Enterprise	Re-appointed 1 February 2019	31 January 2023	N/a
L. Johnston	<ul style="list-style-type: none"> <li>Non-Executive Member</li> <li>Senior Independent Member on the Board from Feb 2021 to July 2021</li> <li>Vice Chair of Board from Aug 21</li> </ul>	Business Strategy Manager, North Lanarkshire Council	Re-appointed 1 January 2021	31 December 2024	N/a

Name	Status	Job Title	Date Appointed / Reappointed	Term End Date	Date Resigned
J. Leburn	<ul style="list-style-type: none"> <li>Non-Executive Member</li> <li>Vice Chair CDC</li> </ul>	Business Strategy Manager, North Lanarkshire Council	Re-appointed 1 January 2021	31 December 2024	N/a
A. Wilson	<ul style="list-style-type: none"> <li>Non-Executive Member</li> </ul>	Principal Consultant of Exponentiate.uk	Re-appointed 1 January 2021	31 December 2024	N/a
D. Watson	<ul style="list-style-type: none"> <li>Teaching Staff Member</li> </ul>	Strategic Director West Dunbartonshire Council	1 September 2017	31 August 2021	31 August 2021
V. Thompson	<ul style="list-style-type: none"> <li>Student Member</li> </ul>	Teaching Staff Member, West College Scotland	13 September 2017	12 September 2021	12 September 2021
S. Margarint	<ul style="list-style-type: none"> <li>Student Member</li> </ul>	Student Association	Re-elected 1 August 2020	31 July 2021	31 July 2021
F. McKerrell	<ul style="list-style-type: none"> <li>Non-Executive member</li> <li>Senior Independent Member from Aug 2021</li> </ul>	Student Association	1 August 2020	31 July 2021	31 July 2021
S. Akram	<ul style="list-style-type: none"> <li>Non-Executive Member</li> <li>Senior Independent Member on the Board from Feb 2021 to July 2021</li> </ul>	Lawyer	1 December 2019	30 November 2023	N/a



Name	Status	Job Title	Date Appointed / Reappointed	Term End Date	Date Resigned
S. Akram	 Non-Executive member	Project Manager and Consultant	1 December 2019	30 November 2023	23 August 2021
S. Cairney	 Support Staff Member	Support Staff Member, West College Scotland	18 September 2019	17 September 2023	30 April 2021
M. Gillan	 Teaching Staff Member	Teaching Staff Member, West College Scotland	13 September 2021	12 September 2025	N/A
D. Bayley	 Support Staff Member	Support Staff Member, West College Scotland	14 June 2021	13 June 2025	N/A
A. McGrath	 Student Member	Student Association – WCS	1 August 2021	31 July 2022	N/A
P. Sefton	 Student Member	Student Association – WCS	1 August 2021	31 July 2022	N/A
G. Bold (Co-opted)	 Co-opted member of Audit Committee	Workplace Pensions Director Scottish Widows	Re-appointed for 1 year from 1 July 2020	30 June 2021	31 January 2021
G. Bold	 Non-Executive member	Workplace Pensions Director Scottish Widows	1 February 2021	31 January 2025	N/A
G. Hunt	 Non-Executive member		1 February 2021	31 January 2025	N/A
G. Lyall	 Non-Executive member		1 February 2021	31 January 2025	N/A

Name	Status	Job Title	Date Appointed / Reappointed	Term End Date	Date Resigned
D. Mark (Co-opted)	Co-opted member of HR and Corporate Development Committee (now CDC)	Retired	Re-appointed for 1 year from 1 March 2021	28 February 2022	N/A
R. Binks (Co-opted)	Co-opted member of Learning, Teaching and Quality Committee	Corporate Director of Education, Communities and Organisational Development, Inverclyde Council	Re-appointed for 1 year from 1 March 2021	28 February 2022	N/A
W. Wong (Co-opted)	Co-opted member of Audit Committee	Director of, and Secretary to the Trustee of the Elementis Group Pension Scheme	Re-appointed for 1 year from 1 March 2021	28 February 2022	N/A
M. Hamilton (Co-opted)	Co-opted member of Learning, Teaching and Quality Committee	Employment Facilitator	Re-appointed for 1 year from 1 Nov 2021	31 October 2022	N/A

Noted below are members of the College Executive who attend meetings of the Board and its Committees.

Stephanie Graham	Member of College Executive	Vice Principal Educational Leadership
Amy McDonald	Member of College Executive	Vice Principal Operations

## Board of Management Attendance for the year ended 31 July 2021

Name	Possible Attendance	Actual Attendance
W. Hatton (Chair)	5	5
E. Connolly	5	5
J. Hannigan	5	5
J. Henry (Vice Chair to July 21)	5	5
A. Hetherington	2	2
J. McMillan	2	2
N. Allan	5	5
J. Johnston	2	2
M. Newlands	5	5
L. Johnston	5	5
J. Leburn	5	4
A. Wilson	5	5
D. Watson	5	5
F. McKerrell	5	5
S. Akram	5	4
S. Cairney	4	3
V. Thompson	5	5
S Margarint	5	5
G Bold	3	3
G Hunt	3	3
G Lyall	3	3
D Bayley	1	1

### Co-opted Members (1)

D. Mark

R. Binks

W. Wong

M Hamilton

(1) Co-opted members do not attend Board meetings.

(2) The Chair is ex officio member of all Board committees except the Audit Committee.

## Committee Attendance

	2020-21	2019-20	2018-19
Board of Management	97%	88%	83%
Audit Committee	95%	90%	80%
Corporate Development Committee	84%		
HR & Corporate Development Committee	86%	85%	96%
Asset and Infrastructure Committee	100%	83%	88%
Finance and General Purposes Committee	73%	80%	90%
Learning, Teaching & Quality Committee	83%	69%	81%
Nominations	92%	75%	60%
Remuneration	90%	86%	75%

Individual attendance at Board of Management Committee meetings is monitored by the Nominations Committee.

## Corporate Plan 2019-2025

In respect of its strategic and development responsibilities, the Board of Management receives recommendations and advice from Board Committees, the Principal and Chief Executive and the College Executive Team. The Board of Management has approved the 2019-2025 Corporate Plan, which sets out the College's strategic aims. The Plan outlines the approach of the College to delivering an expansive and progressive curriculum to meet the needs of industry and equip students to meet the demands of the modern workplace. The Plan has the College's values at its centre, and at the heart of the Strategy are four key priority areas:

- ▶ **PERSONALISATION** - the College will deliver the skills solutions that employers are looking for and the learning outcomes that students want, in a way that suits individual students.
- ▶ **COLLABORATION** - The College will build the immersive relationships and make the connections that enhance value for customers and stakeholders by creating learning pathways, developing new delivery partnerships and integrating learning into wider local strategies.
- ▶ **AGILE AND ADAPTIVE** - The College will develop the capability to respond to shifts in demand and seize new opportunities quickly' putting in place specialist delivery capabilities.
- ▶ **DIGITAL** - the College will ensure that it has the digital capacity and capabilities to deliver in a modern economy.

# Risk Management

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## Risk Management Arrangements

The College Risk Management Strategy details and communicates the College's approach to risk management and assurance and is an integral part of the College's internal control and corporate governance arrangements.

The Audit Committee receives regular reports on the College risk management process during the year. The Senior Management Team reviews risk on an ongoing basis and proposes updates to the Risk Register. Any proposed changes to the Risk Register are highlighted and discussed by Board of Management Committees, prior to the Risk Register then being presented to the Board of Management for review.

The June 2021 Board of Management, through its Audit Committee, approved an Assurance Framework with a view to enhancing further the College's approach to internal control, assurances, and risk management. The framework identifies organisational arrangements and clear lines of accountability, which are responsible for providing assurance about the management of key business areas and risks. As part of its annual review, the College Assurance Map was considered by the May 2021 Audit Committee.

The College's Risk Management and Assurance Framework includes:

- ◆ **a Risk Management Strategy.**
- ◆ **a risk appetite statement.**
- ◆ **operational risks registers, managed by each member of the Senior Management Team aligned to their respective operational plans, which cover all College business.**
- ◆ **A Strategic Risk Register, which identifies the major risks drawn from operational risk registers, risks identified by the Board of Management and its committees, and risks identified by the Senior Management Team.**
- ◆ **An Assurance Map highlighting the College internal control and assurance framework.**

The College Risk Management Strategy is overseen by the Senior Management Team, which reports into the Audit Committee. This Senior Management Team meets every three months to review the Strategic Risk Register, and a rolling review programme of operational risk registers and business continuity plans.

The Board of Management is of the view that there is a formal on-going process for identifying, evaluating and managing the College's significant risks that have been in place for the period up to the date of approval of these financial statements which accords with good practice as outlined in the UK Corporate Governance Code 2016. This process is regularly reviewed by the Board of Management.

## Statement on Internal Control

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### Scope of Responsibility

The Board of Management is ultimately responsible for the College's system of internal control and for reviewing its effectiveness. Such a system is designed to manage rather than eliminate the risk of failure to achieve business objectives and can only provide reasonable and not absolute assurance against material misstatement or loss.

The Board of Management has delegated the day-to-day responsibility to the Principal, as Chief Executive, for maintaining a sound system of internal control that supports the achievement of the College's policies, aims and objectives, whilst safeguarding public funds and assets. The Principal and Chief Executive is also responsible for reporting to the Board of Management any material weaknesses or break-down in internal control.

Under the College's Scheme of Delegation, some financial matters are delegated to the authority of the Principal and Chief Executive as appropriate, subject to approved budget cover having been made available by the Board where necessary. A copy of the Articles of Governance and the Scheme of Delegation can be found on the College website.

### The Purpose of the System of Internal Control

The system of internal control is designed to manage risk to a reasonable level rather than to eliminate all risk of failure to achieve policies, aims and objectives; it can therefore only provide reasonable and not absolute assurance of effectiveness. The system of internal control is based on an ongoing process designed to identify and prioritise the risks to the achievement of College policies, aims and objectives, to evaluate the likelihood of those risks occurring and the impact should they be realised, and to manage them efficiently, effectively, and economically. The system of internal control has been in place in the College for the year ended 31 July 2021, and up to the date of approval of the annual report and financial statements.

### The Risk and Control Framework

The system of internal control is based on a framework of regular management information, administrative procedures and a system of delegation and accountability. This includes:

- ◆ **comprehensive budgeting systems with an annual budget, which is reviewed and agreed by the Board of Management.**
- ◆ **regular reviews by the Board of Management of monthly, periodic, and annual financial reports which indicate financial performance against forecasts.**
- ◆ **setting targets to measure financial and other performance.**
- ◆ **clearly defined capital investment control guidelines.**
- ◆ **appropriate reassurance through the College Assurance Framework aligned to top risks faced by the College.**
- ◆ **the adoption of formal project management disciplines, where appropriate.**

The College appoints an internal audit service, and the Board of Management ensures there is objectivity and independence in the selection of auditors through a competitive tendering process. The work of the internal audit service is informed by an analysis of the risks to which the College is exposed, and annual internal audit plans are based on this analysis. The analysis of risks and the internal audit plans are approved by the Board of Management on the recommendation of the Audit Committee.

The Chair of the Audit Committee provides the Board of Management with a report on internal audit activity in the College annually. The report includes the Chair of the Audit Committee's independent opinion on the adequacy and effectiveness of the College's system of risk management, internal controls, and governance processes.

## Review of Effectiveness

The Principal and Chief Executive has responsibility for reviewing the effectiveness of the system of internal control. This review of the effectiveness of the system of internal control is informed by:

- ▶ **the work of the internal auditor. The conclusion in their annual report was that West College Scotland has a framework of controls in place that provides reasonable assurance regarding the organisation's governance framework, internal controls, effective and efficient achievement of objectives and the management of key risks.**
- ▶ **the work of the College Executive and Senior Management Team, who have responsibility for the development and maintenance of the internal control framework and annual assurance statements.**
- ▶ **reports and recommendations made by the College's external auditor.**
- ▶ **the College's risk management processes.**

The Principal and Chief Executive has been advised on the result of the review of the effectiveness of the system of internal control by the Audit Committee, which oversees the work of the internal auditor, and a plan to ensure continuous improvement of the system is in place. Based on these assurances, the Principal and Chief Executive can confirm that sound systems of governance, risk management and internal control, consistent with the requirements of the SPFM / accounts direction, have operated for the year ended 31 July 2021 and up to the date of approval of the annual report and accounts. Additionally, external auditors tested a range of key controls within the main financial processes during the year and did not identify any significant control weaknesses.

The Senior Management Team considers possible control issues brought to their attention by reporting mechanisms and robust risk management processes. The Senior Management Team and Audit Committee also receive regular reports from internal audit, which include recommendations for improvement. The Audit Committee's role in this area is confined to a high-level review of the arrangements for internal control. The Board of Management's agenda includes a standing item for consideration of risk and control and receives reports thereon from the College Senior Management Team and the Audit Committee. The emphasis is on obtaining the relevant degree of assurance and not merely reporting by exception.

## Going Concern

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The annual financial statements have been prepared on a “going concern” basis.

The College meets its day to day, medium and long-term funding requirements through a combination of cash draw-down from the SFC, income generated from commercial activities and a term loan provided by a bank. Under the terms of the loan agreements the College must meet certain financial covenants. These covenants were met during 2020-21 and there is a reasonable expectation that the College will continue to meet these covenants in the 12-month period from the date of these financial statements.

As outlined in the Performance Report section, the College continues to operate within a challenging and uncertain financial environment. The Board of Management has approved a 2021-22 budget which details the sources of income and expenditure of the College and considered a 3-year financial projection. The financial forecasts for this period, based upon a set of SFC assumptions, indicate that the ability to deliver an underlying break-even position will be challenging for the College in the current and future years.

The Board of Management recognises that there is an overall financial sustainability risk to the College and its ability to manage activities and deliver planned outcomes within the current funding environment. The uncertainties relating to the effects of the duration of the pandemic and withdrawal from the EU on the further education sector will also require careful management by the College.

The College continues to receive support from the SFC. Funding allocations are confirmed by the SFC on an annual basis and the 2021-22 allocation has been agreed. The College continues to provide three-year forecasts to the SFC annually. Additionally, the Board has approved the 2020-21 College Interim Regional Outcome Agreement, with a further Interim Regional Outcome Agreement due to be submitted to SFC at the end of November 2021 and finalised for publication in January 2022. The College believes that the SFC will provide the funding requested and therefore it is appropriate to prepare the accounts using the going concern basis

However, having made appropriate enquiries, the Board of Management has a reasonable expectation that the College has adequate resources to continue in operational existence for the foreseeable future. For this reason, they continue to adopt the going concern basis in preparing the 2020-21 Annual Report and Financial Statements.

## STATEMENT OF COMPLIANCE

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In the opinion of the Board of Management the College complies with all the provisions of the 2010 Corporate Governance Code in so far as they apply to the College sector, and it has complied throughout the year ended 31 July 2021. The Board has also complied with the 2016 Code of Good Governance for Scotland's Colleges.



## CONCLUSION

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Based on the above information, it is the opinion of the Board of Management and the Principal and Chief Executive that the College has made progress in seeking to maintain a sustainable financial operating base over the year to 31 July 2021. This is evidenced through implementation of the College Business Transformation Plan with the SFC and the continuation of robust financial management and reporting.

The Board of Management are content that the arrangements in place relating to corporate governance are effective. Based on the information above, it is the opinion of the Principal and Chief Executive and the Board of Management that there was an on-going process for identifying, evaluating, and managing the College's significant risks, that it had been in place for the year ended 31 July 2021 and up to the date of approval of the annual report and accounts.

The Board will ensure the effective implementation of the College Strategic Plan going forward and will continue to evaluate and enhance its own practice through the Board Development Plan and other such mechanisms.

**Approved by order of the members of the Board of Management on 13 December 2021**

## REMUNERATION AND STAFF REPORT

The following table provides an overview of staffing data as at the year end:

		2020-21		2019-20	
		FTE	%	FTE	%
<b>People</b>		830		834	
<b>Sickness absence</b>			3.5		5.3
<b>Staff turnover</b>			13.4		9.78
<b>Gender:</b>					
<b>All staff</b>	<b>Male</b>	364	44	359	43
	<b>Female</b>	466	56	475	57
<b>Board of Management</b>	<b>Male</b>	9	53	8	45
	<b>Female</b>	8	47	10	55
<b>Senior Management Team</b>	<b>Male</b>	5	45	7	58
	<b>Female</b>	6	55	5	42

### Remuneration Policy

Under the College's Financial Regulations, which are consistent with the Code of Good Governance for Scotland's Colleges, the Board of Management has the authority to appoint, grade, suspend, dismiss and determine the pay and conditions of service of the Principal and other senior post-holders.

Under its Scheme of Delegation, the Board delegates authority to the Remuneration Committee to consider, approve and report to the Board on decisions regarding the remuneration, package, terms, and conditions and, where appropriate, severance payments of the Principal and Chief Executive, Executive Team, Senior Management Team, College Heads, and the Secretary to the Board.

The Remuneration Committee comprises the Chair and Vice Chair of the Board, the Chairs of each of the standing Committees of the Board (one of whom is appointed Chair) and a minimum of 1 other member of the Board of Management. The Chair of the Board may not be Chair of the Remuneration Committee. The Remuneration Committee meets twice per year.

## REMUNERATION INCLUDING SALARY AND PENSION ENTITLEMENTS

### Board Member Remuneration

The Chair of the College Board of Management received remuneration in accordance with instruction from the Scottish Government. There is no remuneration paid to any other non-executive director posts on the Board of Management. Expenses incurred are paid to Board of Management members because of carrying out the duties of the appointment, including reasonable travel and subsistence.

## Salary Entitlements

The following table provides detail of the remuneration and pension interests of senior staff.

Name	Year ended 31 July 2021			Year ended 31 July 2020		
	Salary £'000	Pension Benefit £'000	Total £'000	Salary £'000	Pension Benefit £'000	Total £'000
<b>W. Hatton (1)</b>	25-30	0	25-30	10-15	0	10-15
<b>E. Connolly</b>	125-130	20-25	150-155	125-130	20-25	150-155
<b>S. Graham</b>	90-95	20-25	115-120	90-95	20-25	110-115
<b>D. Alexander (2)</b>	85-90	15-20	100-105	90-95	15-20	110-115

1. Waiyin Hatton was appointed as the Chair of the Board of Management from 3 March 2020. The full year remuneration of the Chair of the Board of Management is £27,560
2. The Vice Principal for Operations vacated his position on 25 June 2021, the above entitlements are for 11 months only. His replacement commenced in the role from 23 August 2021.

## Salary multiples

The highest paid member of the management team was the Principal. The Principal's remuneration before pension benefits was in the range £125,000-£130,000 (2019-20: £125,000-£130,000). This was 3.05 times (2019-20: 3.10 times) the median remuneration paid to West College Scotland staff which was £42,357 (2019-20: £41,526).

## Accrued Pension Benefits

Pension benefits for employees are provided through the Scottish Teacher's Superannuation Scheme (STSS), a defined benefit scheme, which is notionally funded and contracted out of State Earnings-Related Pension Scheme and the Local Government Pension Scheme (LGPS).

Both STSS and LGPS were final salary schemes until 31 March 2015, meaning that members' benefits were based on the final year's pay and the number of years that the person has been a member of the scheme. From 1 April 2015, both schemes became career average schemes, meaning that benefits are based on the career average earnings of the member, and the number of years that the person has been a member of the scheme. The schemes' normal retirement age is the state retirement age.

Contribution rates are set annually for all employees and depend on the salary of the employee. There is no automatic entitlement to a lump sum. Members may opt to give up (commute) pension for lump sum up to the limit set by the Finance Act 2004. The accrual rate guarantees a pension based on final pensionable pay to 31 March 2015, career average earnings from 1 April 2015, and years of pensionable service.

The College accounts for the SPF in accordance with the requirements of Financial Reporting Standard (FRS) 102. The College's share of the scheme deficit as of 31 July 2021 was £30.1m (2020: £43.1m) and is included within reserves. The College is required by FRS 102 to disclose the STSS Scheme as a defined contribution scheme, as the scheme is not able to calculate individual employers' share of the overall deficit.

Further details regarding the pension arrangements for the College can be found in Note 23 to the Financial Statements including contribution rates payable.

## Senior Staff Pension

Pension benefits are provided to senior staff on the same basis as all other staff. The accrued pension benefits for senior staff are set out in the table below, together with the pension contributions made by the College. It should be noted accrued benefits are attributable to contributions made over the period of the individual's working life, and from their various employers during that time.

Name	Accrued pension and lump sum at pension age at 31 July 2021	Real increase in pension and lump sum 1 August 2020 to 31 July 2021	CETV at 31 July 2021	CETV at 31 July 2020	Real increase / (Decrease) in CETV
	£'000	£'000	£'000	£'000	£'000
<b>E. Connolly</b>	18	3	298	247	51
<b>S. Graham</b>	150	9	904	818	86
<b>D. Alexander</b>	94	0	602	602	0

## Cash equivalent Transfer Value (CETV)

A Cash Equivalent Transfer Value (CETV) is the actuarially assessed capitalised value of the pension scheme benefits accrued by a member at a point in time.

The value of the accrued pension benefits has been calculated on the basis of the age at which the person will first become entitled to receive a pension on retirement without reduction on account of its' payment at that age; without exercising any option to commute pension entitlement into a lump sum; and without any adjustment for the effects of future inflation. The pension figures shown relate to the benefits that the person has accrued because of total Local Government service and not just their current appointment.

In considering the accrued pension benefits figures the following contextual information should be considered:

- a. The figures for pension and lump sum are illustrative only considering the assumptions set out above and do not necessarily reflect the actual benefits that any individual may receive upon retirement; and**
- b. The accrued benefits figures are reflective of the pension contributions that both the employer and the scheme member have made over a period.**

## Real increase in CETV

This reflects the increase in CETV that is funded by the employer. It does not include the increase in accrued pension due to inflation, contributions paid by the employee (including the value of any benefits transferred from another pension scheme or arrangement) and uses common market valuation factors for the start and end of the period.

Note 8 to the accounts provides information on senior post holders' remuneration.

## Compensation for Loss of Office

As at 31 July 2021, 22 employees had left the College under voluntary severance arrangements. They received compensation payments totalling £480,938 with this figure included pension fund strain costs of £40,498. The leavers did not receive any additional compensation. There was 1 staff departure under voluntary severance in 2019-20. There have been no compulsory redundancies.

The table below summarises the total number of agreements by cost band:

	<b>2020-21</b>	<b>2019-20</b>
	<b>Number and cost of voluntary redundancies</b>	<b>Number and cost of voluntary redundancies</b>
<b>£10,001 - £25,000</b>	16	0
<b>£25,001 - £50,000</b>	6	1
<b>Total number of agreements</b>	22	1
<b>Total Cost (£)</b>	£480,938	£30,551

## Salaries and Related Costs

Details of the number of staff and their related costs including senior post-holders and the Principal, who received annual emoluments can be found at Notes 7 and 8 of the Financial Statements.

## Facility time

In accordance with the Trade Union (Facility Time Publication Requirements) Regulations 2017, the College provided the following support through paid facility time for trade union officials working at the College during the year ended 31 March 2021.

## Trade Union Representatives and Full-Time Equivalents

<b>Number of employees who were trade union officials</b>		<b>Full-time equivalent employee numbers</b>	
<b>2020-21</b>	<b>2019-20</b>	<b>2020-21</b>	<b>2019-20</b>
23	23	21.46 FTE	20.9 FTE

## Percentage of working hours spent on facility time by band

	<b>Number of Employees</b>	
	<b>2020-21</b>	<b>2019-20</b>
<b>1% to 50% of working hours</b>	23	23

## Percentage of staff costs spent on facility time

	2020-21	2019-20
Total cost of facility time	£117,000	£107,000
Total staff costs	£43,619,000	£43,007,000
Percentage of total staff costs spent on facility time	0.27%	0.25%

## Paid trade union activities

	2020-21 %	2019-20 %
Time spent on disclosed or reportable trade union activities as a percentage of all trade union activities	14	24

## West College Scotland - Our People

West College Scotland wants to have an engaged, flexible, and modern workforce which is proud to work for the College. The College is proud of the achievements of teaching and support staff and is committed to their professional development so that they can continue to achieve successful outcomes for themselves, students, and the College community.

830 full-time equivalent staff (1,148 headcount) work at the College, 399 FTE (571 headcount) of whom are teaching staff. Alongside them, the College employs 431 FTE (577 headcount) across a range of support functions which encompass other professionals, including accountants, marketing executives, business specialists, caterers, and outreach workers.

West College Scotland is committed to ensuring that all current and future staff are treated fairly and equitably in all aspects of employment. This is supported by activities such as recruitment and selection training for managers which takes account of College obligations to ensure that appointments, promotion, access to training and the application of other policies are made fairly and without discrimination based on the following protected characteristics - age, disability, gender reassignment, marriage or civil partnership, pregnancy and maternity, religion or belief, sex, sexual orientation, or race.

There are several established methods of communication with employees across all campuses within West College Scotland including:

- ▶ **Prior to the restrictions on staff gatherings because of Covid-19, open sessions were hosted by the Principal and involving the Senior Management Team to update staff on key issues and to allow questions to be asked and issues to be raised. During the pandemic these have been moved online via Microsoft Teams.**
- ▶ **Line Managers schedule regular meetings with teams to plan and schedule work to support achievement of corporate goals.**
- ▶ **The 'Homeworking Times' newsletter was used to engaged with staff throughout the lockdown period arising from the Covid-19 pandemic.**
- ▶ **Westworld, a staff newspaper issued on a regular basis which updates staff on College news and events.**
- ▶ **A staff intranet page.**
- ▶ **All staff communications providing details of discussions and key messages following the fortnightly Senior Management Team meeting.**

The highest standards are also expected from all organisations that have dealings with the College. Suppliers, contractors, consultants, partners, and other organisations are therefore expected to adopt or abide by the College's policies, procedures, protocols and codes of practice. The College will seek to review its involvement with any organisation that fails to abide by the expected standards.

## **Building our Collective Culture**

In support of the College 2019-2025 Corporate Strategy, vision and values the College developed and continues to implement the 'Building our Collective Future' framework. This sets out the College culture, how the College will implement its objectives, the behaviours the College aspires to and how it will treat others / expect to be treated. This will also support the College ambition of continuous improvement.

## **Provision of information to employees**

The College has adopted the principles of openness and participation and places a high level of importance in both informing and consulting staff. The College management meets on a regular basis with both the teaching and support staff unions with the minutes of the meetings being made available to the wide College community through the staff intranet. In addition to this the College provides access to relevant documents through the staff intranet and social media outlets, through oral and written briefings, staff newsletters, staff meetings and events. Information is only withheld where this can be shown to be justified or where there is a duty of confidence to a third party.

## **Health and Safety**

West College Scotland Board of Management is fully committed to compliance with all relevant health, safety, and fire legislation. The health and safety policy outlines how all foreseeable hazards and risks are identified and assessed to reduce or eliminate the likelihood of accidents, incidents, and cases of occupational ill health.

## **Equal Opportunities**

The College has an Equal Opportunities Procedure. The purpose of this is to ensure that staff, students, customers, and visitors are treated equally regardless of age, disability, gender reassignment, marriage or civil partnership, pregnancy and maternity, religion or belief, sex, sexual orientation, or race.

The College completes an equality impact assessment on all policies and procedures to ensure that the College pays due regard to the General Equality Duty.

## **Social Matters**

Our curriculum encourages social engagement and interaction by facilitating partnerships with our students and community stakeholders. We recognise the wider benefits of learning, and that the student experience is influenced by social and economic factors beyond the classroom. Our ambition to improve employability aims to increase social inclusion.

## Respect for Human Rights

West College Scotland believes that respect for human rights is an important component of promoting sustainability. The College will respect human rights; will not engage in discrimination on the basis of age, gender, ethnicity, religion, disability, sexual orientation or any other grounds; will not tolerate harassment; will foster a proper understanding and awareness of the issue of human rights; will respect the cultures, customs, and language of other countries and regions; and will promote and maintain harmony with the local and international communities it engages with.

## Employment of staff with a protected characteristic

West College Scotland is aware of the specific duties placed on it as a public body and demonstrates support for diversity in being a signatory to the nationally recognised Disability Confident Scheme.

The College is committed to equality and strives to have a diverse workforce. One way in which this can be evidenced is in the support for new and existing employees who live with a disability. The College is committed to providing reasonable adjustments in the form of physical adaptations, modifications to job roles and auxiliary aids or services to support employees to thrive.

West College Scotland has published 4 overarching Equality Outcomes 2021-2023, one of which focuses on progressing race equality. The College has increased its black and minority ethnic (BME) staff members from 1.5% in December 2019 to 1.7% in July 2021 and the work aligned to this Equality Outcome should enable us to be a better ally for BME staff and students.

## Anti-Fraud and Bribery Policy Statement

It is important that West College Scotland maintains high standards of probity. In this respect, each Board Member and employee of the College is under a duty to report any reasonable suspicions and is encouraged to raise any concerns about fraud and bribery, in the knowledge that such concerns will be properly investigated. To this end, the College has a Public Interest Disclosure Policy (Whistleblowing) to protect anyone who wishes to raise concerns in good faith. Having a strong anti-fraud and bribery framework is therefore essential to ensure resources are used for their intended purpose and to demonstrate that sound systems of public accountability and transparency are in place. The College is committed to protecting the public funds entrusted to it and ensuring these are applied for the benefit of our communities. In support of this, a mandatory training module on Fraud Awareness will be launched to all staff at the start of the 2021/22 academic year.

**The Accountability Report is approved by order of the members of the Board of Management and signed on its behalf by:**

**Waiyin Hatton**

**Chair of Board of Management**

**Elizabeth Connolly**

**Principal and Chief Executive**



# INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF THE BOARD OF MANAGEMENT OF WEST COLLEGE SCOTLAND, THE AUDITOR GENERAL FOR SCOTLAND AND THE SCOTTISH PARLIAMENT

## Report on the audit of the financial statements

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### Opinion on financial statements

We have audited the financial statements in the annual report and accounts of West College Scotland for the year ended 31 July 2021 under the Further and Higher Education (Scotland) Act 1992 and section 44(1)(c) of the Charities and Trustee Investment (Scotland) Act 2005. The financial statements comprise the Statement of Comprehensive Income and Expenditure, Statement of Changes in Reserves, Balance Sheet, and Statement of Cash Flows and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in their preparation is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland (United Kingdom Generally Accepted Accounting Practice).

In our opinion the accompanying financial statements:

- ▶ **give a true and fair view in accordance with the Further and Higher Education (Scotland) Act 1992 and directions made thereunder by the Scottish Funding Council of the state of the College's affairs as at 31 July 2021 and of its surplus for the year then ended;**
- ▶ **have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and**
- ▶ **have been prepared in accordance with the requirements of the Further and Higher Education (Scotland) Act 1992 and directions made thereunder by the Scottish Funding Council, the Charities and Trustee Investment (Scotland) Act 2005, and regulation 14 of The Charities Accounts (Scotland) Regulations 2006 (as amended).**

### Basis for opinion

We conducted our audit in accordance with applicable law and International Standards on Auditing (UK) (ISAs (UK)), as required by the Code of Audit Practice approved by the Auditor General for Scotland. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We were appointed by the Auditor General on 31 May 2016. The period of total uninterrupted appointment is five years. We are independent of the college in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK including the Financial Reporting Council's Ethical Standard, and we have fulfilled our other ethical responsibilities in accordance with these requirements. Non-audit services prohibited by the Ethical Standard were not provided to the college. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### **Emphasis of Matter - Effect of the Covid-19 Pandemic on the valuation of land and buildings**

We draw attention to Note 1(t) of the financial statements, which discloses a material valuation uncertainty caused by Covid-19 declared in the valuation report for property. Our opinion is not modified in respect of this matter.

### **Conclusions relating to going concern basis of accounting**

We have concluded that the use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the college's ability to continue to adopt the going concern basis of accounting for a period of at least twelve months from when the financial statements are authorised for issue.

### **Risks of material misstatement**

We report in a separate Annual Audit Report, available from the Audit Scotland website, the most significant assessed risks of material misstatement that we identified and our judgements thereon

### **Responsibilities of the Board of Management for the financial statements**

As explained more fully in the Statement of the Board of Management's Responsibilities, the Board of Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the financial reporting framework, and for such internal control as the Board of Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Board of Management is responsible for assessing the college's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless deemed inappropriate.

### **Auditor's responsibilities for the audit of the financial statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements. Irregularities, including fraud, are instances of non-compliance with laws and regulations.

We design procedures in line with our responsibilities outlined above to detect material misstatements in respect of irregularities, including fraud. Procedures include:

- ▶ **obtaining an understanding of the applicable legal and regulatory framework and how the college is complying with that framework;**
- ▶ **identifying which laws and regulations are significant in the context of the college;**
- ▶ **assessing the susceptibility of the financial statements to material misstatement, including how fraud might occur; and**
- ▶ **considering whether the audit team collectively has the appropriate competence and capabilities to identify or recognise non-compliance with laws and regulations.**

The extent to which our procedures are capable of detecting irregularities, including fraud, is affected by the inherent difficulty in detecting irregularities, the effectiveness of the college's controls, and the nature, timing and extent of the audit procedures performed.

Irregularities that result from fraud are inherently more difficult to detect than irregularities that result from error as fraud may involve collusion, intentional omissions, misrepresentations, or the override of internal control. The capability of the audit to detect fraud and other irregularities depends on factors such as the skilfulness of the perpetrator, the frequency and extent of manipulation, the degree of collusion involved, the relative size of individual amounts manipulated, and the seniority of those individuals involved.

A further description of the auditor's responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website [www.frc.org.uk/auditorsresponsibilities](http://www.frc.org.uk/auditorsresponsibilities). This description forms part of our auditor's report.

## Reporting on regularity of expenditure and income

### Opinion on regularity

In our opinion in all material respects the expenditure and income in the financial statements were incurred or applied in accordance with any applicable enactments and guidance issued by the Scottish Ministers.

### Responsibilities for regularity

The Board of Management is responsible for ensuring the regularity of expenditure and income. In addition to our responsibilities to detect material misstatements in the financial statements in respect of irregularities, we are responsible for expressing an opinion on the regularity of expenditure and income in accordance with the Public Finance and Accountability (Scotland) Act 2000.

## Reporting on other requirements

### Opinion prescribed by the Auditor General for Scotland on audited part of the Remuneration and Staff Report

We have audited the parts of the Remuneration and Staff Report described as audited. In our opinion, the audited part of the Remuneration and Staff Report has been properly prepared in accordance with the Further and Higher Education (Scotland) Act 1992 and directions made thereunder by the Scottish Funding Council.

### Statutory other information

The Board of Management is responsible for the statutory other information in the annual report and accounts. The statutory other information comprises the Performance Report and the Accountability Report excluding the audited part of the Remuneration and Staff Report.

Our responsibility is to read all the statutory other information and, in doing so, consider whether the statutory other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether this gives rise to a material misstatement in the financial statements themselves. If, based on the work we have performed, we conclude that there is a material misstatement of this statutory other information, we are required to report that fact. We have nothing to report in this regard.

Our opinion on the financial statements does not cover the statutory other information and we do not express any form of assurance conclusion thereon except on the Performance Report and Governance Statement to the extent explicitly stated in the following opinions prescribed by the Auditor General for Scotland.

Opinions prescribed by the Auditor General for Scotland on Performance Report and Governance Statement

In our opinion, based on the work undertaken in the course of the audit:

- ▶ **the information given in the Performance Report for the financial year for which the financial statements are prepared is consistent with the financial statements and that report has been prepared in accordance with the Further and Higher Education (Scotland) Act 1992 and directions made thereunder by the Scottish Funding Council; and**
- ▶ **the information given in the Governance Statement for the financial year for which the financial statements are prepared is consistent with the financial statements and that report has been prepared in accordance with the Further and Higher Education (Scotland) Act 1992 and directions made thereunder by the Scottish Funding Council.**

Matters on which we are required to report by exception

We are required by the Auditor General for Scotland to report to you if, in our opinion:

- ▣ **adequate accounting records have not been kept; or**
- ▣ **the financial statements and the audited part of the Remuneration and Staff Report are not in agreement with the accounting records; or**
- ▣ **we have not received all the information and explanations we require for our audit.**

## **We have nothing to report in respect of these matters**

### **Conclusions on wider scope responsibilities**

In addition to our responsibilities for the annual report and accounts, our conclusions on the wider scope responsibilities specified in the Code of Audit Practice are set out in our Annual Audit Report.

### **Use of our report**

This report is made solely to the parties to whom it is addressed in accordance with the Public Finance and Accountability (Scotland) Act 2000 and for no other purpose. In accordance with paragraph 120 of the Code of Audit Practice, we do not undertake to have responsibilities to members or officers, in their individual capacities, or to third parties.

## **Lucy Nutley**

### **For and on behalf of Mazars LLP**

**Apex 2  
97 Haymarket Terrace  
Edinburgh  
EH12 5HA**

# Financial Statements

## Statement of Comprehensive Income and Expenditure

	Note	Year ended 31 July 2021 £000	Year ended 31 July 2020 £000
<b>Income</b>			
Tuition fees and education contracts	2	5,897	5,641
Funding body grants	3	50,745	48,962
Other grant income	4	632	278
Other operating income	5	1,711	2,863
Investment income	6	0	1
<b>Total Income</b>		<b>58,985</b>	<b>57,745</b>
<b>Expenditure</b>			
Staff costs	7	46,876	46,160
Support staff job evaluation	7	935	935
Restructuring costs	7	481	31
Other operating expenses	9	11,706	13,413
Depreciation	12	3,971	3,975
Interest and other finance costs	10	754	665
<b>Total Expenditure</b>		<b>64,723</b>	<b>65,179</b>
<b>Deficit before Tax</b>		<b>(5,738)</b>	<b>(7,434)</b>
Taxation	11	-	-
<b>Deficit for the Year</b>		<b>(5,738)</b>	<b>(7,434)</b>
Actuarial gain / (loss) in respect of pension schemes	23	16,703	(16,957)
<b>Total Comprehensive Income for the Year</b>		<b>10,965</b>	<b>(24,391)</b>
<b>Represented by:</b>			
Unrestricted comprehensive income		<b>10,965</b>	<b>(24,391)</b>
<b>Surplus / (deficit) for the year attributable to:</b>			
College		<b>10,965</b>	<b>(24,391)</b>

All items of income and expenditure relate to continuing activities.

The Statement of Comprehensive Income is prepared under the FE/HE SORP. Colleges are also subject to Central Government accounting rules but the FE/HE SORP does not permit colleges to include Government non-cash allocations for depreciation in the Statement of Comprehensive Income. Note 27 provides details of the adjusted operating position on a Central Government accounting basis.

The deficit is attributable to other factors reflected in the adjusted operating position and also the impact of Covid-19 as explained in the Performance Report on pages 25 to 28

## Statement of Changes in Reserves

	Income and Expenditure Reserve £000	Revaluation Reserve £000	
Balance at 1 August 2019	14,763	57,703	
Deficit from the income and expenditure statement	(7,434)	-	(
Transfer between revaluation and income and expenditure reserve	2,814	(2,814)	
Release of unrestricted funds spend in the year	3,455	-	
Total comprehensive expenditure for the year	<u>(1,165)</u>	<u>(2,814)</u>	)
<b>Balance at 31 July 2020</b>	<b><u>13,598</u></b>	<b><u>54,889</u></b>	
Deficit from the income and expenditure statement	(5,738)	-	(
Transfer between revaluation and income and expenditure reserve	2,640	(2,640)	
Release of unrestricted funds spend in the year	3,747	-	
Revaluation	-	16,159	1
Total comprehensive expenditure for the year	<u>649</u>	<u>13,519</u>	



## Balance Sheet

		As at 31 July 2021		As at 31 July 2020	
	Note	£000	£000	£000	£000
<b>Non current assets</b>					
Fixed assets	12		111,106		97,798
<b>Current assets</b>					
Stocks		3		-	
Trade and other debtors	13	4,767		2,874	
Cash	19	8,776		6,995	
		<u>13,546</u>		<u>9,869</u>	
Less: Creditors: amounts falling due within one year	14	<u>(14,562)</u>		<u>(11,290)</u>	
<b>Net current liabilities</b>			(1,016)		(1,421)
<b>Total assets less current liabilities</b>			<b>110,090</b>		<b>96,377</b>
Creditors: Amounts falling due after one year	15		(27,338)		(27,834)
Provisions: Pensions	17		(30,157)		(43,113)
Provisions: Other			(97)		(56)
<b>Total net assets</b>			<u><u>52,498</u></u>		<u><u>25,374</u></u>
<b>Unrestricted reserves</b>					
Pension reserve	18		(30,157)		(43,113)
Income and expenditure reserve			14,247		13,598
Revaluation reserve			68,408		54,889
<b>Total reserves</b>			<u><u>52,498</u></u>		<u><u>25,374</u></u>

The financial statements on pages 59 to 82 were approved by the Board of Management, authorised for issue and signed on its behalf by:

Waiyin Hatton  
Chair of Board of Management

Elizabeth Connolly Principal  
and Chief Executive

## Statement of Cashflow

	Year ended 31 July 2021 £000	Year ended 31 July 2020 £000
	<i>Note</i>	
<b>Cashflow from operating activities</b>		
Deficit for the year	(5,738)	(7,434)
<b>Adjustment for non-cash items</b>		
Depreciation	12      3,971	3,975
Loss on disposal of fixed assets	12      -	25
(Increase) / Decrease in stock	(3)	13
Increase in debtors	13      (1,893)	(184)
Increase in creditors	14      3,176	1,785
Increase in provisions	41	56
Net cost of pension provision	23      3,747	3,455
<b>Adjustment for investing or financing activities</b>		
Investment income	6      -	(1)
Interest payable	10      754	665
<b>Net cash inflow from operating activities</b>	<u>4,055</u>	<u>2,355</u>
<b>Cash flows from investing activities</b>		
Investment income	6      -	1
Proceeds from the sale of asset	-	137
Purchase of Building Improvements and Equipment	7      (1,002)	-
	<u>(1,002)</u>	<u>138</u>
<b>Cash flows from financing activities</b>		
Interest paid	10      (754)	(665)
Repayments of amounts borrowed	19      (518)	(510)
	<u>(1,272)</u>	<u>(1,175)</u>
<b>Increase in cash in the year</b>	<u>1,781</u>	<u>1,318</u>
Cash at beginning of the year	19      6,995	5,677
Cash at end of the year	19      8,776	6,995

# Notes to the Financial Statements

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## 1) STATEMENT OF PRINCIPAL ACCOUNTING POLICIES

The following accounting policies have been applied consistently in dealing with items which are considered material in relation to the Financial Statements and there have been no changes to these in the year.

### a) Basis of Preparation

The financial statements have been prepared in accordance with the Statement of Recommended Practice (SORP) 2019: 'Accounting for Further and Higher Education' and the 2020-21 Government Financial Reporting Manual (FReM) issued by the HM Treasury and in accordance with Financial Reporting Standards (FRS 102). The College is a public benefit entity and has therefore applied the public benefit requirements of FRS102. The college conforms to relevant parts of the Scottish Public Finance Manual (SPFM), the Accounts Direction and other guidance issued by the Scottish Funding Council.

### b) Basis of Accounting

The financial statements are prepared under the historical cost convention modified by the revaluation of certain fixed assets.

The accounting policies contained in the Government Financial Reporting Manual (FReM) apply International Reporting Standards as adapted or interpreted for the public sector context. Where the FReM permits a choice of accounting policy, the accounting policy which is judged to be more appropriate to the College for the purposes of giving a true and fair view has been selected. The particular policies adopted by the College in dealing with items that are considered material to the Financial Statements are set out in these notes.

### c) Going Concern

The activities of the College, together with the factors likely to affect its future development and performance are set out in the Performance Report. The financial position of the College, its cashflow, liquidity and borrowings are presented in the Financial Statements and accompanying notes. The College currently has a £1.4m of bank loan and a finance lease outstanding. The bank loan is due to be fully repaid by 2025 and the finance lease within 2 years.

The College's forecasts and financial projections indicate that it will be able to operate within the existing bank loan covenant for the foreseeable future. Accordingly the College has a reasonable expectation that it has adequate resources to continue in operational existence for the foreseeable future, and for this reason will continue to adopt the going concern basis in the preparation of its Financial Statements.

### d) Recognition of Income

Fee income is stated gross of any expenditure which is not a discount and credit to the Statement of Comprehensive Income and Expenditure over the period in which students are studying. Income from the sale of goods or services is credited to the Statement of Comprehensive Income and Expenditure when the goods or services are supplied to external customers or the terms of the contract have been satisfied.

All income from short-term deposits is credited to the Statement of Comprehensive Income and Expenditure in the year in which it is earned.

### e) Agency Arrangements

The College acts as an agent in the collection and payment of all Student Support Funds except for childcare funding. These funds are excluded from the College Statement of Comprehensive Income and Expenditure and movements have been disclosed in the notes to the accounts.

## 1) STATEMENT OF PRINCIPAL ACCOUNTING POLICIES (Continued)

Where the College has more discretion in the manner in which specific funds are disbursed, and those funds do not meet the definition of agency funds (childcare funding), the income and expenditure relating to those funds are shown in the College Statement of Comprehensive Income and Expenditure.

### f) Grant Funding

Government revenue grants including the recurrent grants from the Scottish Funding Council are recognised in income over the periods in which the College recognises the related costs for which the grant is intended to compensate. Where part of a government grant is deferred it is recognised as deferred income within creditors and allocated between credits due within one year and due after more than one year as appropriate.

Grants from non-recurrent sources are recognised in income when the College is entitled to the income and performance related conditions have been met. Income received in advance of performance related conditions being met is recognised as deferred income within creditors on the balance sheet and released to income as the conditions are met.

### g) Donations and Endowments

Non exchange transactions without performance related conditions are donations and endowments. Donations and endowments with donor imposed restrictions are recognised in income when the College is entitled to the funds. Income is retained within the restricted reserve until such time that it is utilised in line with such restrictions at which point the income is released to general reserves through a reserve transfer.

Donations with no restrictions are recognised in income when the College is entitled to the funds.

Investment income and appreciation of endowments is recorded in income in the year in which it arises and as either restricted or unrestricted income according to the terms other restriction applied to the individual endowment fund.

### h) Capital Grants

Government capital grants are recognised in income over the expected useful life of the asset. Other capital grants are recognised in income when the College is entitled to the funds subject to any performance related conditions being met. The funds will be held in deferred income within creditors until conditions are met.

### i) Fixed Assets

#### 1) Tangible assets

In line with the FReM all tangible assets must be carried at fair value.

#### 2) Land and buildings

Land and buildings are measured using the revaluation model. Under the revaluation model, assets are revalued to fair value. Depreciated Replacement Cost has been used as a measure of fair value for land and buildings, otherwise Market Value has been used. The College has a policy of ensuring a full revaluation takes place at least every 5 years, with an interim valuation carried out after 3 years, such that the fair value is not materially different to the current value. Depreciation and impairment losses are subsequently charged on the revalued amount.

Finance costs, which are directly attributable to the construction of land and buildings, are capitalised as part of the cost of those assets.

Costs incurred in relation to land and buildings after initial purchase or construction, and prior to valuation, are capitalised to the extent that they increase the expected future benefits to the College.

## 1) STATEMENT OF PRINCIPAL ACCOUNTING POLICIES (Continued)

A review for impairment of a fixed asset is carried out if events or changes in circumstances indicate that the carrying amount of any fixed asset may not be recoverable.

Assets under construction are accounted for at cost, based on the value of architects' certificates and other direct costs. They are not depreciated until they are brought into useful life.

Heritable land is not depreciated as it is considered to have an indefinite useful life. Freehold buildings are depreciated on a straight line basis over their expected useful lives.

Depreciation is calculated on a straight line basis over the expected useful life of the buildings which vary from 10 to 60 years as determined by professional opinion and valuation.

### 3) Buildings owned by third parties

Where land and buildings are used, but the legal rights are held by a third party, for example a charitable trust, they are only capitalised if the College has rights or access to on-going future economic benefit.

These assets are then depreciated over their expected useful economic life on a straight line basis.

### 4) Equipment

Equipment costing less than £5,000 per individual item and motor vehicles costing less than £5,000 are written off to expenditure in the year of acquisition. All other equipment and vehicles are capitalised and carried at depreciated historical costs, which is used as a proxy for fair value. Assets of lesser value may be capitalised where they form part of a group of similar assets purchased in the same financial year and costing over £20,000 in total.

Capitalised equipment is depreciated over its useful economic life ranging from between 3 and 10 years on a straight line basis.

### j) Finance Leases

Depreciation methods, useful lives and residual values are reviewed at the date of preparation of each balance sheet.

Leasing agreements that transfer to the College substantially all the benefits and risks of ownership of an asset are treated as if the asset had been purchased outright. The relevant assets are included under fixed assets and the capital element of leasing commitments is shown as an obligation under finance leases.

The lease rentals are treated as consisting of capital and interest elements. The capital element is applied to reduce the outstanding obligations and the interest element is charged to the Statement of Comprehensive Income and Expenditure account in proportion to the reducing capital element outstanding.

Assets held under finance leases are depreciated over the shorter of the lease term or the useful economic lives of equivalent owned assets.

Assets held under hire purchase contracts which have the characteristics of finance leases are depreciated over their useful lives.

### k) Operating Leases

Leases not meeting the criteria of a finance lease are treated as an operating lease. Expenditure in respect of operating leases is charged on a straight-line basis over the lease term. Any lease premiums or incentives are spread over the minimum lease term.

# Notes to the Financial Statements

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## 1) STATEMENT OF PRINCIPAL ACCOUNTING POLICIES (Continued)

### l) Taxation

The College has been entered into the Scottish Charity Register and is entitled, in accordance with section 13(1) of the Charities and Trustee Investment (Scotland) Act 2005, to refer to itself as a Charity registered in Scotland. The College is recognised by HM Revenue and Customs as a charity for the purposes of section 467, Income and Corporation Taxes Act 2010 and is exempt from corporation tax on its charitable activities. The College receives no similar exemption in respect of Value Added Tax. Irrecoverable VAT on inputs is included in the costs of such inputs and added to the cost of tangible fixed assets as appropriate, where the inputs themselves are tangible fixed assets by nature.

### m) Stocks

Stocks are held for issue or resale and are stated at the lower of cost and net realisable value. Where necessary, provision is made for obsolete, slow-moving and defective stocks.

### n) Cash

Cash includes cash in hand, deposits repayable on demand and overdrafts. Deposits are repayable on demand if they are in practice available within 24 hours without penalty.

### o) Employment Benefits

Short term employment benefits such as salaries and compensated absences are recognised as an expense in the year in which the employees render service to the College. Any unused benefits are accrued and measured as the additional amount the College expects to pay as a result of the unused entitlement.

### p) Maintenance of Premises

The cost of routine corrective maintenance is charged to the Statement of Comprehensive Income and Expenditure in the period it is incurred.

### q) Retirement Benefits

All new members of staff have the option of joining a pension scheme. The schemes currently open to new members of staff are the Scottish Teachers Superannuation Scheme (STSS) and the Strathclyde Pension Fund (SPF). Existing employees are entitled to maintain their membership of the STSS.

Full provision has been made for those pension costs which do not arise from externally funded defined benefit schemes.

### Scottish Teachers Superannuation Scheme (STSS)

The College participates in the Scottish Teachers' Superannuation Scheme pension scheme providing benefits based on final pensionable pay. The assets of the scheme are held separately from those of the College. The College is unable to identify its share of the underlying assets and liabilities of the scheme on a consistent and reasonable basis and therefore, as required by Financial Reporting Standard 102, accounts for the scheme as if it were a defined contribution scheme. As a result, the amount charged to the Statement of Comprehensive Income and Expenditure represents the contributions payable to the scheme in respect of the year.

## STATEMENT OF PRINCIPAL ACCOUNTING POLICIES (Continued)

### Strathclyde Pension Fund (SPF)

The Strathclyde Pension Fund is a pension scheme providing benefits based on final pensionable pay. The assets and liabilities of the scheme are held separately from those of the College. Pension scheme assets are measured using market values. Pension scheme liabilities are measured using a projected unit method and discounted at the current rate of return on a high quality corporate bond of equivalent term and currency to the liability. Contributions to the Scheme are determined by an actuary on the basis of triennial valuations using the Age Attained Method. Variations from regular cost are spread over the expected average remaining working lifetime of members of the scheme, after making allowances for future withdrawals. The amount charged to the Statement of Comprehensive Income and Expenditure represents the net interest expense which is based on the net deficit within the scheme during the year.

The costs of enhanced early retirement benefits are borne directly by the College.

s) Provisions, Contingent Liabilities and Contingent Assets Provisions are recognised in the financial statements when the College has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of economic benefit will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. This could include but not be limited to a provision for Failure to Educate.

The College has no contingent liabilities or contingent assets at the balance sheet date. Contingent liabilities and contingent assets, should they require to be disclosed, would not be recognised in the Balance Sheet but would be disclosed in the notes to the financial statements (see Note 26).

t) Judgements and key sources of estimation uncertainties In preparing these financial statements, management have made the following judgements:

1) Determine whether there are indicators of impairment of the College's tangible assets

Factors taken into consideration in reaching such a decision include the economic viability and expected future financial performance of the asset.

2) Other Key Sources of Estimation Uncertainty

Tangible Fixed Assets

Tangible fixed assets are depreciated over their useful lives taking into account residual values, where appropriate. The actual lives of the assets and residual values are assessed annually and may vary depending on a number of factors. In re-assessing asset lives, factors such as technological innovation and maintenance programmes are taken into account.

3) Material Valuation Uncertainty

Valuation of Land and Buildings

The College properties were revalued by Ryden as at 31 July 2021. The outbreak of the Novel Coronavirus on 11 March 2020 has impacted global financial markets with activity being impacted in many sectors. As at the valuation date, Ryden considers that they can attach less weight to previous market evidence for comparison purposes, to inform their opinions of value. The current response to the global pandemic means that the valuers are faced with an unprecedented set of circumstances on which to base a judgement. Ryden's valuation is, therefore, reported on the basis of 'material valuation uncertainty' as per VPGA 10 of the Royal Institute of Chartered Surveyors (RICS) Red Book Global. Consequently, less certainty and a higher degree of caution should be attached to their valuation than would normally be the case.

For the avoidance of doubt, the inclusion of the 'material valuation uncertainty' declaration above does not mean that the valuation cannot be relied upon. Rather the declaration has been included to ensure transparency of the fact that, in the current extraordinary circumstances, less certainty can be attached to the valuation than would otherwise be the case. The material uncertainty clause is to serve as a precaution and does not invalidate the valuation.

## Notes to the Financial Statements

	Year ended 31 July 2021 £000	Year ended 31 July 2020 £000
<b>2) TUITION FEES AND EDUCATION CONTRACTS</b>		
FE fees - UK	2,024	2,126
FE fees - non EU	187	271
HE fees	2,847	2,739
SDS contracts	839	505
	<u>5,897</u>	<u>5,641</u>
<b>3) FUNDING BODY GRANTS</b>		
FE recurrent grant	42,868	40,464
Childcare funds (Note 25)	935	1,718
Release of deferred capital grants	1,055	1,153
Other SFC grants - job evaluation	935	935
Other SFC grants	2,236	1,680
Estates maintenance funding	2,716	3,012
	<u>50,745</u>	<u>48,962</u>
<b>4) OTHER GRANT INCOME</b>		
Development grants	448	94
Release of deferred capital grants	184	184
	<u>632</u>	<u>278</u>
<b>5) OTHER OPERATING INCOME</b>		
Catering	81	741
Other income generating activities	238	514
Support for learning	276	311
Other Government grants - Job Retention Scheme	563	677
Other income	553	620
	<u>1,711</u>	<u>2,863</u>
<b>6) INVESTMENT INCOME</b>		
Interest receivable	0	1
	<u>0</u>	<u>1</u>



## Notes to the Financial Statements

	Year ended 31 July 2021 £000	Year ended 31 July 2020 £000
<b>7) STAFF COSTS</b>		
Wages and salaries	33,584	32,599
Social security costs	3,405	3,330
Pension costs including actuarial cost (Note 23)	10,233	9,869
Holiday pay provision charge	135	393
Support staff job evaluation	935	935
	<u>48,292</u>	<u>47,126</u>
Teaching departments	25,762	25,197
Teaching services	4,445	4,744
Administration and central services	9,103	8,777
Premises	2,319	2,298
Other expenditure	1,552	1,527
Catering	573	667
Pension adjustments	3,122	2,950
<b>Total</b>	<u>46,876</u>	<u>46,160</u>
Support staff Job Evaluation	935	935
Restructuring costs	481	31
<b>Total</b>	<u>48,292</u>	<u>47,126</u>

### Staff Numbers:

The average number of full-time equivalent employees, including higher paid employees, during the period was:

	2021 FTE	2020 FTE
Teaching departments	399	385
Teaching services	80	77
Administration and central services	227	235
Premises	68	69
Other expenditure	36	40
Catering	20	28
<b>Average number of FTE directly employed</b>	<u>830</u>	<u>834</u>
Headcount: Teaching	571	571
Headcount: Support	577	626
Agency staff costs	£ 119,000	£ 161,000
Average number of agency FTE	5	7

## Notes to the Financial Statements

### 7) STAFF COSTS (Continued)

The number of staff, including senior post-holders and the Principal, who are due to receive annual emoluments in the following ranges are:

	2021 Numbers	2020 Numbers
£60,001 - £65,000	16	14
£70,001- £75,000	10	10
£90,001 - £95,000	1	2
£125,001 -	1	1
£130,000	<u>28</u>	<u>27</u>

### 8) SENIOR POST-HOLDERS' EMOLUMENTS

Number of senior post-holders, including the Principal was:

11	12
----	----

	2020-21 £000	2019-20 £000
Senior post-holders' emoluments are made up as follows:		
Salaries	903	996
Pension contributions	183	198
<b>Total Emoluments</b>	<u>1,608</u>	<u>1,194</u>

The above emoluments include amounts payable to the Principal, who is also the highest paid senior post holder, of:

	2020-21 £000	2019-20 £000
Principal	<u>129</u>	<u>127</u>
Pension contributions	<u>25</u>	<u>25</u>

No senior post-holder received any benefits in kind.

There were no compensation payments in year for loss of office to former higher paid employees.

The Principal and 8 other senior post holders were members of the Strathclyde Pension Fund, a further 2 senior post holders were members of the Scottish Teachers Superannuation Scheme. All pension contributions were paid at the same rate as for other members of staff.

The members of the Board of Management with the exception of the Chair, the Principal and the staff members, did not receive any payment from the College other than the reimbursement of travel and subsistence expenses incurred in the course of their duties.

## Notes to the Financial Statements

	Year ended 31 July 2021 £000	Year ended 31 July 2020 £000
<b>9) OTHER OPERATING EXPENSES</b>		
Teaching departments	2,289	1,953
Catering	60	409
Other income generating activities	321	190
Premises: operating	2,053	2,316
Premises: maintenance	2,248	2,749
Administration	3,702	3,956
FE and HE childcare (Note 25)	935	1,718
Student support fund costs	98	97
Loss on disposal of assets	-	25
	<u>11,706</u>	<u>13,413</u>
<b>Included in Administration expenses are:</b>		
Auditors remuneration (inclusive of VAT)		
Internal audit services	21	36
External audit services	33	32
Other services	10	7
	<u>64</u>	<u>75</u>
<b>10) INTEREST PAYABLE</b>		
On bank loans, overdrafts and other loans	129	160
Pension interest costs (Note 23)	625	505
	<u>754</u>	<u>665</u>

### 11) TAXATION

The Board of Management does not consider that the College is liable for any Corporation Tax arising out of its activities during the year.

## Notes to the Financial Statements

<i>Statements 12) TANGIBLE FIXED</i>	<i>Inherited Land &amp; Buildings £000</i>	<i>Other Land &amp; Buildings £000</i>	<i>Equipment £000</i>	<i>Total £000</i>
<b>ASSETS</b>				
<b>Cost or valuation</b>				
At 1 August 2020	62,336	52,684	2,418	117,438
Additions in year	-	783	336	1,119
Revaluation	(4,662)	(114)	-	(4,776)
<b>At 31 July 2021</b>	<b>57,674</b>	<b>53,353</b>	<b>2,754</b>	<b>113,781</b>
<b>Depreciation</b>				
At 1 August 2020	10,674	6,676	2,290	19,640
Charge for year	2,503	1,376	92	3,971
Revaluation	(12,884)	(8,052)	-	(20,936)
<b>At 31 July 2021</b>	<b>293</b>	<b>-</b>	<b>2,382</b>	<b>2,675</b>
<b>Net book value at:</b>				
<b>31 July 2021</b>	<b>57,381</b>	<b>53,353</b>	<b>372</b>	<b>111,106</b>
31 July 2020	51,662	46,008	128	97,798
<b><u>Analysis of net book value at 31 July 2021</u></b>				
Inherited	27,901	-	-	27,901
Financed by capital grant	29,480	-	29,699	29,699
Other	-	-	-	53,353
Leased	-	53,353	153	153
	<b>57,381</b>	<b>53,353</b>	<b>372</b>	<b>111,106</b>

Land and buildings were independently valued at 31 July 2021 by Ryden, a regulated firm of Chartered Surveyors. The valuation was prepared in accordance with the requirements of RICS Valuation - Professional Standards, January 2014 amendment, FRS 102 and the Government Financial Reporting Manual. The basis of the valuation used was Depreciated Replacement Cost. Had they not been re-valued, inherited and owned Land & Buildings would have had an historic net book value of £42,694,000 (2020: £42,781,000)

Land and buildings with a net book value of £75,592,000 (2020: £63,674,000) have been funded from Exchequer Funds, under the definition found in the Financial Reporting Manual. These assets cannot be disposed of without the prior approval of the Scottish Funding Council, and then any proceeds only used in accordance with their instructions.

Included within Land and Buildings is land with a valuation of £5,924,000 (2020: £5,924,000) which is not depreciated.

## Notes to the Financial Statements

	Year ended 31 July 2021 £000	Year ended 31 July 2020 £000
<b>12) TANGIBLE FIXED ASSETS (Continued)</b>		
The depreciation charge for the year is analysed as follows:		
Based on cost	1,331	1,161
Based on valuation	2,640	2,814
	<u>3,971</u>	<u>3,975</u>
Analysed:		
Owned assets	3,875	3,879
Assets held under finance leases	96	96
	<u>3,971</u>	<u>3,975</u>
<b>13) TRADE AND OTHER DEBTORS</b>		
Trade debtors	126	57
Other debtors	35	23
Prepayments and accrued income	477	593
Other Taxes and Social Security	-	1
Amounts owed by SFC - Job Evaluation	2,726	1,792
Amounts owed by SFC - Other	1,403	408
	<u>4,767</u>	<u>2,874</u>
<b>14) CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR</b>		
Bank loans	250	422
Finance lease	82	96
Trade creditors	603	567
Other creditors	645	682
Accruals and deferred income	7,608	6,052
Amounts owed to SFC	4,090	2,232
Deferred capital grants SFC	1,100	1,055
Deferred capital grants non-SFC	184	184
	<u>14,562</u>	<u>11,290</u>
<b>15) CREDITORS: AMOUNTS FALLING DUE AFTER ONE YEAR</b>		
Bank loans	1,020	1,270
Finance lease	68	32
Deferred capital grant SFC	21,996	22,094
Deferred capital grant non-SFC	4,254	4,438
	<u>27,338</u>	<u>27,834</u>

## Notes to the Financial Statements

	Year ended 31 July 2021 £000	Year ended 31 July 2020 £000
<b>16) ANALYSIS OF BORROWINGS OF THE COLLEGE</b>		
a) Bank loans	250	422
Within one year	270	250
Between one and two years	750	880
Between two and five years	-	140
After five years	<u>1,270</u>	<u>1,692</u>

Bank borrowings are secured over specific areas of heritable land and buildings spread a 12 year terms at fixed rates of 7.90%. This will be fully repaid by 2025.

### b) Finance Leases

Within one year	82	96
Between one and two years	68	32
	<u>150</u>	<u>128</u>

The finance lease is spread over a 5 year term at a fixed rate of interest of 15.38% ending in October 2022.

### 17) PENSION PROVISION

Pension provision at 31 July 2020	43,113	22,701
Movement in year	(12,956)	20,412
Pension provision at 31 July 2021	<u>30,157</u>	<u>43,113</u>

The movement in pension provision is further analysed in Note 23

### 18) PENSION RESERVE

Balance at 1 August 2020	(43,113)	(22,701)
Current service cost in year	(5,880)	(4,860)
Past service cost	(16)	(571)
Employer contributions	2,150	2,059
Contributions re unfunded benefits	624	422
Net interest	(625)	(505)
Transfer to Income and Expenditure	(3,747)	(3,455)
Pension scheme actuarial loss	16,703	(16,957)
Balance at 31 July 2021	<u>(30,157)</u>	<u>(43,113)</u>

## Notes to the Financial Statements

### 19) ANALYSIS OF NET CASH/(DEBT)

	At 31 Jul 20 £000	Cash Flows £000	Other Non Cash Changes £000	At 31 Jul 21 £000
Cash	6,995	1,781	-	8,776
	<b>6,995</b>	<b>1,781</b>	<b>-</b>	<b>8,776</b>
Debt due within one year	518	518	(332)	(332)
Debt due after one year	(1,303)	-	215	(1,088)
	<b>5,174</b>	<b>2,299</b>	<b>(117)</b>	<b>7,356</b>

### 20) FINANCIAL COMMITMENTS

At 31 July 2021 the College had annual commitments under non-cancellable operating leases for Land and Buildings as follows:

	Year ended 31 July 2021 £000	Year ended 31 July 2020 £000
<b>Future minimum lease payments due:</b>		
Expiring within 1 year	103	130
Expiring between two and five years	366	360
Expiring after 5 years	219	294
<b>Total lease payments due</b>	<b>688</b>	<b>784</b>

### 21) CAPITAL COMMITMENTS

The College has received ring fenced capital funding of £781,779 for estates investment and £220,506 for Digital Provision. These funds were expended fully within the year 2020-21 and therefore the college has no capital commitments at the year end.

### 22) RELATED PARTY TRANSACTIONS

The Board of Management of West College Scotland is a body incorporated under the Further and Higher Education (Scotland) Act 1992. It receives funding from the Scottish Funding Council. During the year the College had various material transactions with other entities for which SFC is regarded as the sponsor department, via Students Awards Agency for Scotland, Scottish Enterprise and a number of other colleges and higher education institutions.

In addition the College has had a small number of material transactions with other Government Departments and other central and local government bodies. Most of these transactions have been with the Employment Service and Local Authorities.

Due to the nature of the College's operations and the composition of its Board of Management (being drawn from local public and private sector organisations), it is inevitable that transactions will take place with organisations in which a member of the Board of Management may have an interest. All transactions involving organisations in which a member of the Board of Management may have a material interest are conducted at arms length and in accordance with the College's and their employer's normal project and procurement procedures.

## Notes to the Financial Statements

### 22) RELATED PARTY TRANSACTIONS (Continued)

The College had one transaction with the charity, Action Against Stalking, which the Chair of the College Board is also the Chair of this charity. There were no other transactions during the year with non-public bodies in which a member of the Board of Management has an interest.

The College had transactions during the year, or worked in partnership with the following publicly funded representative bodies in which members of the Board of Management hold or held official positions:

Member	Organisation	Position
Elizabeth Connolly	Developing the Young Workforce West Region	Board Member
Elizabeth Connolly	Colleges Scotland	Board Member
Elizabeth Connolly	Renfrewshire Chamber of Commerce	President
Elizabeth Connolly	Renfrewshire Council	Board Member - Local Authority Community Planning Partnership Board
Elizabeth Connolly	East Renfrewshire Council	Board Member - Local Authority Community Planning Partnership Board
Elizabeth Connolly	West Dunbartonshire Council	Board Member - Local Authority Community Planning Partnership Board
Waiyin Hatton	Action Against Stalking	Chair
Nick Allan	Dunbartonshire Chamber of Commerce	Director
Jim Hannigan	University of Strathclyde	Head of Skills
Jim Hannigan	Developing the Young Workforce West Region	Chair
Jacqueline Henry	Scottish Parliament	Researcher
Gordon Hunt	College Development Network	Associate
Gordon Hunt	Changing the Chemistry	Mentor coordinator
John Leburn	Renfrewshire Chamber of Commerce	Group Mentor
Mark Newlands	Scottish Enterprise	Head of Global Companies
Angela Wilson	West Dunbartonshire Council	Strategic Director
Sabria Akram	Scottish Qualificaion Authority	Scrum Master
Sabria Akram	Univerity of Glasgow, Adam Smith Buisness School	Member



## Notes to the Financial Statements

### 23) PENSION SCHEMES

The College's employees belong to one of two principal pension schemes, the Scottish Teachers' Superannuation Scheme (STSS) and the Strathclyde Pension Fund Scheme (SPF), which are both defined benefit schemes.

	31 July 2021 £000	31 July 2020 £000
The total pension cost for the College was :		
Contributions paid	7,111	6,919
Pension cost as a result of implementing FRS 102	3,122	2,950
<b>Total pension cost (Note 7)</b>	<b>10,233</b>	<b>9,869</b>

#### Scottish Teachers' Superannuation Scheme (STSS)

The STSS is an unfunded multi-employer defined benefit scheme. It is accepted that the treatment can be as a defined contribution scheme as the STSS is unable to identify its share of the underlying assets and liabilities of the scheme. As the scheme is unfunded there can be no surplus or shortfall. Pension contribution rates will be set by the schemes actuaries at a level to meet the costs of the pensions as they accrue.

A full actuarial valuation was carried out as at 31 March 2016. The valuation has set the rate payable for the scheme for the period 1 September 2019 to 31 March 2023 and that rate is 23%. Under existing legislation the next valuation will be based on scheme data as at 31 March 2020 and will set the employers contributions rate for the period 1 April 2023 to 31 March 2027.

During the year contributions were payable to the STSS at a rate of 23% with no change during the year. The employee contribution rates ranged from 7.2% to 11.9%.

#### FRS 102

Under the definitions set out in Financial Reporting Standard 102 (FRS 102) Section 28 Employee Benefits, the STSS is a multi-employer pension scheme. The College is unable to identify its share of the underlying assets and liabilities of the scheme.

Accordingly, the College is required by FRS 102 to account for its contributions to the scheme as if it were a defined-contribution scheme. The College has set out above the information on the scheme and the implications for the College in terms of the anticipated contribution rates.

#### Strathclyde Pension Fund (SPF)

The SPF is a funded defined benefit scheme, with the assets held in separate trustee-administered funds. The total contribution rates are set by the scheme actuaries and were 19.3% for employer contributions throughout the year. The employee contribution rates ranged from 5.5% to 11.2%.

## Notes to the Financial Statements

### 23) PENSION SCHEMES (Continued)

The pension cost is assessed every three years in accordance with the advice of a qualified independent actuary. The assumptions which have the most significant effect on the scheme are:

	At 31 July 2021	At 31 July 2020
<b>Principal Actuarial Assumptions</b>		
Rate of increase in salaries	3.55%	3.30%
Rate of increase for pensions in payment / inflation	2.85%	2.20%
Discount rate for liabilities	1.60%	1.40%

The current mortality assumptions include sufficient allowance for future improvements in mortality rates. For 2021 life expectancy was calculated based on the Fund's VitaCurves as in the previous year. The assumed life expectations on retirement age 65 are:

		At 31 July 2021	At 31 July 2020
Current pensioners	Males	19.8	20.7
	Females	21.2	22.9
Future pensioners	Males	21.2	22.9
	Females	24.7	24.6

#### Commutation

An allowance is included for 50% of future retirements to elect additional tax-free cash up to HMRC limits for pre-April 2009 service and 75% of the maximum tax-free cash for post-April 2009 service.

The table below compares the present value of the scheme liabilities, based on the actuary's assumptions, with the estimated employer assets:

	Year ended 31 July 2021 £000	Year ended 31 July 2020 £000
Fair value of employer assets	116,291	95,783
Present value of funded liabilities	(136,571)	(128,572)
	<u>(20,280)</u>	<u>(32,789)</u>
Present value of unfunded liabilities	(9,877)	(10,324)
<b>Net liability</b>	<b><u>(30,157)</u></b>	<b><u>(43,113)</u></b>
<b>Amount in the Balance Sheet:</b>		
Pension liability	<b><u>(30,157)</u></b>	<b><u>(43,113)</u></b>

## Notes to the Financial Statements

### PENSION SCHEMES (Continued)

	Year ended 31 July 2021 £000	Year ended 31 July 2020 £000
<b>Amount charged to Comprehensive Income and Expenditure:</b>		
Employer service cost (net of employee contributions) Interest on obligation	3,122	2,950
	625	505
Actuarial (Gain) / loss on scheme assets	(16,703)	16,957
<b>Total</b>	<b>(12,956)</b>	<b>20,412</b>
<b>Changes in the fair value of scheme assets:</b>		
Opening fair value of scheme assets	95,783	97,486
Net interest	1,343	2,054
Contributions by members	683	663
Contributions by the employer	2,150	2,059
Contributions in respect of unfunded benefits	624	422
Benefits paid	(2,430)	(2,098)
Unfunded benefits paid	(624)	(422)
Expected return / (loss) on assets	18,762	(4,381)
<b>Closing fair value of scheme assets</b>	<b>116,291</b>	<b>95,783</b>
<b>Changes in the present value of the defined benefit obligation:</b>		
Opening defined benefit obligation	138,896	120,187
Current service cost	5,880	4,860
Past service cost	16	571
Interest cost	1,968	2,559
Contributions by members	683	663
Estimated benefits paid	(2,430)	(2,098)
Estimated unfunded benefits paid	(624)	(422)
Actuarial loss	2,059	12,576
<b>Closing defined benefit obligation</b>	<b>146,448</b>	<b>138,896</b>
<b>History of experience losses</b>		
Scheme assets	116,291	95,783
Defined benefit obligation	(146,448)	(138,896)
<b>Deficit</b>	<b>(30,157)</b>	<b>(43,113)</b>
Experience gains / (losses) on scheme assets	18,762	(4,381)
Experience losses on scheme liabilities	(2,059)	(12,576)

## Notes to the Financial Statements

### 23) PENSION SCHEMES

(Continued)

	Year ended 31 July 2021 £000	Year ended 31 July 2020 £000
Net assets excluding pension liability	82,655	68,487
Pension liability	(30,157)	(43,113)
<b>Net assets including pension liability</b>	<b><u>52,498</u></b>	<b><u>25,374</u></b>
The analysis of amounts charged to the Statement of Comprehensive Income and Expenditure (SOCIE) is as follows:		
<b>Analysis of the amount charged to staff costs (Note 7):</b>		
Current service cost		
Past service cost	(5,880)	(4,860)
<b>Total charged to staff costs</b>	<b><u>(16)</u></b>	<b><u>(571)</u></b>
	<b><u>(5,896)</u></b>	<b><u>(5,431)</u></b>
<b>Analysis of the amount charged to pension interest (Note 10):</b>		
Expected return on pension scheme assets		
Interest on pension scheme liabilities	1,343	2,054
<b>Net pension interest charged</b>	<b><u>(1,968)</u></b>	<b><u>(2,559)</u></b>
<b>Charge to other comprehensive income:</b>	<b><u>(625)</u></b>	<b><u>(505)</u></b>
Return on assets excluding amounts included in Interest		
Experience gains arising on the scheme liabilities	18,762	(4,381)
Changes in assumptions underlying the present value of the scheme liabilities	5,849	582
	<b><u>(7,908)</u></b>	<b><u>(13,158)</u></b>
<b>Actuarial gain / (loss)</b>	<b><u>16,703</u></b>	<b><u>(16,957)</u></b>
<b>Total charge to the SOCIE</b>	<b><u>10,182</u></b>	<b><u>(22,893)</u></b>
<b>Analysis of the movement in deficit during the year</b>		
Deficit in scheme at beginning of the year:	(43,113)	(22,701)
<b>Movement in year:</b>		
Current service cost	(5,880)	(4,860)
Past service cost	(16)	(571)
Contributions	2,150	2,059
Contributions in respect of unfunded benefits	624	422
Total net interest	(625)	(505)
Actuarial loss	16,703	(16,957)
<b>Deficit in scheme at end of the year</b>	<b><u>(30,157)</u></b>	<b><u>(43,113)</u></b>

## Notes to the Financial Statements

### 24) FE BURSARY AND OTHER STUDENT SUPPORT

FUNDS	FE Bursary £000	EMAs £000	Other £000	Total	Total
				31 July 2021 £000	31 July 2020 £000
Balance b/fwd. Allocation	-	-	3	3	-
received in year Recovered in	12,570	275	1,749	14,594	12,339
year Expenditure	(3,183)	-	-	(3,183)	-
College contribution to funds	(9,335)	(277)	(1,840)	(11,452)	(12,433)
	-	-	88	88	97
<b>Balance c/fwd.</b>	<b>52</b>	<b>(2)</b>		<b>50</b>	<b>3</b>
Represented by:					
SFC Clawback 2021/22	52	-	-	52	-
SFC Claim 2021/22	-	(2)	-	-	-
Retained to support 2021/22	-	-	-	-	3
	<b>52</b>	<b>(2)</b>		<b>50</b>	<b>3</b>

The above grants are available solely for students, the College acting only as paying agent. The grants and related disbursements are therefore excluded from the Income and Expenditure Account.

### 25) CHILDCARE FUNDS

	Total	Total
	31 July 2021 £000	31 July 2020 £000
Balance b/fwd.	-	-
Allocation received in period	935	1,718
Expenditure	(935)	(1,718)
<b>Balance c/fwd.</b>	<b>-</b>	<b>-</b>

Childcare fund transactions are included within the College SOCIE in accordance with Accounts Direction issued by the Scottish Funding Council.

### 26) CONTINGENT LIABILITIES AND CONTINGENT ASSETS

There are no contingent liabilities or contingent assets as at the balance sheet date.

## Notes to the Financial Statements

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### 27) IMPACT OF DEPRECIATION BUDGET ON STATEMENT OF COMPREHENSIVE INCOME

Following reclassification, colleges received a non-cash budget to cover depreciation but this additional budget is not recognised under the FE/HE SORP accounting rules. As a result, colleges may show a deficit equivalent to net depreciation as a result of having to meet Government accounting rules and the requirement to spend the entire cash allocation.

	Year ended 31 July 2021	Year ended 31 July 2020
	£000	£000
Deficit before other gains and losses (FE/HE SORP basis) Add	(5,738)	(7,434)
back: Depreciation budget for government funded assets	2,732	2,638
<b>Adjusted Deficit on Central Government accounting basis</b>	<b><u>(3,006)</u></b>	<b><u>(4,796)</u></b>

Under the FE/HE SORP, the College recorded an operating deficit of £5,738,000 for the year ended 31 July 2021. After taking account of the Government non-cash budget, the College shows an “adjusted” deficit of £3,006,000 on a Central Government accounting basis. The deficit is attributable to other factors reflected in the adjusted operating position table which can be found in the Performance Report. The College considers that it is therefore operating sustainably within its funding allocation.

## Annex A

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The following note is taken from the 2020-21 SFC Accounts Directions and has been included as required by the SFC. It does not form part of the Financial Statements.

### Accounts direction for Scotland's colleges 2020-21

- 1 It is the Scottish Funding Council's direction that institutions\* comply with the 2019 Statement of Recommended Practice: Accounting for Further and Higher Education (SORP) in preparing their annual report and accounts\*\*.
- 2 Institutions must comply with the accounts direction in the preparation of their annual report and accounts in accordance with the Financial Memorandum with the Scottish Funding Council (SFC) or the Regional Strategic Body (RSB) (for assigned colleges).
- 3 Incorporated colleges and Glasgow Colleges' Regional Board are also required to comply with the Government Financial Reporting Manual 2020-21 (FReM) where applicable.
- 4 Incorporated colleges and Glasgow Colleges' Regional Board are reminded that they must send two copies of their annual report and accounts to the Auditor General for Scotland by 31 December 2021.
- 5 The annual report and accounts should be signed by the chief executive officer / Executive Director and by the chair, or one other member of the governing body.
- 6 Incorporated colleges and Glasgow Colleges' Regional Board should reproduce this Direction as an appendix to the annual report and accounts.

Scottish Funding Council  
03-Jun-21





<b>Meeting</b>	Board of Management
<b>Date</b>	13 December 2021
<b>Location</b>	MS Teams
<b>Title of Paper</b>	Management Accounts to 31 October 2021
<b>Presented By</b>	Amy McDonald Vice Principal Operations
<b>Recommendation to Members</b>	Consideration
<b>Appendix Attached</b>	Yes 10(a) – Management Accounts to 31 October 2021

#### **PURPOSE**

To present the Management Accounts for the 3 months to 31 October 2021. The Covid-19 pandemic has continued to have a material impact on ongoing business operations and the financial forecast to 31 July 2022 is based upon the current information available to the College.

The paper is presented in line with the Board of Management Scheme of Delegation whereby the Principal is delegated under 4.7 – Financial Management to:

*'(h) to arrange 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;'*

The paper is submitted *For Consideration*.

## 1. Introduction

- 1.1 The College has made several changes to the presentation of the Management Accounts pack to assist the Board of Management / Committee members in understanding the operation of the College and the assumptions upon which the College has based its out-turn position.
- 1.2 Noted below are the contents of the pack along with an indication of the changes made:

- **Executive Summary**

The Executive Summary has been expanded to provide a clearer picture of the assumptions used in arriving at the forecast. The summary includes:

- A commentary on the adjusted operating position which is the key measure of financial sustainability.
- The level and composition of SFC credits and a commentary on any movements.
- Cash days are highlighted as another key component of financial sustainability and includes an estimate of the level of 'free cash available' to the College.
- Cash budget for other priorities is included and shows the availability of future funds for investment.
- Income section provides an overview of the College income streams and commentary on the overall position.
- The ability of the College to generate Alternative Income forms a key part of financial sustainability and is therefore highlighted separately.
- Staff costs which represent 80% of the overall cost of the College are shown in detail including delivery of staff efficiencies and staff FTE.
- The delivery of Non-Staff Cost efficiencies is critical to the achievement of the adjusted operating position and a commentary is provided on how the College plans to deliver these.
- The Executive Summary will be expanded in future to include other areas of focus as required by the Senior Management Team or Board of Management.

- **Financial Risks**

This section provides an overview of the financial risks faced by the College and the likely impact of these risks on financial sustainability.

This section will be developed along with the intended changes to be made to the College Risk Management Strategy which will be considered by the December Audit Committee.

- **Statement of Comprehensive Income and Expenditure**

A summary of the financial position and shows a comparison of the approved 2021-22 budget with the full year forecast position to 31 July 2022. This statement also includes the audited 2020-21 figures for comparison.

- **Variance Analysis**

Details the movement between the budgeted and forecast position for 2020-21.

- **Balance Sheet**

Reflects the assets and liabilities of the College.

- **Cashflow**

Shows the actual position to date and the forecast to 31 July 2022.

## **2. Overview – Management Accounts to 31 October 2021**

- 2.1 The 14 June 2021 Board of Management approved the 2021-22 Budget which stated that the College would seek to deliver an adjusted operating surplus of £25,000. After accounting for depreciation and loan repayments this adjusted operating position would have resulted in an accounting deficit of £(2,852,000) for the year.

2.2 As noted in the Board of Management covering paper on the 2021-22 budget the financial operating environment of the College was, and has proven to be, challenging. The variance analysis within the management accounts highlights the changes compared to the Board approved budget which the College has had to account for during the first quarter of 2021-22.

2.3 The more significant variances are:

- A predicted 4,000 core/ESF credit reduction resulting in a loss of £1,132,000 of SFC income. The College has faced increased competition from the university sector, who were given additional funding for places in 2021-22, along with a more buoyant employment market which has meant potential students taking a job rather than coming to college. This position is not unique to West College Scotland and is being experienced by most of the sector.
- With the College being unable to deliver its core/ESF activity target, it is therefore not able to claim funding for Young Person Guarantee nor the National Transition Training funds which has resulted in a reduction of £1,000,000 of SFC funds. The College was prepared to deliver activity under this funding stream but has had to divert the activity into core/ESF activity.
- The increased competition from the HE sector has seen a reduction in the number of HE students coming to the College which has resulted in a loss of £194,000 of tuition fees.
- As highlighted in the papers on catering and nursery provision, the College has seen a reduced level of activity in both these areas resulting in a forecasted reduction of £480,000 in income.
- The announcement in October of an increase in employers and employees National Insurance by 1.25% from April 2022 has resulted in an increase of £143,000 in staff costs. The SFC have confirmed that no additional funding will be made available to cover this additional cost.

- The College has provided for additional voluntary severance costs of up to £850,000 associated with the transformation of catering services and potential closure of nursery services at the end of 2021-22 however the College will take all steps to minimise redundancies and protect employment of staff. The College has opened discussions with the SFC regarding funding to support this cost but is assuming at this time that the College will be required to fund these costs.
- The College has reviewed its balance sheet and maybe able to release up to a £1,000,000 of provisions by the end of July 2022 following thorough risk review. The release of these provisions will enable the College to mitigate the cost of the voluntary severance programme.
- Staff costs have been reduced due to the cessation of the SFC YPG / NTTF programmes. Overall staff costs are under review with the Executive approving all vacancies and where possible delaying appointments. Delivery hours are also being reviewed to assess whether further efficiencies can be obtained, and future forecasts will be updated accordingly.
- Catering cost have been reduced to reflect the decrease in income expected and other non-staff budgets have been reviewed and further savings are forecasted to be delivered over the course of 2021-22.

2.3 After accounting for the above variances the College is now forecasting to deliver an adjusted operating deficit of up to £(2,035,000), which will result in the financial deficit for the year increasing to £(4,914,000). Work will continue to reduce the operating deficit through the Budget Planning work already in progress. It is essential to ensure financial sustainability of the College and therefore work does not just cover the current financial year but looks ahead to the next 3 years.

- 2.4 It should be noted that the overall financial deficit is prior to the impact of the annual pension valuation, the outcome of which will not be known until September 2022 and any movement in the staff holiday pay provision (non-cash) which will be calculated as part of the year end work.
- 2.5 The forecast for the year to 31 July 2022 is based upon the information available to the College at the time of compiling the accounts. Discussions with the SFC remain ongoing regarding several key matters which may have an impact on the forecast position. As these matters are clarified the forecast position will be updated.
- 2.6 As noted in the Financial Risk section of the pack, the College continues to face several risks which may have an impact on the final adjusted operating position:
- 1) Outcome of National Bargaining
  - 2) Increased competition leading to reduced levels of alternative income
  - 3) Further reduction in SFC fundable activity
  - 4) Termination of European Social Fund
  - 5) Increased inflationary pressures on non-staff costs
- 2.7 The College Budget Action Plan which aims to reduce the impact of the above risks, along with mitigating some of the impact of the variances notes in section 2.2 above.

### ***Cashflow Position***

- 2.8 The availability of cash to support ongoing College operations is essential. The Management Accounts show that the College is continuing to maintain cashflow levels that enable this to be achieved – with it being estimated that the College will hold £4.6m (25 days) of cash as of 31 July 2022.

- 2.9 It is important to note that the forecast cash position includes amounts relating to:
- £1.2m of SFC estates maintenance funding held for projects committed to but not yet paid for at the year end.
  - £0.25m of SFC Flexible Workforce Development Fund.
  - £1.0m of provisions which may require to be repaid primarily in relation to ESF and estate related projects.

If the cash amounts relating to these areas was to be repaid, the College underlying free cash position would be £2.2m (13 cash days).

- 2.10 The College is currently in discussions with Bank of Scotland who provided the loan financing about the options to repay the outstanding amount, thereby releasing the capital repayments for investment in the College infrastructure and reducing the operating costs through the removal of the interest charge. Further details regarding the repayment option will be brought to a future Committee meeting if applicable.
- 2.11 As outlined the College continues to have cash in place to support ongoing College operations and is forecasting to have a balance of 31 days in place – and an underlying balance of 13 days - as at 31 July 2022. The College will continue to ensure cashflow is monitored on an ongoing basis to identify, mitigate, and manage any risk which may emerge.

### **3. NEXT STEPS**

- 3.1 The full impact of Covid-19 on College operations and finances will continue to be kept under review over the period to the end of the financial year.

### **4. FINANCIAL IMPLICATIONS**

- 4.1 There are financial implications in this report, and these have been highlighted in the above sections.
- 4.2 A risk remains that the College will not achieve the revised adjusted operating position. Further clarification is still awaited from the SFC on several aspects which will impact the out-turn position.

**5. STUDENT EXPERIENCE**

5.1 There are no student experience implications associated with this paper.

**6. HUMAN RESOURCES IMPLICATIONS**

6.1 There are no human resources implications associated with this paper.

**7. LEGAL IMPLICATIONS**

7.1 There are no further legal implications in this paper to those listed above.

**8. REPUTATIONAL IMPLICATIONS**

8.1 There are reputational implications associated with this paper. The failure of the College to achieve its stated budget may result in future negative press coverage. However, the FE sector is facing financial challenges this year and therefore the College position is unlikely to be highlighted at an individual institutional level.

**9. COMMUNITY/PARTNERSHIP IMPACT**

9.1 There are no community implications associated with this paper.

**10. EQUALITIES IMPLICATIONS**

10.1 There are no equality implications associated with this paper.

**11. ENVIRONMENT IMPLICATIONS**

11.1 There are no environmental implications associated with this paper.

**RECOMMENDATION**

The Board of Management is requested to:

- Comment upon the revised format of the Management Accounts pack and make any suggestions for change.
- Note the current 2021-22 adjusted operating position.
- Note the cashflow position.
- Note the Management Accounts to 31 October 2021.





**Financial Information Pack**  
**2021-22**

**For the period to 31 October 2021**

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**EXECUTIVE SUMMARY**
**ADJUSTED OPERATING POSITION**

	Actual 2020-21	Budget 2021-22	Forecast 2021-22
	£	£	£
<b>Deficit</b>	(5,738,694)	(2,850,252)	(4,921,858)
<b>Add Back:</b>			
Net Depreciation	2,731,965	3,197,000	3,208,606
FRS102 Pension Adjustment	3,747,000	0	0
Loss on the disposal of asset	0	0	0
<b>Less:</b>			
Loan repayments	(527,000)	(322,000)	(322,000)
<b>Adjusted Operating Position</b>	<b>213,271</b>	<b>24,748</b>	<b>(2,035,252)</b>

**Comment**

The College has been impacted by lower than anticipated enrolment numbers for 2021-22 (see below) which has resulted in the College being unable to claim up to 4,000 credits (£1.1m). The lower level of recruitment has also impacted tuition fees due to the College especially in HE courses (£0.2m). As the College is unable to claim its full allocation of core credits the additional teaching of YPG/NTT activities cannot proceed despite the College having courses it can deliver. This has resulted in the loss of the contribution to overheads element being removed from the budget (£0.2m). The College has also seen a reduction in footfall through its refectories and nursery provision resulting in a net loss of income of (£0.3m).

**SFC CREDITS**

Element	YTD 2020-21	Budget 2021-22	Forecast 2021-22	SFC Target 22	2021-
Core Grant / ESF	109,200	161,517	157,815	161,517	
Foundation Apprenticeships	1,100	1,444	1,156	2,888	
<b>Sub-total</b>	<b>110,300</b>	<b>162,961</b>	<b>158,971</b>	<b>164,405</b>	
Young Persons Guarantee / National Transition Training Fund	-	3,534	-	3,534	
<b>Total</b>	<b>110,300</b>	<b>166,495</b>	<b>158,971</b>	<b>167,939</b>	
<b>Split by:</b>					
Campus based / blended learning	107,150	158,495	146,971		
Online learning 3rd party delivery	3,150	8,000	12,000		
	<b>110,300</b>	<b>166,495</b>	<b>158,971</b>		

**Comment**

The College has budgeted to deliver 162,961 credits by 31 July 2022. In response to the global pandemic the SFC has guaranteed to fund the College for its core activity (155,879 credits) but as the remaining 5,638 credits which relate to ESF funding will require to repay the associated activity is not delivered. The College requires to deliver on its core and ESF funding before drawing down any of the YPG / NTT funding. The College undertakes significant activity in these two areas but currently requires to classify the activity as core.

The SFC 2021-22 credit guidance, which was issued in July 2021 after the budget had been agreed with the Board of Management, resulted in a reduced level of credits being able to be claimed by the College for activity it was already committed to. This combined with lower recruitment numbers than expected has resulted in the College currently forecasting approximately 4,000 credit shortfall in 2021-22. The College is undertaking a review of credit delivery combined with an active marketing campaign to attract further students to the College.

## EXECUTIVE SUMMARY

### CASH DAYS

	Actual 2020-21	Forecast 2021-22	Budget 2021-22
	£	£	£
<b>Cash at Bank</b>	<b>8,776,000</b>	<b>4,629,000</b>	<b>3,585,000</b>
<u>Committed funds</u>			
Estates Maintenance & IT Projects	3,172,000	1,200,000	1,200,000
SFC specific funding	427,000	250,000	-
Potential clawback / repayments	1,430,000	1,000,000	-
<b>Free funds</b>	<b>3,747,000</b>	<b>2,179,000</b>	<b>2,385,000</b>
<b>Cash days</b>			
Bank	53	28	21
Free funds	23	13	14

#### Comment

The College is forecasting to be holding 13 days of free cash by the end of the financial year. The forecast does not include the repayment of the current bank loan which is under consideration with the lending provider. The College is now forecasting that it will not require to pay back as much of the estimated £1.4m in provisions during the course of 2021-22. Work on what will require to be repaid is ongoing and the cashflow forecasts will be updated as further clarification is gained.

### CASH BUDGET FOR OTHER PRIORITIES

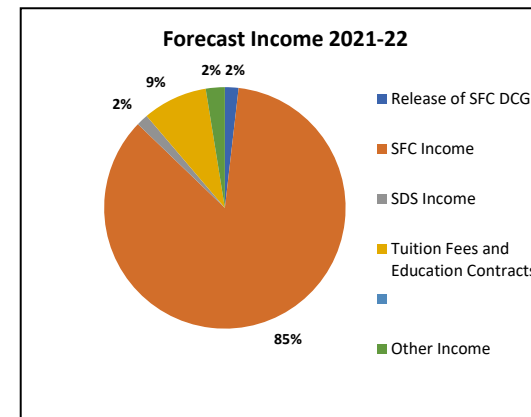
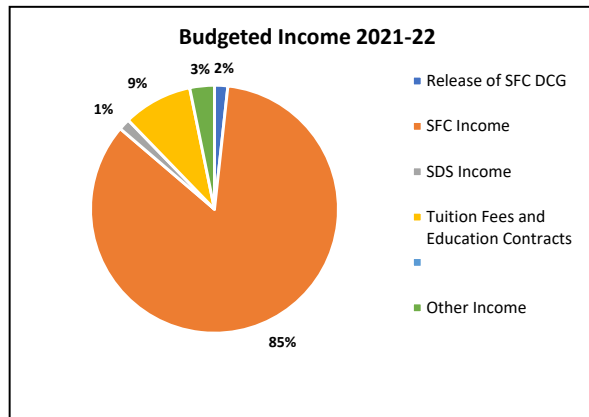
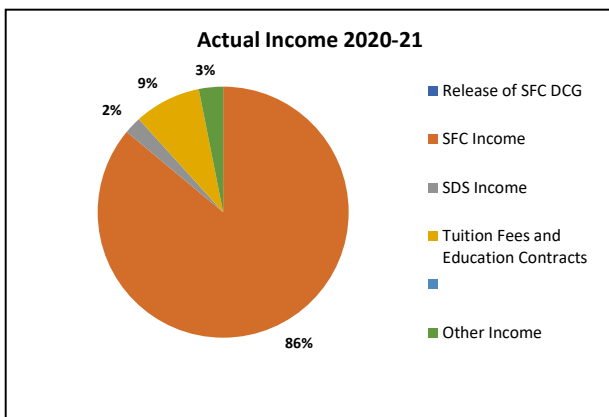
	Actual 2020-21	Forecast 2021-22	Budget 2021-22
	£	£	£
<b>Agreed SFC spend</b>	<b>1,639,000</b>	<b>1,639,000</b>	<b>1,639,000</b>
Allocated to:			
Cost of annual pay award	644,000	644,000	644,000
ICT expenditure	468,000	500,000	500,000
Estates or Other Projects	0	173,000	173,000
Loan repayments	527,000	322,000	322,000
<b>Total</b>	<b>1,639,000</b>	<b>1,639,000</b>	<b>1,639,000</b>

#### Comment

The requirement for the College to spend what was previously net depreciation charge, is a legacy arrangement. The amount is fixed at £1.639m and cannot be varied. The cost of the 2015-16 pay award is a fixed amount that the College will require to incur going forward. As the amount of the loan repayments decreases, the College will look to invest the released funds towards specific areas - estates and IT development.

The College is currently engaged with the loan provider and SFC to establish if there is any value in repaying the loan early and thereby releasing the capital payments for investment and reducing the loan interest charges incurred.

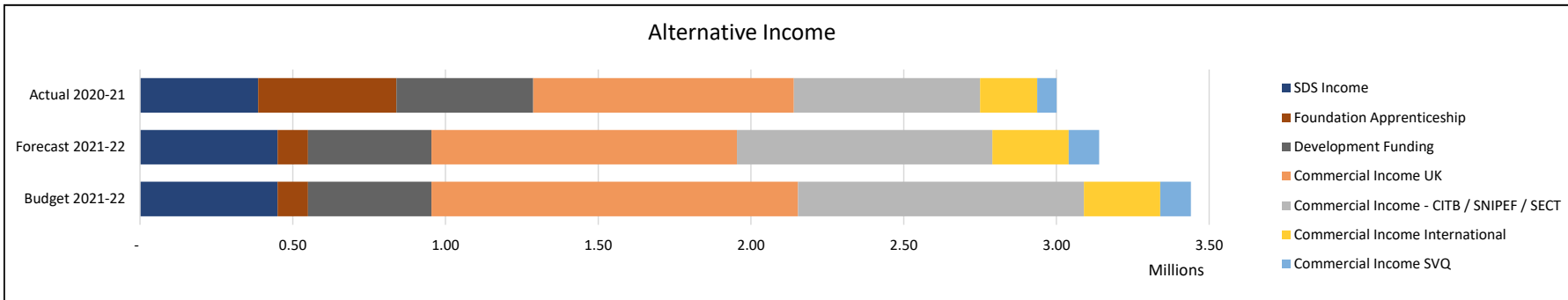
**EXECUTIVE SUMMARY  
INCOME**



**Comment**

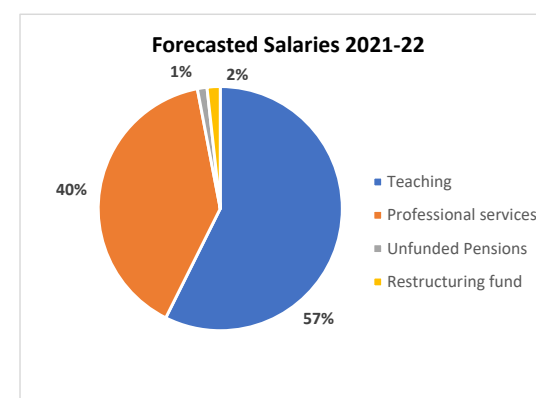
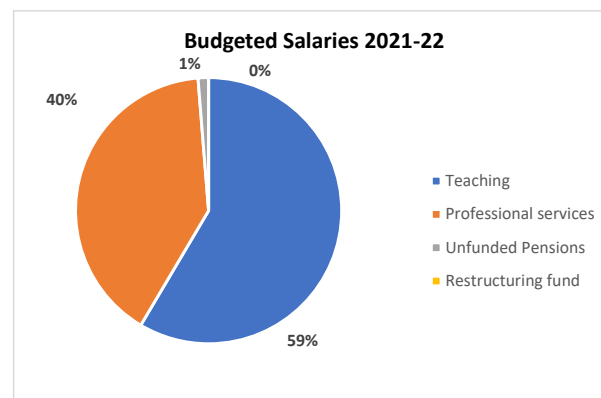
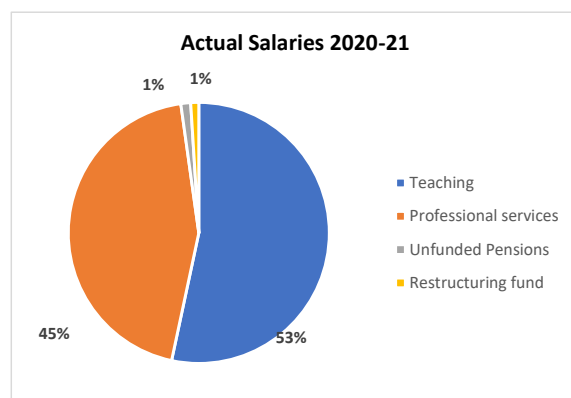
The reliance of the College on public funding primarily from the SFC continues, with 85% of income (2020-21: 86%) being provided by the SFC. The whole of the core/ESF teaching allocation is utilised to cover the salary costs incurred by the College. To note that SFC income for 2021-22 has not been increased to provide cover for the 1.25% increase in employers national insurance contributions from April 2022. This means that the college requires to find a further £140k of savings in 2021-22. Tuition fees and education contracts which includes alternative income sources (see further detail below) account for 9% of the College income. Outside of alternative income the College's next largest source of fees is from HE students, with the majority of these fees being paid by SAAS in February of each year. The collection of fees and other income along with the generation of alternative income provides the contribution to costs needed to run the College.

**EXECUTIVE SUMMARY  
ALTERNATIVE INCOME**



<b>Alternative Income</b>			
	<b>Actual 2020-21</b>	<b>Budget 2021-22</b>	<b>Forecast 2021-22</b>
	<b>£</b>	<b>£</b>	<b>£</b>
SDS Income	386,939	450,000	450,000
Foundation Apprenticeship	452,167	100,000	100,000
Development Funding	447,763	404,000	404,000
Commercial Income UK	853,873	1,200,000	1,000,000
Commercial Income - CITB / SNIPEF / SECT	609,213	936,000	836,000
Commercial Income International	187,260	250,000	250,000
Commercial Income SVQ	63,667	100,000	100,000
<b>Total</b>	<b>3,000,882</b>	<b>3,440,000</b>	<b>3,140,000</b>

**Comment**  
The College continues to consistently generate over £3m in alternative income from several varied sources as shown in the table opposite. The forecasted decrease in alternative income has been matched by an increase in Flexible Workforce Development Funding which is accounted for through SFC income, so overall the College alternative income position is on budget. Foundation Apprenticeship income was previously funded through Skills Development Scotland but from 2021-22 this activity is now funded through the SFC with only a residual element funded from SDS in 2021-22

**EXECUTIVE SUMMARY**  
**STAFF COSTS**

**STAFF COST EFFICIENCIES**

	Actual 2020-21 £'000	Budget 2021-22 £'000	Forecast 2021-22 £'000
Staff Turnover	260	300	300
Unfilled Vacancies	400	200	411
Voluntary Severance Savings	284	0	0
<b>Overall efficiencies</b>	<b>944</b>	<b>500</b>	<b>711</b>

**Comment**

The 2021-22 budget included £500k of efficiencies to be delivered to balance the budget. The Executive review and authorisation of all vacancies along with an overall review of staff costs has resulted in the College being able to identify a further £211k of efficiencies primarily in savings from staff turnover and unfilled leavers. The level of efficiencies will continue to be reviewed and updated each month.

**STAFFING NUMBERS**

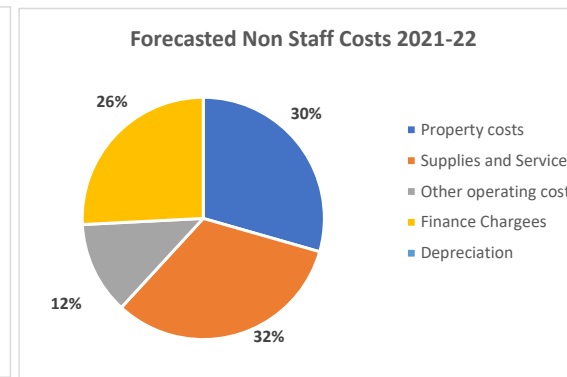
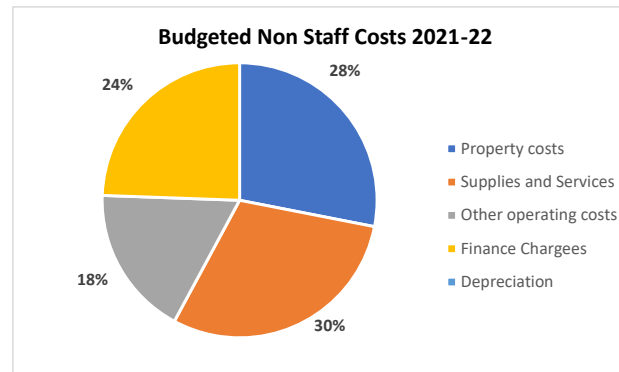
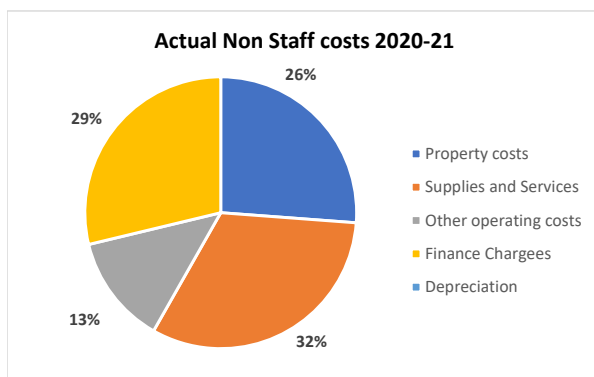
	Actual 2020-21 FTE	Budget 2021-22 FTE	Forecast 2021-22 FTE
Teaching - Permanent	393.8	405.5	402.8
Teaching - Temporary	65.3	100.0	84.7
Premises	66.2	65.3	68.0
Other Professional Services	355.5	390.8	445.4
<b>Total</b>	<b>880.9</b>	<b>961.6</b>	<b>1000.9</b>

**Comment**

Overall core permanent teaching and professional services staffing numbers remain consistent with the budgeted position. Any impact from the proposed voluntary severance scheme are not expected to take effect until the end of the financial year. Temporary teaching staff increased from 2020-21 due to the inclusion of additional staff to deliver (i) YPG/NTT (ii) deferred student activity and (iii) cover cost for staff to attend teacher training qualification courses. The removal of YPG/NTT activity has resulted in a reduction of 15 FTE in temporary staffing cost.

**EXECUTIVE SUMMARY**

**NON STAFF COSTS**



**NON STAFF COST EFFICEINCIES**

	Actual 2020-21 £'000	Budget 2021-22 £'000	Forecast 2021-22 £'000
Consumables / Tools and Equipment	306	0	150
Exam Fees	98	0	140
Professional Fees	0	0	50
To be determined	0	382	42
<b>Total</b>	<b>404</b>	<b>382</b>	<b>382</b>

**Comment**  
 The College has to date identified £340k of non-staff efficiencies which leaves £42k of efficiencies to be found. The efficiencies in consumable costs have occurred primarily due to the reduction in teaching activity and through discussion with relevant budget holders. The exam efficiencies have been brought about through a change in the exam processing arrangements. The College continues to review all non-staff costs for further efficiencies.



## FINANCIAL RISKS

No.	Risk Category	Description of Risk	Financial Impact	Impact	Probability	Score		
1	Finance	<p><b><u>Outcome of National Bargaining</u></b></p> <p>The College has budgeted for 2% increase which is equivalent to Public Sector Pay Policy. The budget was set prior to the increase in employers national insurance contributions by 1.25% in April 2022. Current negotiations with both sets of unions indicate that a settlement in excess of this will be required to avoid strike action.</p>	An increase in staff costs of 1% will require the College to find savings of £480k. The majority of the saving will require to be made from staff costs which is equivalent to 8 FTE.	Critical	3	Very Likely	5	15
2	Competitive Environment	<p><b><u>Increased competition leading to reduced levels of alternative income</u></b></p> <p>The College continues to face increasing competition from both the wider college sector and external providers. The increasing cost of College staff makes obtaining external work more challenging. It should be noted that the College has a good track record in this area and the risk is both positive and negative regarding income growth or reduction.</p>	A movement of 1% in forecasted alternative income funding would amount to £30,000	Critical	3	Likely	4	12
3	Student	<p><b><u>Further reduction in SFC fundable activity</u></b></p> <p>There is a risk that the proposed winter start programme does not attract as many students as anticipated leading to a reduction in SFC core/Est income</p>	A reduction of 1,000 credits would result in a loss of £283,000 of SFC income.	Critical	3	Possible	3	9
4	Finance	<p><b><u>Termination of European Social Fund</u></b></p> <p>The current ESF programme is due to terminate in July 2022 and the College continues to engage with the SFC on any subsequent funding that will be made available for the UK Prosperity Fund. The SFC has requested that in any future planning the College assumes it will retain the same level of core funding as currently available through ESF sources. There is a risk that this assumption will vary as the 2022-23 budget becomes clearer leading to a material financial / staffing impact on the College.</p>	The College receives £1.6m (5,638 credits) of ESF related funding which requires 25 FTE of staff to deliver the activity.	Critical	3	Very Unlikely	2	6

No.	Risk Category	Description of Risk	Financial Impact	Impact	Probability	Score		
5	Finance	<b>Increased inflationary pressures on non-staff costs</b>  The College like all organisations is incurring increased costs to purchase goods and services. One area where this is especially relevant is utility costs but as the College purchases these from a national contract there is a degree of price stability this year. All other costs are showing increased cost and there is a risk that anticipated efficiency savings cannot be realised.	The College has current realised 90% of the budgeted efficiency savings in non-staff costs. However further savings are required and ability to deliver these savings is at risk.	Marginal	2	Possible	3	6

**STATEMENT OF COMPREHENSIVE INCOME AND EXPENDITURE 2021-22**
**Year to 31 October 2021**

	Year to Date			Annual			2020-21
	Budget	Actual Inc	Variance	Budget	Forecast	Variance	Actual
	£'000	£'000	£'000	£'000	£'000	£'000	£'000
<b>SFC Income</b>	13,703	12,420	1,283	54,811	52,707	2,104	50,745
<b><u>Tuition fees and education contracts</u></b>							
SDS Income	239	86	152	954	954	0	1,287
Fees	1,436	340	1,096	5,742	5,248	494	4,965
	<u>1,674</u>	<u>426</u>	<u>1,248</u>	<u>6,696</u>	<u>6,202</u>	<u>494</u>	<u>6,252</u>
<b><u>Other income</u></b>							
Other Income Excl Interest	557	319	237	2,226	1,722	504	1,988
	<u>557</u>	<u>319</u>	<u>237</u>	<u>2,226</u>	<u>1,722</u>	<u>504</u>	<u>1,988</u>
<b>Total Income</b>	<b>15,933</b>	<b>13,164</b>	<b>2,769</b>	<b>63,733</b>	<b>60,631</b>	<b>3,102</b>	<b>58,985</b>
<b>Total Salary Costs</b>	<b>(11,955)</b>	<b>(10,690)</b>	<b>(1,265)</b>	<b>(47,821)</b>	<b>(47,745)</b>	<b>(76)</b>	<b>(48,292)</b>
Property Costs	(1,317)	(792)	(525)	(5,267)	(5,242)	(25)	(4,303)
Supplies and Services	(1,478)	(1,538)	60	(5,592)	(5,770)	178	(5,266)
Other Operating Costs	(830)	(616)	(214)	(3,319)	(2,200)	(1,119)	(2,139)
Depreciation and Finance Charges	(1,146)	(1,140)	(6)	(4,584)	(4,596)	12	(4,725)
<b>Total Non Staff Expenditure</b>	<b>(4,771)</b>	<b>(4,086)</b>	<b>(685)</b>	<b>(18,762)</b>	<b>(17,808)</b>	<b>(954)</b>	<b>(16,432)</b>
<b>Total Expenditure</b>	<b>(16,726)</b>	<b>(14,776)</b>	<b>(1,950)</b>	<b>(66,583)</b>	<b>(65,553)</b>	<b>(1,030)</b>	<b>(64,724)</b>
<b>Financial accounts deficit</b>	<b>(793)</b>	<b>(1,612)</b>	<b>819</b>	<b>(2,850)</b>	<b>(4,922)</b>	<b>2,072</b>	<b>(5,739)</b>
Revaluation reserve	776	771	5	3,104	3,104	0	2,640
<b>Historical (Deficit)/Surplus</b>	<b>(17)</b>	<b>(841)</b>	<b>(825)</b>	<b>254</b>	<b>(1,818)</b>	<b>2,072</b>	<b>(3,099)</b>
<b><u>Adjusted Operating Position</u></b>							
Financial accounts deficit				(2,850)	(4,922)	2,072	(5,739)
Add back: Depreciation net of release of deferred capital				3,197	3,209	(12)	2,732
Add back: Loss on disposal of assets				0	0	0	0
Add back: FRS Pensions Adjustments				0	0	0	3,747
Less: Revenue funding allocated to loan repayments				(322)	(322)	0	(527)
<b>Adjusted operating surplus / (deficit) for the year</b>				<b>25</b>	<b>(2,035)</b>	<b>2,060</b>	<b>213</b>

	Operational Variances	
	£'000	£'000
Reduction in level of SFC credit activity due to lower than budgeted student enrolments (4,000 credits)	(1,132)	
Release of previously provide for ESF income as College audit work indicates no longer required	850	
Reduction in Foundation Apprenticeship income due to lower than budgeted student enrolments	(135)	
As the College is unable to fulfil its core/ESF SFC credit activity it is therefore unable to claim the additional YPG / NTT funding	(1,000)	
Flexible Workforce Development Fund activity is anticipated to be higher than budget due to improved engagement with external parties	300	
SFC childcare income reduced to match anticipated expenditure	(987)	
<b>Total increase / (decrease) in SFC income</b>		<b>(2,104)</b>
Increased competition from universities has resulted in a reduction in HE tuition fees	(194)	
The College has seen a greater uptake of SFC FWDF training opportunities than in the tradition commercial income courses	(200)	
The budget for commercially contracted courses has been reduced to reflect actual contracted activity.	(100)	
<b>Decrease in tuition fees and educational contracts</b>		<b>(494)</b>
<b>Total increase / (decrease) in tuition / education contracts income</b>		<b>(494)</b>
Nursery income has been reduced due to lower numbers of students utilising the nursery service	(239)	
Catering income has been reduced to reflect lower footfall and increased competition	(280)	
Rental income has been increased to reflect the revised lease rentals	15	
<b>Total increase / (decrease) in other income</b>		<b>(504)</b>
<b>TOTAL (DECREASE) / INCREASE IN INCOME</b>		<b>(3,102)</b>
Westminster Government has announced a 1.25% increase in employers NI contributions from April 2022	143	
Reduction in temporary staff costs with the removal of SFC YPG/NTT funding	(748)	
Release of holiday pay provision as staff will be required to take annual leave by the end of the financial year	(200)	
Increase in level of staff efficiencies recognised in year primarily through staff turnover savings	(211)	
Increased cost of open learning markers due to change in teaching delivery mix	90	
Restructure costs for the current voluntary severance programme which will be fully funded by the College	850	
<b>TOTAL INCREASE / (DECREASE) IN STAFF EXPENDITURE</b>		<b>(76)</b>
Minor reductions in property cost including rent and waste costs	(25)	
<b>Total decrease in property expenditure</b>		<b>(25)</b>

	Operational Variances	
	£'000	£'000
With reduction in student activity further consumables cost savings have been recognised	(150)	
Increased cost of delivering open learning activity due to change in teaching delivery mix	221	
Reduction in catering expenditure as a result of loss of income	(200)	
Reduction in professional fees	(25)	
Consolidated savings now recognised in actual expenditure lines	340	
Other incidental movements in forecast	(8)	
<b>Total decrease / (increase) in supplies and services expenditure</b>		<b>178</b>
Reduction in examination fees following review of registration process	(140)	
Reduction in the childcare expenditure due to match reduction in income	(987)	
Other incidental movements in forecast	8	
<b>Total decrease / (increase) in other operating costs</b>		<b>(1,119)</b>
Increase in depreciation charge following interim valuation exercise	12	
<b>Total decrease / (increase) in depreciation and finance charges</b>		<b>12</b>
<b>TOTAL (DECREASE) / INCREASE NON-STAFF EXPENDITURE</b>		<b>(954)</b>
<b>NET VARIANCE IN THE YEAR</b>		<b>(2,072)</b>
<b>NET VARIANCE IN THE YEAR EXCLUDING DEPRECIATION</b>		<b>(2,060)</b>
<b>BOARD OF MANAGEMENT APPROVED OPERATING SURPLUS</b>		<b>25</b>
<b>FORECAST ADJUSTED OPERATING POSITION AFTER VARIANCE MOVEMENT</b>		<b>(2,035)</b>

**BALANCE SHEET**

	As at 31 July 2021 £'000	As at 31 Oct 21 £'000	Movement £'000
<b>Fixed Assets</b>	111,106	109,982	1,123
<b>Current Assets</b>			
Stock	3	3	0
Trade Debtors	126	210	(84)
Other Debtors due within one year	35	105	(70)
Prepayments/acc income	477	-	477
Scottish Funding Council Debtor	1,402	8,333	(6,931)
SFC - Support job evaluation	2,727	2,727	0
Cash and Bank	8,776	768	8,008
	13,547	12,146	
<b>Creditors: Amounts falling due within one year</b>			
Trade Creditors	(603)	(893)	289
Other Creditors	(645)	(1,280)	634
Other Creditors - Support job evaluation	(2,727)	(2,727)	0
Accruals and Deferred Income	(4,778)	(3,442)	(1,336)
Tax & Social Security	0	0	0
Scottish Funding Council	(4,193)	(4,089)	(104)
Bank loans	(250)	(250)	0
Finance Lease	(82)	(82)	0
Deferred Capital Grant SFC	(1,100)	(1,100)	0
Deferred Capital Grant Non SFC	(184)	(184)	0
	(14,562)	(14,046)	
<b>Net Current (Liabilities)/ Assets</b>	(1,016)	(1,900)	
<b>Total Assets less Current Liabilities</b>	<b>110,090</b>	<b>108,082</b>	
<b>Creditors: After one year</b>			
Bank loan	(1,020)	(960)	(61)
Finance Lease	(68)	(61)	(7)
Deferred Capital Grant SFC	(21,996)	(21,721)	(275)
Deferred Capital Grant Other	(4,254)	(4,208)	(46)
	(27,338)	(26,950)	
<b>Net Assets Excluding provisions</b>	<b>82,752</b>	<b>81,132</b>	

**Provisions**

Pension Liability	(30,157)	(30,157)	0
Other	(97)	(97)	0

**Net Assets including Provisions**

<b>52,498</b>	<b>50,878</b>
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**Restricted Reserves**

Pension Reserves	(30,157)	(30,157)	0
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**Unrestricted Reserves**

I&E Reserve	14,247	13,406	841
Revaluation Reserve	68,408	67,637	771
<b>82,655</b>	<b>81,043</b>		
<b>52,498</b>	<b>50,886</b>		

**CASHFLOW**

	Quarter 1 Ended Oct 21 Actual £'000	Quarter 2 Ended Jan 22 Forecast £'000	Quarter 3 Ended Mar 22 Forecast £'000	Quarter 4 Ended Jul 22 Forecast £'000
<b>Opening bank balance</b>	<b>8,776</b>	<b>768</b>	<b>2,246</b>	<b>7,816</b>
Net (Outflow) / Inflow	(8,008)	1,478	5,570	(3,187)
<b>Closing bank balance</b>	<b>768</b>	<b>2,246</b>	<b>7,816</b>	<b>4,629</b>
<b>Cash days</b>	<b>4</b>	<b>12</b>	<b>43</b>	<b>25</b>
<b>INCOME</b>				
SFC Income	4,913	14,479	18,534	13,069
Other Income	1,504	3,821	3,018	1,517
	6,417	18,300	21,552	14,586
<b>EXPENDITURE</b>				
Staff Costs	(10,715)	(12,699)	(11,978)	(12,027)
Restructuring Costs	-	-	(850)	-
Estates Maintenance	(747)	(903)	(825)	(995)
Other Operating Costs	(2,882)	(3,139)	(2,244)	(4,666)
Loan Repayments	(81)	(81)	(85)	(85)
	(14,425)	(16,822)	(15,982)	(17,773)
<b>Net (Outflow) / Inflow</b>	<b>(8,008)</b>	<b>1,478</b>	<b>5,570</b>	<b>(3,187)</b>





**Agenda Item 10.1**

[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
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[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]

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**Agenda Item 10.2**

[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
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[REDACTED]	[REDACTED]
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[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]



































# West College Scotland

## Communications Strategy 2021-2025 (Draft)



# Communications?

The purpose of college communications has developed significantly in the last decade.

Communications

Marketing

Design

Engagement

Events

Policy



# Communications?



An inclusive and  
comprehensive  
approach



Develop the WCS  
brand and increase  
competitiveness

# Our Communications Strategy

We will deliver an innovative approach  
to communications that recognises:

- ◆ Changes in students' learning expectations
- ◆ Advances in technology and a rapidly changing digital landscape
- ◆ Stakeholder expectations and requirements
- ◆ Opportunities provided by new hybrid working and learning environments
- ◆ Changes in policy and guidelines that impact College operations
- ◆ West College Scotland's commitment to deliver learning sustainably

To achieve this we will support and strengthen our communications' activities through the agile use of traditional, digital, social and alternative media technologies

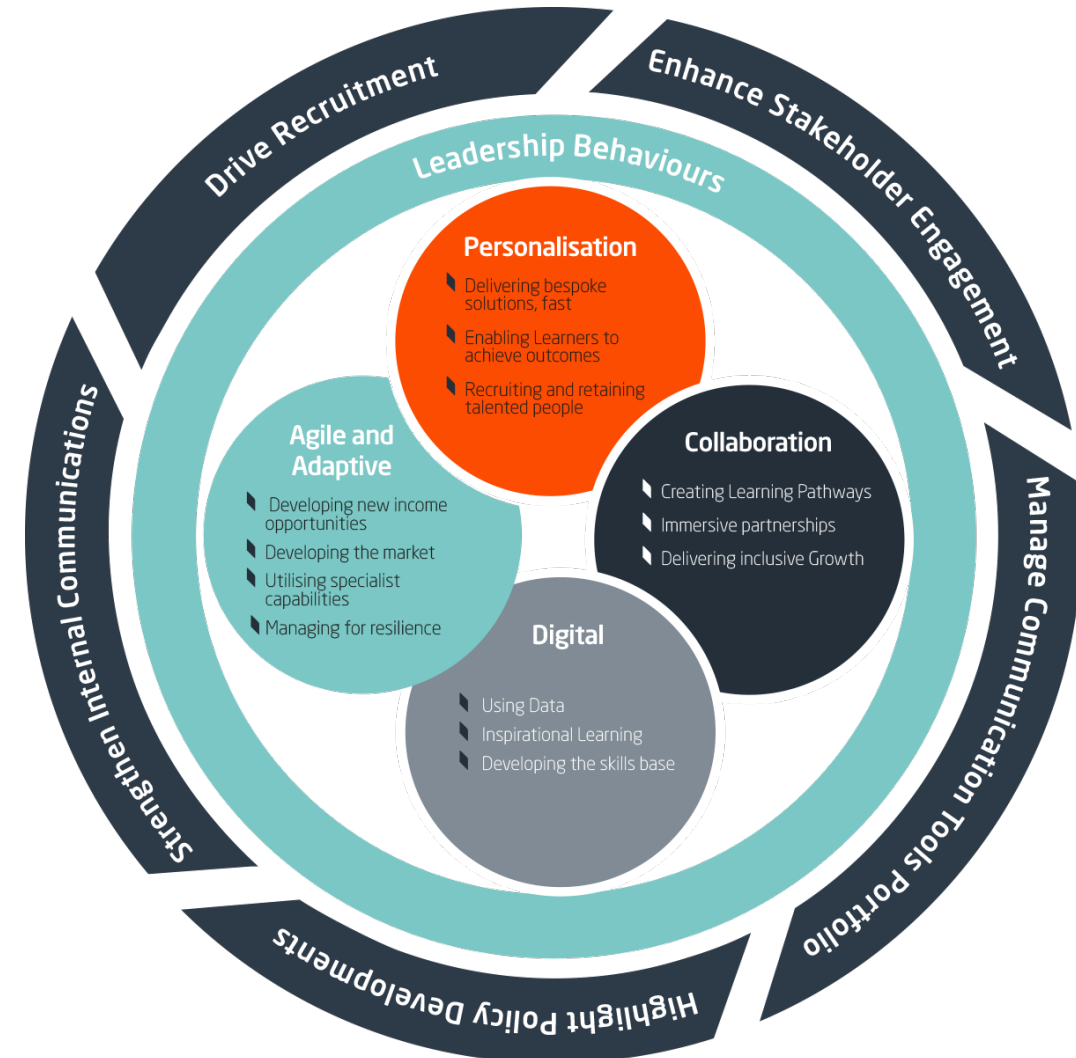
# Our Communications Strategy

Our 5 core communication aims are key to supporting the College deliver its Corporate Strategy 2019-2025 and fulfil its strategic priorities -

Personalisation, Collaboration, Agility and Digital Progression



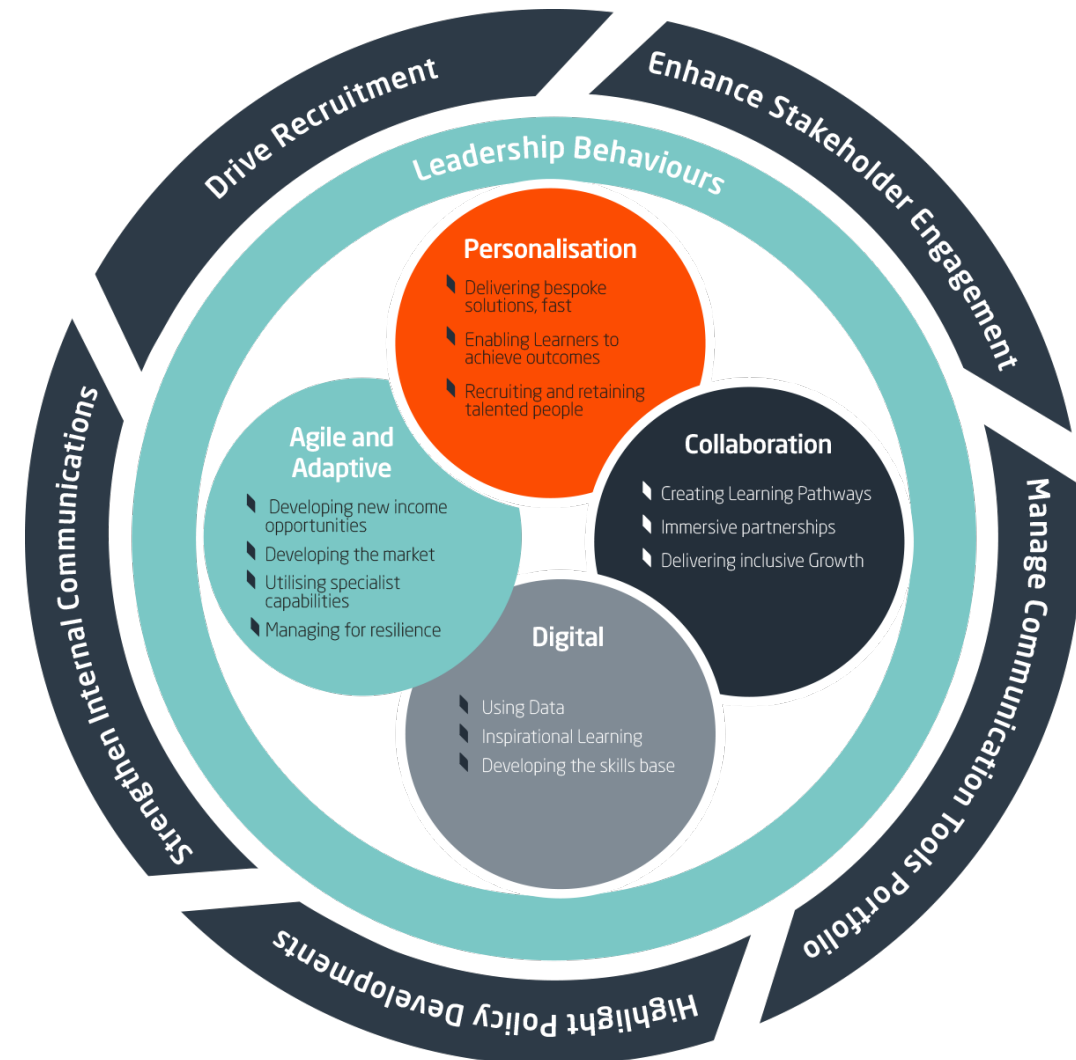
# Communication Aims



## 1. Drive Recruitment

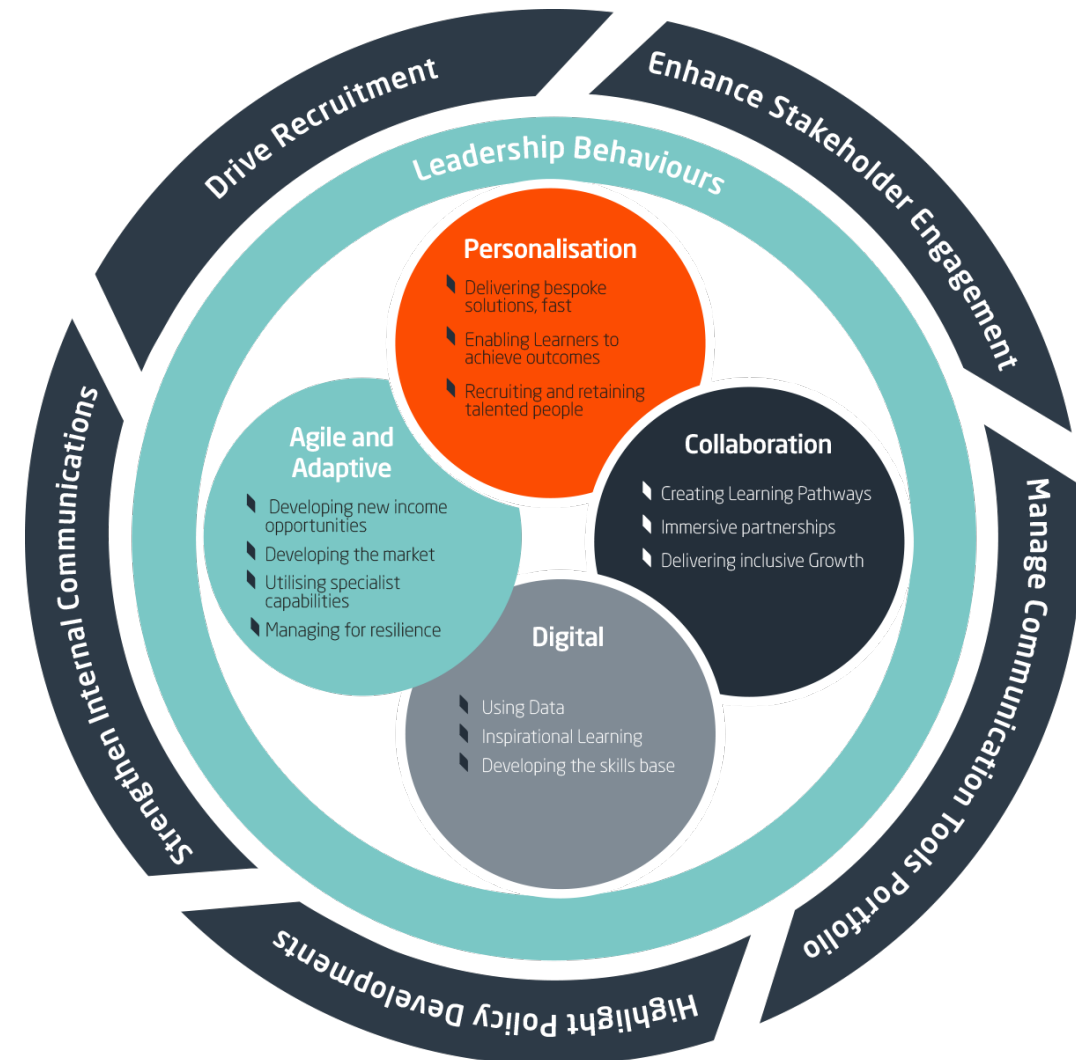
To increase student applications, conversion to enrolments and retention through dynamic communication methodologies

# Communication Aims



## 2. Enhance Stakeholder Engagement

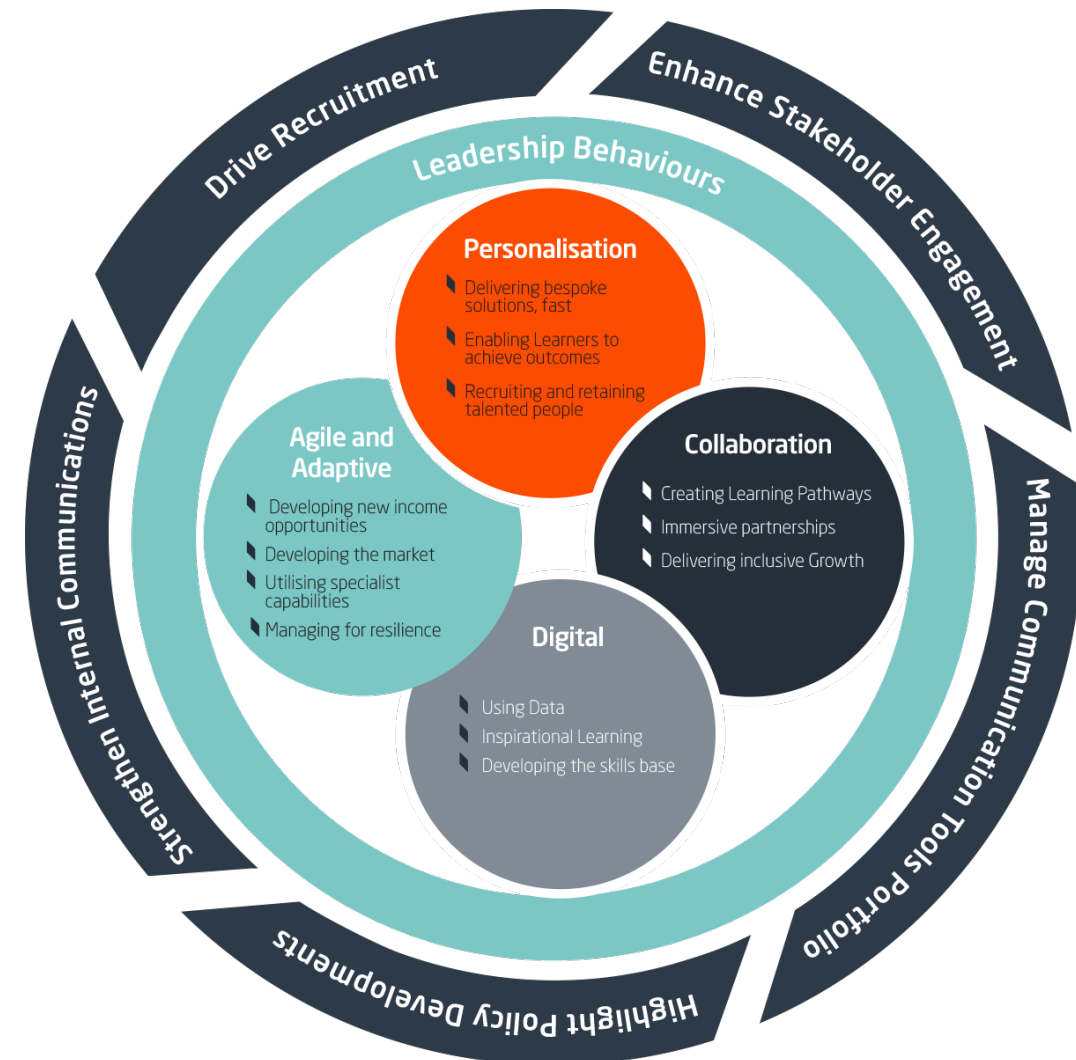
To strengthen the College's local, regional and national brand and reputation in a competitive further education environment



## 3. Manage Communication Tools Portfolio

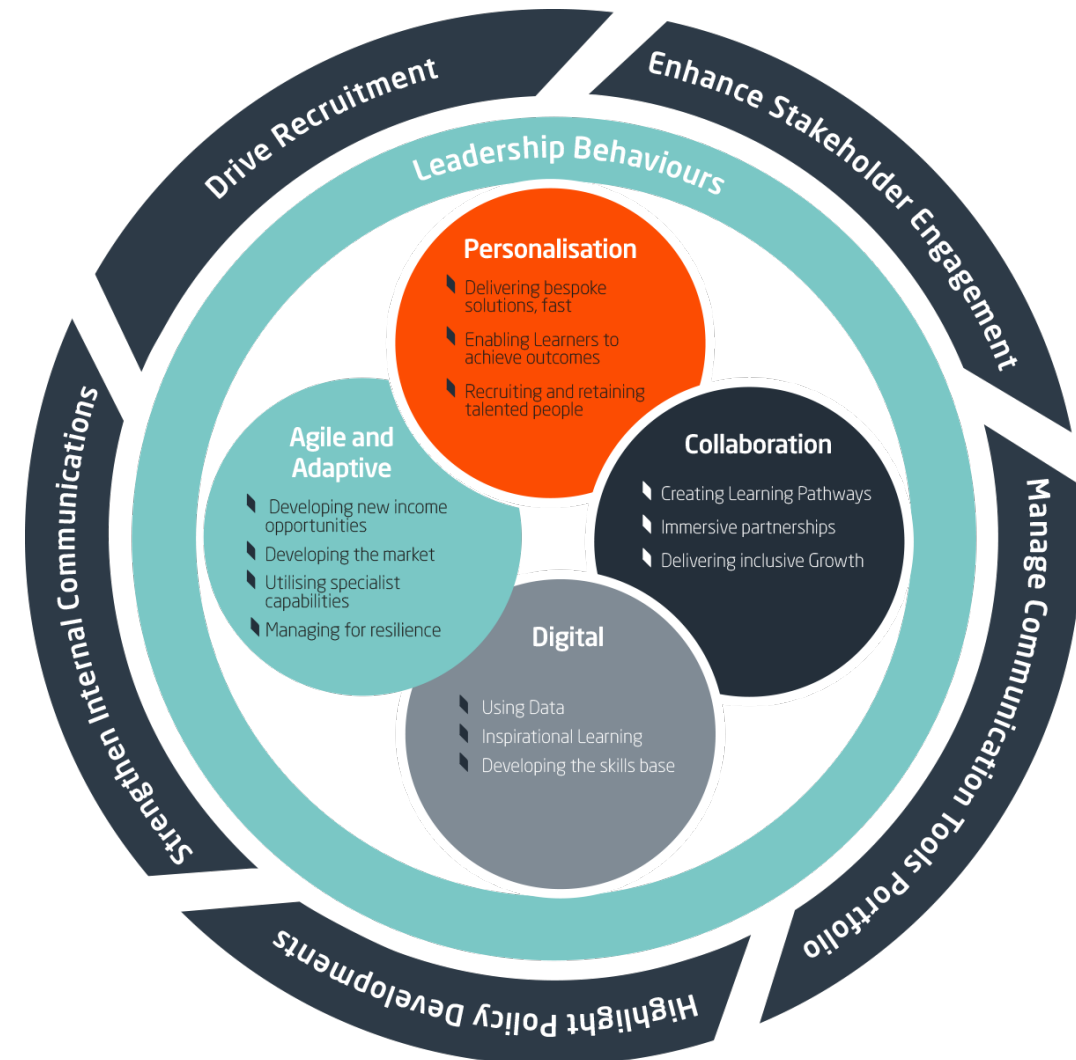
To develop and monitor innovative communication channels, including social, online, physical and traditional, to maximise engagement and reflect target demographics

# Communication Aims



## 4. Highlight Policy Developments

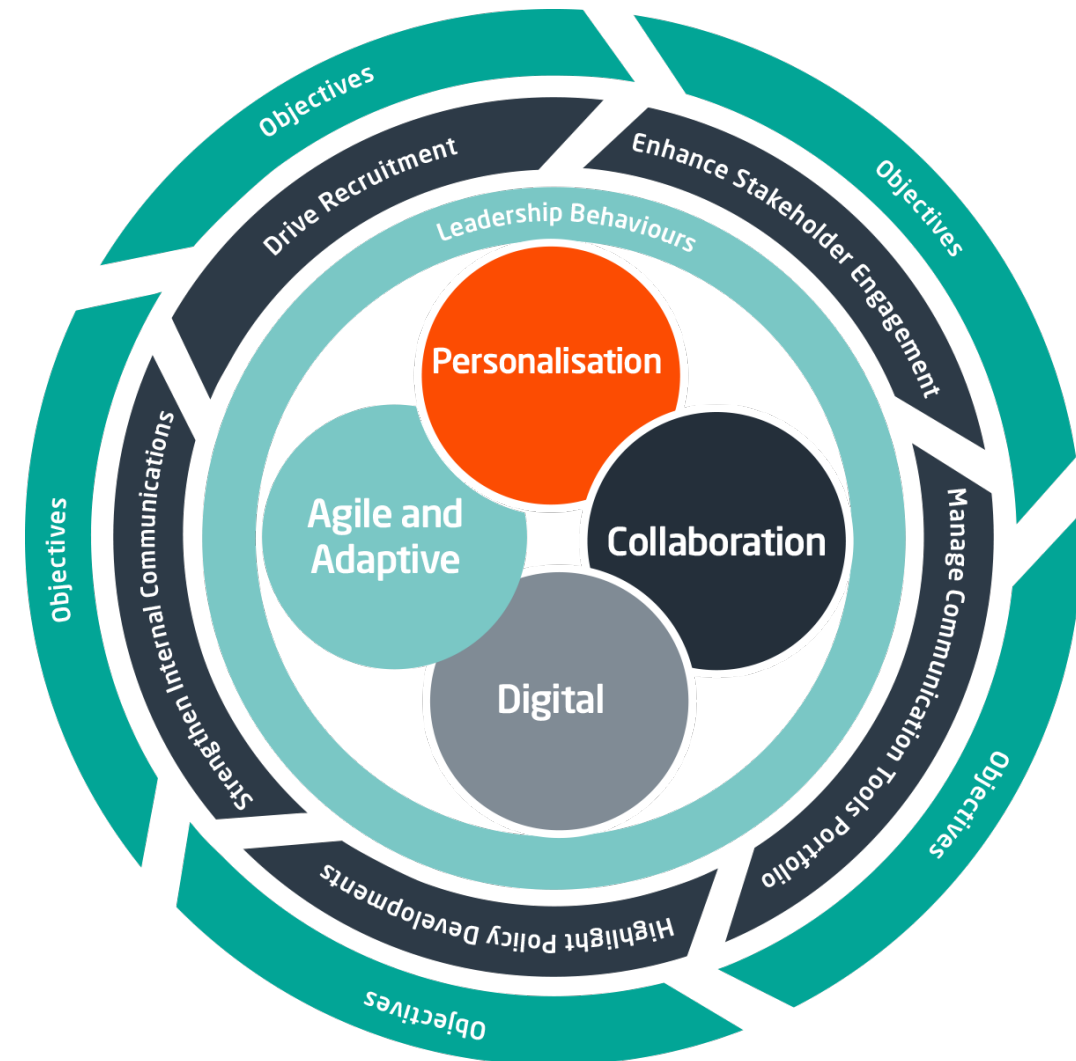
To be cognisant of the latest policy, legislation, and guidance, and communicate updates to stakeholders, enabling them to respond agilely and authoritatively



## 5. Strengthen Internal Communications

To improve the College's internal communications provision and delivery, supporting workforce recruitment and retention

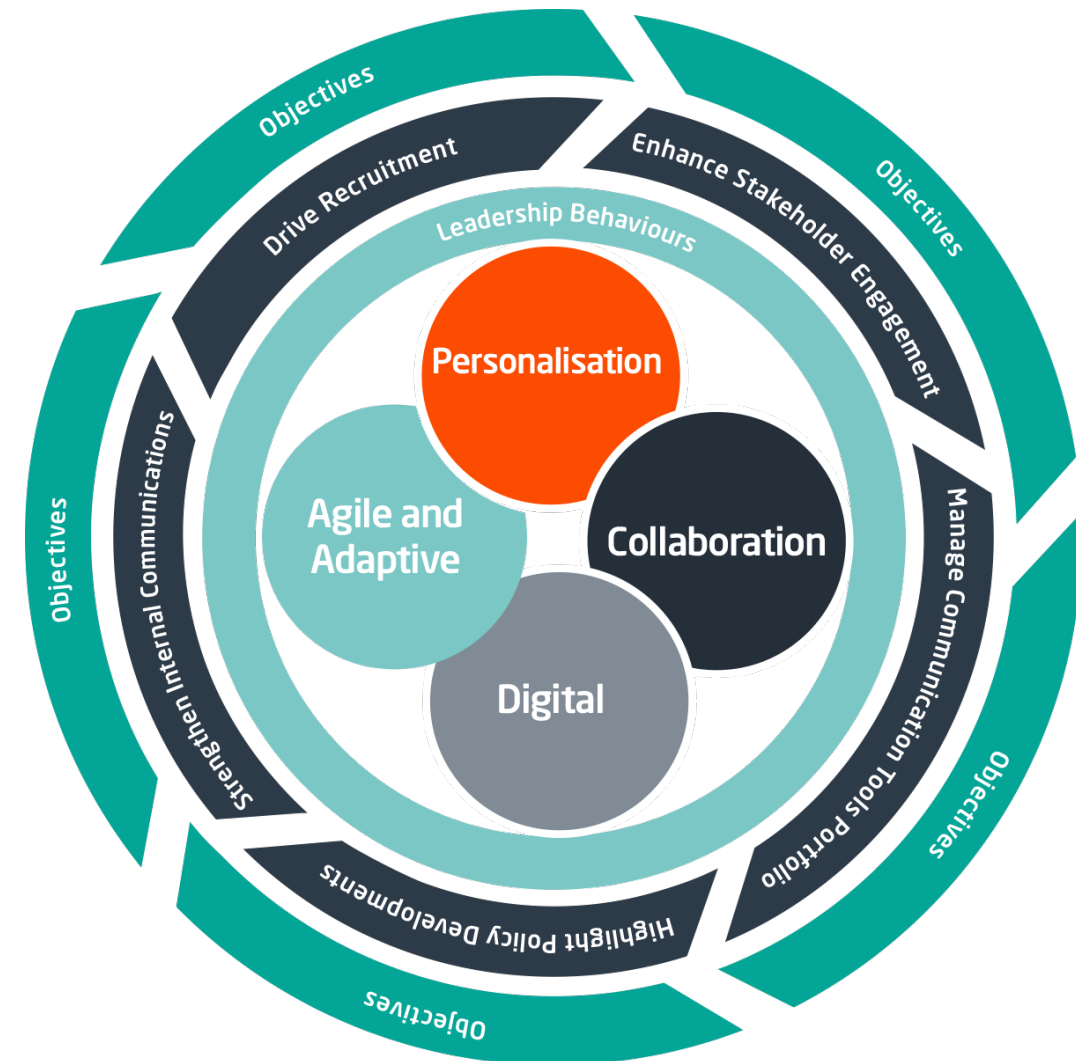
# Communication Objectives



## 1.1 Recruitment During Covid

Promote WCS as the provider of choice for high quality further education, skills provision and training in the West of Scotland region, and raise the profile of its online provision, thereby expanding its geographical reach and flexible offering

# Communication Objectives

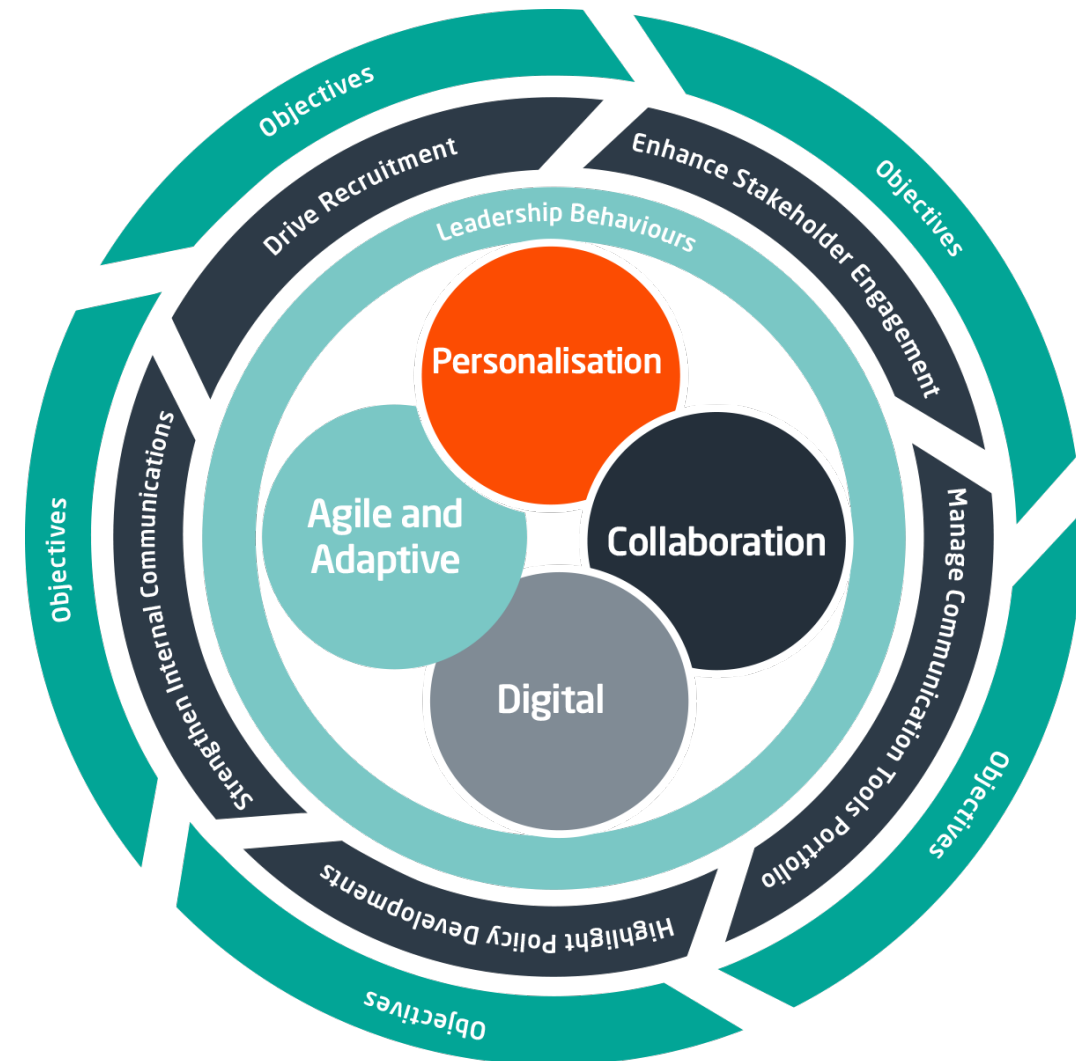


## 2.1 Relationship Building

Develop the WCS brand by building relationships with key stakeholders.



# Communication Objectives

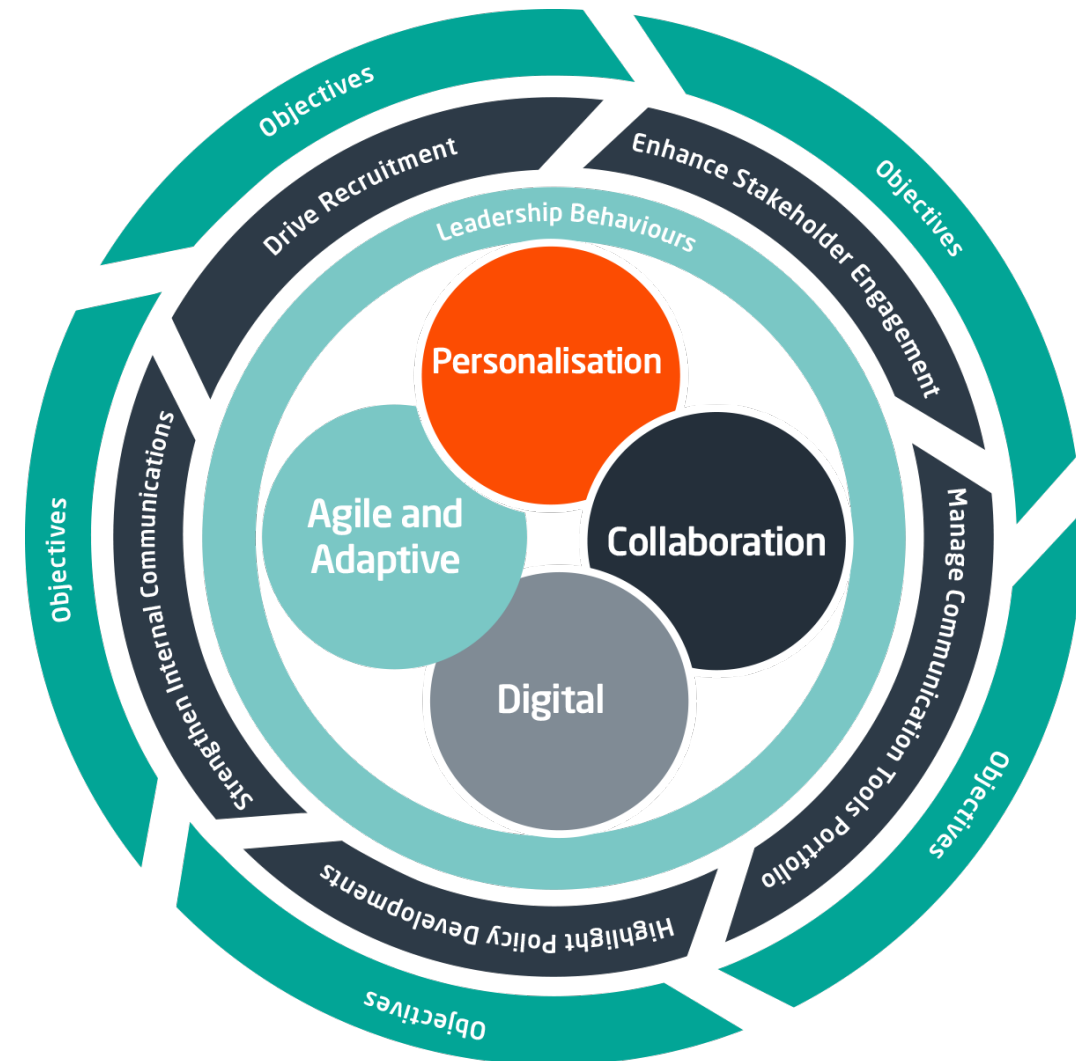


## 3.1 Social and Online Media

Maximise the WCS profile on stakeholder appropriate platforms to enhance recruitment, reputational and commercial opportunities



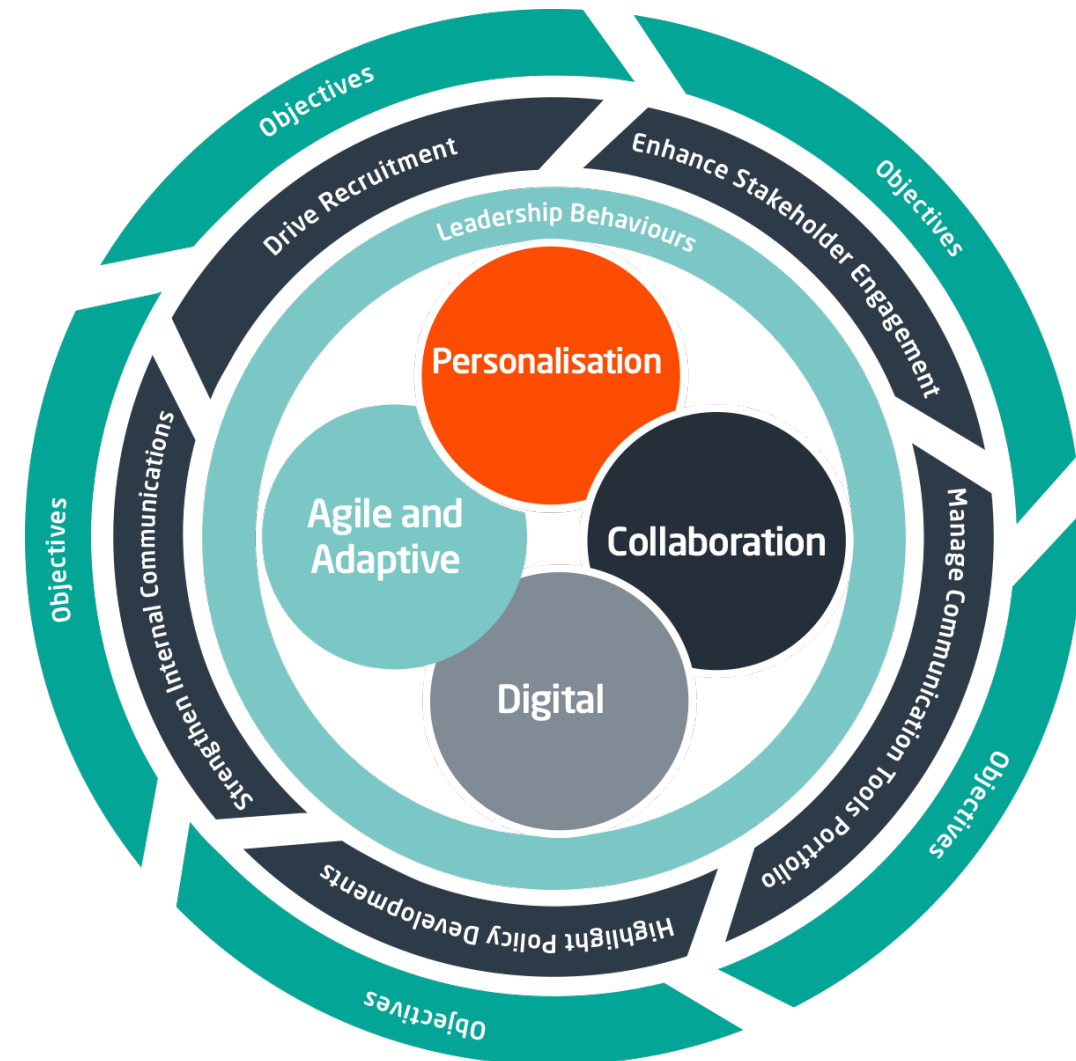
# Communication Objectives



## 4.1 Government Policy Awareness

Inform the college's curriculum sectors of Scottish and UK Government priorities, policies, and industry developments


# Communication Objectives



## 5.1 Proactive Internal Communications

Ensure staff are fully informed of corporate strategic priorities and that there are open channels of communication

# 2021 Autumn Highlights



Negotiated an MSP sponsored Holyrood exhibition and Evening Reception for March 2022



# 2021 Autumn Highlights



Secured an MSP sponsored Scottish Parliament visit for WCS apprentices during National Apprenticeships Week in 2022





# 2021 Autumn Highlights



Facilitated campus visits by both the Minister and Shadow Minister for Higher and Further Education

# 2021 Autumn Highlights

## JANUARY & WINTER STARTS OPEN NOW



**IMAGINE | BELIEVE | ACHIEVE**

Launched Autumn and Winter Start campaigns to help WCS overcome current credit shortfall



# 2021 Autumn Highlights



Delivered 3 WCS  
Virtual Graduation  
ceremonies,  
watched by an  
audience of  
4,000+ people



# 2021 Autumn Highlights



Helped secure two high-profile Herald Scotland Awards for the College's work around digital exclusion



# 2021 Autumn Highlights

31 OCT - 12 NOV 2021  
GLASGOW

# COP26

IN PARTNERSHIP WITH ITALY

Promoted the College's commitment to sustainability and achieving net zero by 2040 throughout Scottish Climate Week and COP26



Agenda Item 13

[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
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# **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
<b>Impact</b>		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					

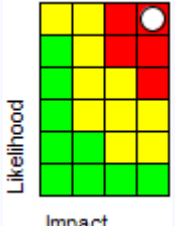
Classification	Description
<b>AVERSE</b>	Avoidance of risk and uncertainty is a key organisational objective.
<b>MINIMALIST</b>	Preference for ultra-safe business delivery options that have a low degree of inherent risk and only have a potential for limited reward.
<b>CAUTIOUS</b>	Preference for safe delivery options that have a low degree of residual risk and may only have limited potential for reward.
<b>OPEN</b>	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.).
<b>HUNGRY</b>	Eager to be innovative and to choose options offering potentially higher business rewards, despite greater inherent risk.

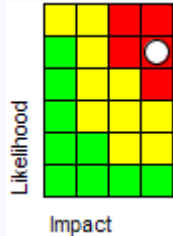
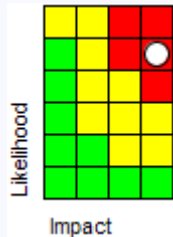

# Top 5 Strategic Risks

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 and retain staff.	Medium-term	20	20	
03 WCS02	Estate and IT Investment	Failure to secure adequate medium term funding from the Scottish Government Capital Programme 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 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	15	12	
05 WCS04	SFC Regional Outcome Agreement	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.	Longer-term	12	12	

# Strategic Risk Register - SMT RISK REPORT

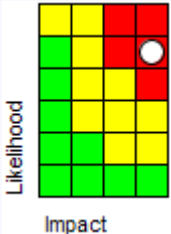

<b>Risk Code &amp; Title</b>	01 WCS01 SFC Funding and Funding Methodology	
<b>Risk Summary</b>	Inability to clearly forecast the volatility and impact of SFC funding and funding methodology changes in relation to core-grant-in-aid, credit activity model; reduction in European funding; student support funding and estates maintenance.	
<b>Risk Category</b>	Finance	
<b>Risk Appetite</b>	Minimalist	
<b>Proximity</b>	Medium-term	
<b>Probability &amp; Impact</b>	6	4
<b>Gross Risk Score</b>	24	 <p>A 5x5 grid risk matrix with 'Likelihood' on the vertical axis and 'Impact' on the horizontal axis. The grid is color-coded: green for low risk (bottom-left), yellow for medium risk (middle), and red for high risk (top-right). A white circle is placed in the top-right cell, indicating the current risk level.</p>
<b>Internal Controls</b>	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.	
	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 early 2022.	
	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.	

	<p>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.</p> <p>The College has received and reviewed the SFC FFR planning assumption for the next three years. An updated financial forecast return has been submitted in draft to the SFC which is still subject to review. 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.</p> <p>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.</p>
<b>Probability &amp; Impact Scores</b>	<p>6                      4</p> 
<b>Net Risk Score</b>	<p>24</p>
<b>Trend</b>	<p>■</p>
<b>Latest Note</b>	<p>SMT review concluded that this remains the most significant risk faced by the College. The SFC are not able to provide a clear forecast beyond March 2022 which means the volatility and impact of SFC funding remains. There continues to be no clear time line for discussion on revisions to the funding methodology and the impact of any future reduction in European funding; student support funding and estates maintenance remains unclear.</p>
<b>Managed By</b>	<p>Vice Principal Educational Leadership</p>

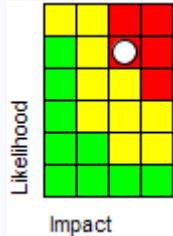
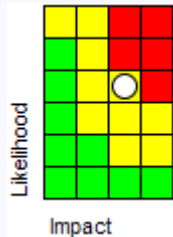
<b>Risk Code &amp; Title</b>	02 WCS03 Estate Strategy	
<b>Risk Summary</b>	Failure to deliver Estate Strategy 2016–2026 objectives due to business cases for development of estate being delayed, with this having a resultant negative impact on the ability of the College to recruit students and retain staff.	
<b>Risk Category</b>	Infrastructure	
<b>Risk Appetite</b>	Open	
<b>Proximity</b>	Medium-term	
<b>Probability &amp; Impact</b>	5	4
<b>Gross Risk Score</b>	20	
<b>Internal Controls</b>	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 Board of Management for approval.	
	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 was presented to the October Board of Management meeting for consideration. This revision will be subject to further changes requested by the SFC and will be submitted in due course.	
	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.	
	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.	
<b>Probability &amp; Impact Scores</b>	5	4
		
<b>Net Risk Score</b>	20	
<b>Trend</b>		


<b>Latest Note</b>	<p>SMT review concluded that the risk remains and the scoring is reflective of the risk faced by the College.</p> <p>The risk text was updated to remove legislative requirement as this is a requirement, changed from</p> <p><i>'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.'</i></p> <p>to</p> <p><i>'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 and retain staff.'</i></p>
<b>Managed By</b>	Principal & Chief Executive Officer

<b>Risk Code &amp; Title</b>	03 WCS02 Estate and IT Investment	
<b>Risk Summary</b>	Failure to secure adequate medium term funding from the Scottish Government Capital Programme for future investment or refurbishment of IT and physical infrastructure resulting in increased maintenance costs or loss of students due to failing facilities.	
<b>Risk Category</b>	Infrastructure	
<b>Risk Appetite</b>	Open	
<b>Proximity</b>	Medium-term	
<b>Probability &amp; Impact</b>	5	4
<b>Gross Risk Score</b>	20	
<b>Internal Controls</b>	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.	
	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.	
	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 presented to the Board of Management in October 2021 for approval. The SFC subsequently presented further amendments and these are currently being worked through. The OBC will be presented to the Scottish Funding Council for their comment following these updates. 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.	

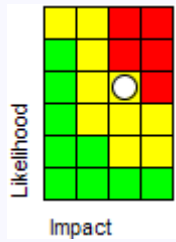
<b>Probability &amp; Impact Scores</b>	5                      4	
<b>Net Risk Score</b>	20	
<b>Trend</b>		
<b>Latest Note</b>	<p>SMT review concluded that the risk remains and the current risk score is reflective of the quantum of the overall risk.</p> <p>The risk text was updated to clearly state the risk faced by the College with text changed from</p> <p><i>'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.'</i></p> <p>to</p> <p><i>'Failure to secure adequate medium term funding from the Scottish Government Capital Programme for future investment or refurbishment of IT and physical infrastructure resulting in increased maintenance costs or loss of students due to failing facilities.'</i></p>	
<b>Managed By</b>	Principal & Chief Executive Officer	



<b>Risk Code &amp; Title</b>	04 WCS11 Alternative Income Growth	
<b>Risk Summary</b>	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.	
<b>Risk Category</b>	Competitive Environment	
<b>Risk Appetite</b>	Open	
<b>Proximity</b>	Longer-term	
<b>Probability &amp; Impact</b>	5	3
<b>Gross Risk Score</b>	15	
<b>Internal Controls</b>	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.	
	2021-22 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.	
<b>Probability &amp; Impact Scores</b>	Adaption of course portfolio to meet student / employer needs undertaken in line with updated Portfolio Review Guidance produced for July 2021.	
	4	3
		

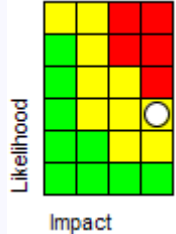
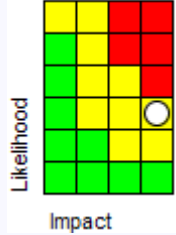
<b>Net Risk Score</b>	12
<b>Trend</b>	
<b>Latest Note</b>	SMT review concluded that the College has been able to generate a consistent level of alternative income despite the impact of external factors which resulted in income remaining stable and delivery of College ROA objectives. Due to this the probability of the risk was reduced from 5 (very likely) to 4 (likely) with the option to reduce this further depending on future circumstances.
<b>Managed By</b>	Vice Principal Educational Leadership

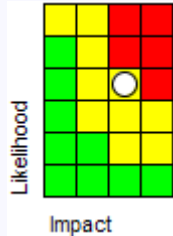
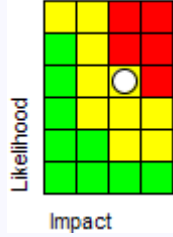

<b>Risk Code &amp; Title</b>	05 WCS04 SFC Regional Outcome Agreement	
<b>Risk Summary</b>	Failure to deliver SFC Regional Outcome Agreement targets at a time of limited resource, competition and challenging economic environment due to Covid-19, results in future credit and/or funding adjustments.	
<b>Risk Category</b>	Learning and Teaching	
<b>Risk Appetite</b>	Open	
<b>Proximity</b>	Longer-term	
<b>Probability &amp; Impact</b>	5	4
<b>Gross Risk Score</b>	20	
<b>Internal Controls</b>	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 has received and reviewed the SFC FFR planning assumption for the next three years. An updated financial forecast return has been submitted in draft to the SFC which is still subject to review. 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. ROA guidance for 2021-22 provided by SFC and report to be presented to the December Board of Management on ROA arrangements for 2021-22.	
	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.	

	<p>Blended approach to delivery of teaching and learning including online learning allowing College to address changes in recruitment and delivery.</p> <p>Curriculum offering is reviewed to ensure employer and student needs are met and appropriate courses delivered. Curriculum Planning &amp; Review process updated for 2021–22 to bring in line with the Curriculum Strategy.</p> <p>2021–22 Interim ROA finalised following receipt of revised SFC guidance on monitoring of 2021–22 outcomes given impact of Covid–19. Board of Management to approve Interim 2021–22 ROA at December 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.</p> <p>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. Communication and Marketing Strategy to be considered by the November Corporate Development Committee and then by the December 2021 Board of Management.</p> <p>Adaption of course portfolio to meet student / employer needs undertaken in line with updated Portfolio Review Guidance produced for July 2021 .</p> <p>Approved by Board of Management in June 2021 . Document shared with Heads at a specific session in August 2021 . Action plan for 2021–22 completed by ELT and Curriculum Strategy published on the Intranet for staff 24 Aug.  <a href="https://intranet.westcollegescotland.ac.uk/reference/Strategy/WCS%20Curriculum%20Strategy%202021-26.pdf">https://intranet.westcollegescotland.ac.uk/reference/Strategy/WCS%20Curriculum%20Strategy%202021-26.pdf</a></p>
<b>Probability &amp; Impact Scores</b>	<p>4                      3</p> 
<b>Net Risk Score</b>	12
<b>Trend</b>	■
<b>Latest Note</b>	SMT review concluded that despite enrolment challenges being faced by the College, the ability to deliver on the core objectives of the SFC Regional Outcome Agreement will still be achieved. There is a risk to the reputation of the College if the enrolment targets were missed for several years but that is not expected to the case, hence the score remained as per previous assessment.
<b>Managed By</b>	Chief Executive and Principal

<b>Risk Code &amp; Title</b>	06 WCS05 National Pay Bargaining	
<b>Risk Summary</b>	Impact and outcome of National Pay Bargaining for both teaching and support staff has an adverse effect on either efficiency of delivery or budget.	
<b>Risk Category</b>	Staffing and HR	
<b>Risk Appetite</b>	Open	
<b>Proximity</b>	Medium-term	
<b>Probability &amp; Impact</b>	4	3
<b>Gross Risk Score</b>	12	
<b>Internal Controls</b>	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 <a href="#">Business Continuity Plan intranet section</a> 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.	
<b>Probability &amp; Impact Scores</b>	4	3
<b>Net Risk Score</b>	12	
<b>Trend</b>		

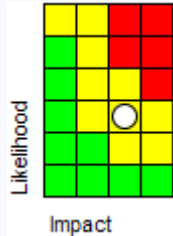
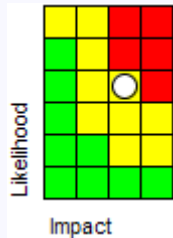
<b>Latest Note</b>	SMT review concluded that the impact and outcome of National Pay Bargaining for staff is at the present moment in a state of flux. It was noted that College is struggling to attract staff in certain areas and this will have an adverse effect on either efficiency of delivery or budget. The reason from this struggle is not clear so the risk scoring and text has remained as per previous assessment.
<b>Managed By</b>	Chief Executive and Principal

<b>Risk Code &amp; Title</b>	07 WCS15 College Budget Action Plan	
<b>Risk Summary</b>	Failure to deliver the financial and/or non-financial objectives outlined in the College Budget Action Plan.	
<b>Risk Category</b>	Governance	
<b>Risk Appetite</b>	Cautious	
<b>Proximity</b>	Longer-term	
<b>Probability &amp; Impact</b>	3	4
<b>Gross Risk Score</b>	12	
<b>Internal Controls</b>	<p>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.</p> <p>Board of Management have approved the Plan and financial objectives are monitored through the Corporate Development Committee. Board of Management monitor overall plan achievement.</p>	
<b>Probability &amp; Impact Scores</b>	3	4
<b>Net Risk Score</b>	12	
<b>Trend</b>	■	
<b>Latest Note</b>	<p>SMT view that the CTP has been delivered and that the objective now is to deliver the College Budget Action Plan with the risk of failure remaining as the same scoring as previous risk.</p> <p>Title changed from 'College Transformation Plan' to 'College Budget Action Plan' with the text changed from 'Failure to deliver the financial and/or non-financial objectives outlined in the College Transformation Plan "Future Proofing Our College".' to 'Failure to deliver the financial and/or non-financial objectives outlined in the College Budget Action Plan.'</p>	
<b>Managed By</b>	Chief Executive and Principal	

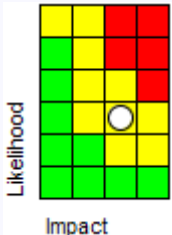

<b>Risk Code &amp; Title</b>	08 WCS16 Cyber Resilience	
<b>Risk Summary</b>	The College fails to properly prepare for either an internal or external cyber-attack due to poor procedures or system failures resulting in a loss of data, funding and/or stakeholder trust.	
<b>Risk Category</b>	Digital	
<b>Risk Appetite</b>	Cautious	
<b>Proximity</b>	Immediate	
<b>Probability &amp; Impact</b>	4	3
<b>Gross Risk Score</b>	12	
<b>Internal Controls</b>	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.	
	IT Contingency Planning in place with regular reviews and updates undertaken. Linked to Business Continuity Planning and Cyber Resiliency + Cyber Essentials Plus.	
	College renewing Cyber Essentials Plus accreditation annually. (Completed and achieved for 2021). Work completed on stage one of the Scottish Government Cyber Resiliency Framework with further review work currently being 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.	
	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.	
<b>Probability &amp; Impact Scores</b>	4	3
		
<b>Net Risk Score</b>	12	
<b>Trend</b>		



<b>Latest Note</b>	Following review by SMT the risk description and scoring to remain as stated. Work undertaken following incident earlier in the year combined with the work being undertaken to address the Scottish Government Cyber Resilience Framework provides a degree of assurance regarding the controls in place at the College. The risk will always be present, as it is for all organisations, and the College believes it is in a positive position to address the risk.
<b>Managed By</b>	Principal & Chief Executive Officer

<b>Risk Code &amp; Title</b>	09 WCS09 Staff Relations	
<b>Risk Summary</b>	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.	
<b>Risk Category</b>	Staffing and HR	
<b>Risk Appetite</b>	Open	
<b>Proximity</b>	Longer-term	
<b>Probability &amp; Impact</b>	3	3
<b>Gross Risk Score</b>	9	
<b>Internal Controls</b>	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.	
<b>Probability &amp; Impact Scores</b>	4	3
		
<b>Net Risk Score</b>	12	
<b>Trend</b>	↑	
<b>Latest Note</b>	The industrial relations landscape is becoming more challenging with negotiations at a national level now likely to have an impact locally. The College continues to maintain good local relationships however the external factors which the College cannot control are now felt to have a negative impact on previously good local relationships. The financial challenges faced by the College and the actions required to address the financial challenge will also lead to a potential straining of relationships.	
<b>Managed By</b>	Chief Executive and Principal	

<b>Risk Code &amp; Title</b>	10 WCS06 Digital Ambitions and IT Systems	
<b>Risk Summary</b>	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.	
<b>Risk Category</b>	Digital	
<b>Risk Appetite</b>	Hungry	
<b>Proximity</b>	Medium-term	
<b>Probability &amp; Impact</b>	4	3
<b>Gross Risk Score</b>	12	
<b>Internal Controls</b>	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.	
	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.	
	College renewing Cyber Essentials Plus accreditation annually. (Completed and achieved for 2021). Work completed on stage one of the Scottish Government Cyber Resiliency Framework with further review work currently being undertaken.	
	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. Since June 2021, we have representation in the additional national groups: Scottish Funding Council Digital Reference Group and the CDN Digital Capability Research Group. the findings of the latter which have concluded their first phase with the Report Findings being shared with SMT and heads seeking feedback.	
	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.	

	<p>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 and is continuing into 2021–22. This incorporates monthly <i>BRAG</i> rating and selected Internal Quality Assurance panels which monitor the correct application of awarding body guidance against qualifications.</p> <p>‘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.</p> <p>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.</p>
<b>Probability &amp; Impact Scores</b>	<p>3                      3</p> 
<b>Net Risk Score</b>	<p>9</p>
<b>Trend</b>	
<b>Latest Note</b>	<p>SMT review concluded that the Digital and IT strategies have proven to be adequate vehicles to deliver on the digital and IT ambitions of the College especially regarding equipping students and staff. This belief has been cemented by the receipt of several awards by the College for its work in this area. The transition from server based provision to cloud based which is currently underway will only further reduce the risk in this area.</p>
<b>Managed By</b>	<p>Principal &amp; Chief Executive Officer</p>

<b>Risk Code &amp; Title</b>	11 WCS07 <b>Impact upon Business Continuity Planning of Covid-19 pandemic</b>	
<b>Risk Summary</b>	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.	
<b>Risk Category</b>	Reputational/External	
<b>Risk Appetite</b>	Open	
<b>Proximity</b>	Medium-term	
<b>Probability &amp; Impact</b>	5	3
<b>Gross Risk Score</b>	15	
<b>Internal Controls</b>	<p><a href="#">Business Continuity Planning documents are available on the Intranet</a> 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.</p> <p>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.</p> <p>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.</p> <p>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)</p> <p>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.</p> <p>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.</p> <p>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</p>	

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 13 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.

2021-2022 focus is on sustainable approaches and innovation around digital now that workstream work has completed. (1 Sept 2021)

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.

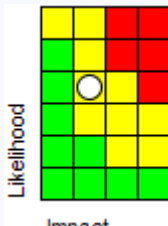
The College has a wealth of health improvement initiatives in place and through the Healthy Lives Working Group continue to have a proactive response linked to the our operating environment. The group reports to both the Equality, Diversity and Inclusion Committee and Health & Safety Committees. Student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

strategy: <https://www.westcollegescotland.ac.uk/media/213570/student-health-wellbeing-strategy.pdf>

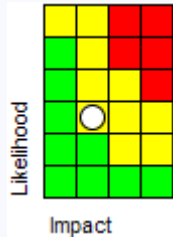
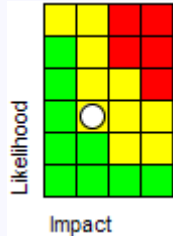

Student Intranet pages for HWL: <http://student.westcollegescotland.ac.uk/index.php/advice/corona-virus/>

Staff Health and Wellbeing strategy:

<https://intranet.westcollegescotland.ac.uk/reference/reference/Health%20and%20Wellbeing%20Strategy.pdf#search=prosper>

<b>Probability &amp; Impact Scores</b>	4                      2	
<b>Net Risk Score</b>	8	
<b>Trend</b>	↓	
<b>Latest Note</b>	Review concluded that the impact and probability of a material interruption to the service delivery of the College caused by inadequate business continuity planning has reduced. Consequently the impact was reduced from 3 (critical) to 2 (marginal) and the probability was also reduced from 5 (very likely) to 4 (likely).	

	<p>It was noted that the longer term impact on staff was not yet fully known but the College was in other aspects operating from a position of knowledge having come through the last two years. There is a question as to how long the resilience of staff especially if level of absence rises. Good planning in place and to be reviewed at next assessment date.</p>
<b>Managed By</b>	Principal & Chief Executive Officer

<b>Risk Code &amp; Title</b>	12 WCS10 Workforce Planning	
<b>Risk Summary</b>	Failure to embed Workforce Plan resulting in lack of appropriate resources and skills being developed to achieve College strategic objectives and outcomes	
<b>Risk Category</b>	Staffing and HR	
<b>Risk Appetite</b>	Open	
<b>Proximity</b>	Longer-term	
<b>Probability &amp; Impact</b>	3	2
<b>Gross Risk Score</b>	6	
<b>Internal Controls</b>	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.	
<b>Probability &amp; Impact Scores</b>	3	2
		
<b>Net Risk Score</b>	6	
<b>Trend</b>		
<b>Latest Note</b>	Following SMT review the SMT consider the risk still to be valid and the score to remain as noted. Implementation of the College workforce plan is becoming more critical given the difficulties to recruit	



	into certain positions and the reskilling of current staff which is required. Work is underway to implement the workforce plan.
<b>Managed By</b>	Chief Executive and Principal

**TITLE: 2021 STAFF SURVEY RESULTS AND ACTION PLAN**

**Background:** The latest staff survey was conducted in May 2021. This paper provides an overview of the results and action plan that the College has agreed to address the topics raised through the survey.

**Action:** The Board are asked to consider and approve the survey results and action plan ahead of them being published to staff.

**Lead:** Natalie Smith, Director, Organisational Development & HR

**Status:** Open



<b>Meeting</b>	<b>Board of Management</b>
<b>Date</b>	<b>13 December 2021</b>
<b>Location</b>	<b>MS Teams</b>
<b>Item no</b>	<b>14a</b>
<b>Title of Paper</b>	<b>2021 Staff Survey Results and Action Plan Update</b>
<b>Presented By</b>	<b>Natalie Smith</b>
<b>Recommendation to Members</b>	<b>For Approval</b>
<b>Appendix Attached</b>	<b>Yes – 'West College Scotland 2021 Staff Survey Results'</b>

## **PURPOSE**

This paper provides a summary of the key results in the 2021 staff survey and the action plan to address key areas identified.

The paper was presented to the Corporate Development Committee in line with its Terms of Reference Section 1. g) Human Resources and Organisational Development.

The Corporate Development Committee approved:

- The paper for presentation to the Board of Management meeting of 13 December 2021

*The paper is submitted:*

- *For Approval*

## 1. BACKGROUND

- 1.1. The 2021 staff survey was open from 29<sup>th</sup> April to 24<sup>th</sup> May 2021 and generated 662 responses, a 57% response rate. This was our largest response rate ever to a staff survey since the merged College was established.
- 1.2. Every question that was benchmarkable to the 2019 survey has achieved a better score in this survey, which is particularly noteworthy given this survey was conducted in the midst of the global COVID-19 pandemic.
- 1.3. Despite the strong scores achieved, there is always room for improvement, and an action plan has been created to address key areas we intend to focus upon. We've discussed the action plan with the Trade Unions and they are supportive of the content.

## 2. FURTHER DETAIL ON THE REPORT TOPIC

- 2.1. 662 members of staff completed the survey, 49% of which were support staff and 51% teaching staff, with respondents spread across all campuses.
- 2.2. The survey consisted of questions under 8 themes:
  - College Culture
  - College Leadership
  - Your Role
  - Your Line Manager
  - Team Working
  - Pandemic – Remote Working
  - Pandemic – Teaching Digitally
  - Pandemic - Engagement
- 2.3. College Culture  
Most questions relating to College Culture received positive responses, with in excess of 70% of respondents either agreeing or strongly agreeing with the statement for most questions. The least positive was about whether staff perceived a “one College” culture. This came in at 38.8% in agreement, but this represents some progress, as it has increased by 19.8 percentage points (pp) compared to the previous staff survey.
- 2.4. College Leadership  
The perception of leadership has improved since the last staff survey with responses to questions ranging from 56% to 63% in agreement. It is encouraging that the benchmark question on

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leadership communication has improved by 19.8pp since the last staff survey.

### 2.5. Your Role

Staff told us that they understand what is expected of them in their role (95.1%) and that they understand how their role contributes to delivering the College goals and priorities (91.8%). It was also fantastic that 96.8% of respondents said that the needs of their students/customers drive what they do. The work-life balance question was a little less emphatic but was still encouraging with 71.3% agreeing that they are generally able to achieve a satisfactory work-life balance, an increase of 5.3pp from the last survey.

### 2.6. Your Line Manager

As in previous surveys there was a very positive perception of line management, with 83.2% stating that their manager is open, honest and fair. The next highest scoring question was 'I feel valued by my manager' which 80.5% of respondents agreed with, an increase of 7.5pp compared to 2019. The lowest scoring question in this category was 'My manager provides honest and accurate feedback on the work I undertake' which 74.7% of respondents agreed with, up 8.6pp compared to the previous survey. The introduction of My Conversations, which will replace the current CPDR process, should help increase this even further.

### 2.7. Team Working

Despite such widespread working from home during the pandemic, the perception of team working is even more positive than it was in 2019, with 86.8% agreeing with the statement 'my immediate colleagues and I work effectively as a team'. Furthermore, 68.6% of respondents agreed that 'there is generally good cooperation and collaboration with teams across the College', an increase of 14.6pp since 2019.

### 2.8. Pandemic – Remote Working

There were mixed responses to the questions although in general they were more positive than negative. It was clear that the majority of respondents (69.5%) were in favour of combining working from home with on-campus activity. There was a small difference between teaching staff (67.0%) and support staff (72.6%) responses.

### 2.9. Pandemic – Teaching Digitally

The challenges of adapting to teaching digitally comes through in the responses. Only 12.9% of respondents said they preferred it.

However, it clearly has its place, with 43.6% of respondents telling us that they would like it to remain as part of their mode of delivery.

2.10. Pandemic – Engagement

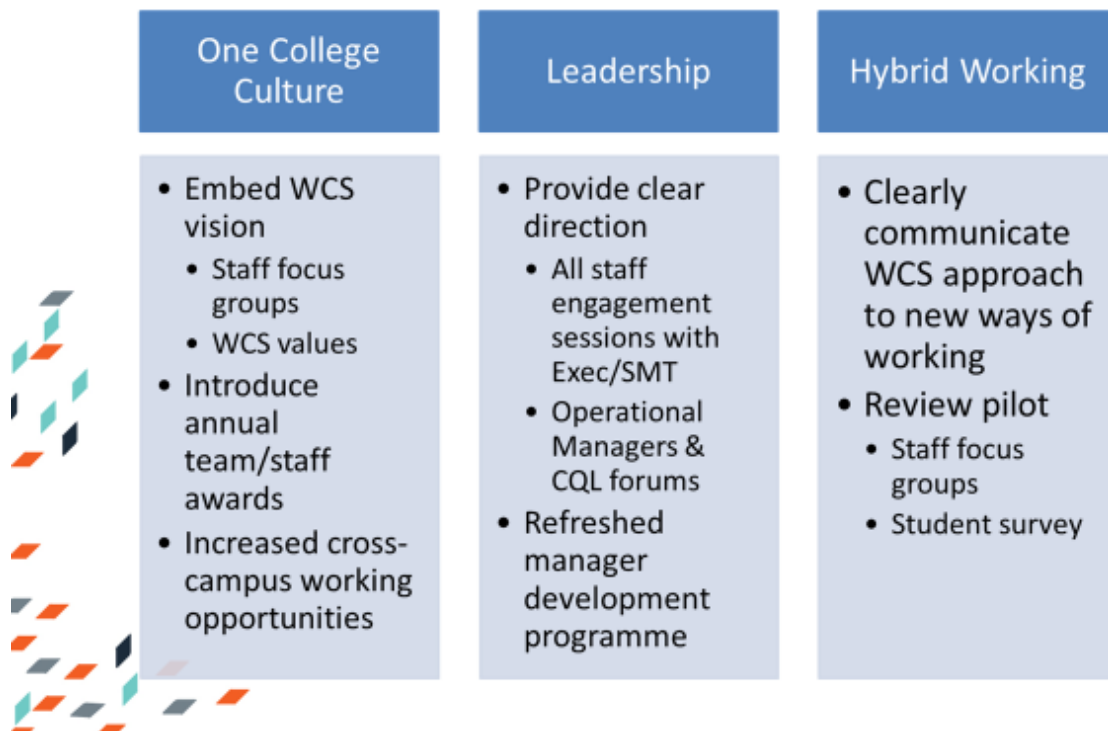
Around two thirds of staff felt supported and that the College was genuinely interested in the health and wellbeing of staff and students during the pandemic. 70.7% of respondents agreed that they were happy with the way that they had been able to adapt their work due to the pandemic.

2.11. In order to ensure that we maintain and build upon these good results, we have created an action plan that focuses on 3 key areas:

- One College Culture
- Leadership
- Hybrid Working



## Action Plan



2.12. The action plan will be delivered during the 2021/22 academic year, with the majority of the activity being completed before the next staff survey in May 2022.

- 2.13. Since the survey the action that we have already taken includes:
- We held 10 staff focus groups to seek views on the College's approach to how we work differently in the future
  - We are currently undertaking a one year pilot of hybrid working during the 2021/22 academic year, and have provided guidance documents for managers and employees
  - We have launched the first e-module of the '*leadingedge*' people manager development programme – Managing Hybrid Teams Effectively
  - We've created a new online induction for new members of staff to set the tone for our 'one college culture' right from the start.

### **3. FINANCIAL IMPLICATIONS**

- 3.1. There are no financial implications associated with this paper.

### **4. STUDENT EXPERIENCE**

- 4.1. As we build levels of employee engagement across the College students will benefit.

### **5. HUMAN RESOURCE IMPLICATIONS**

- 5.1. There are human resource implications associated with this paper.
- 5.2. By responding to what staff have told us we demonstrate that we listen and act upon employee voice, one of the five dimensions of Fair Work.
- 5.3. Though listening to, and acting upon, staff feedback we will build upon the levels of employee engagement across the organisation which can help improve productivity and a commitment from staff to do the best they can for the College and ultimately our students.

### **6. LEGAL IMPLICATIONS**

- 6.1. There are no legal implications in this paper.

### **7. REPUTATIONAL IMPLICATIONS**

7.1. There are no reputational implications associated with this paper.

## **8. COMMUNITY PARTNERSHIP IMPACT**

8.1. There are no community partnership implications associated with this paper.

## **9. EQUALITIES IMPLICATIONS**

9.1. There are no equality implications associated with this paper.

## **10. ENVIRONMENT IMPLICATIONS**

10.1. There are no environmental implications associated with this paper.

### **RECOMMENDATIONS**

*Members are requested to:*

- *Approve publication of full results and action plan to staff.*

End of report.



## Appendix 1 – West College Scotland 2021 Staff Survey Results

### Summary of Results

Compared to the 2019 survey, the share of positive responses from staff to the 17 comparable indicators shows:

↑ Increased 17     
 ↓ Decreased 0     
 → Static 0

College Culture	“Agree” or “Strongly Agree”	Difference from 2019 Staff Survey
We now have a "one" college culture.	38.8%	<span style="color: green;">↑</span> 19.8
My views and ideas are actively sought	57.2%	<span style="color: green;">↑</span> 21.2
I feel able to raise concerns	78.5%	New
Colleagues treat each other with respect	79.6%	<span style="color: green;">↑</span> 27.6
My actions and behaviours are consistent with the 'Building our Collective Future' framework	86.5%	New
The College strives for excellence in all that it does	70.0%	New
The College ensures students are the main priority	75.8%	<span style="color: green;">↑</span> 10.8
The College is respected in the community overall	68.4%	<span style="color: green;">↑</span> 14.4
I would recommend West College Scotland as a place to work	83.3%	New
College Leadership	“Agree” or “Strongly Agree”	Difference from 2019 Staff Survey
I believe that the College leadership provide clear direction	56.2%	New
The college leadership provide clear, honest and timely communication	56.8%	<span style="color: green;">↑</span> 19.8
I believe that my views will be treated with respect by members of the College leadership team	63.0%	New
The actions and behaviours of the College leadership are consistent with the 'Building our Collective Future' framework	58.1%	New
Your Role	“Agree” or “Strongly Agree”	Difference from 2019 Staff Survey
I understand what is expected of me in my role	95.1%	<span style="color: green;">↑</span> 7.1
I understand how my role contributes to delivering WCS goals and priorities	91.8%	<span style="color: green;">↑</span> 4.8

## CONFIDENTIAL

I am generally satisfied with the control I have over how I carry out my work	86.3%	↑ 2.3
The needs of students/my customers drive what I do	96.8%	New
I am generally able to achieve a satisfactory balance between my work and home life	71.3%	↑ 5.3

### Your Line Manager

	“Agree” or “Strongly Agree”	Difference from 2019 Staff Survey
My manager is open, honest and fair	83.2%	New
My manager provides clear direction for my role	77.9%	↑ 9.9
My manager motivates me to do a good job	76.3%	↑ 8.3
I feel valued by my manager	80.5%	↑ 7.5
My manager provides honest and accurate feedback on the work I undertake	74.7%	↑ 8.6
The actions and behaviours of my manager are consistent with the College's 'Building our Collective Future' framework	75.9%	New

### Team Working

	“Agree” or “Strongly Agree”	Difference from 2019 Staff Survey
My immediate colleagues and I work effectively as a team	86.8%	↑ 1.8
My team regularly reviews our effectiveness and makes appropriate changes	80.9%	↑ 9.9
There is generally good cooperation and collaboration with teams across the College	68.6%	↑ 14.6
I feel there is a good support network around me at work	77.1%	New
I have the opportunity to say how things can be improved in my team	82.2%	New

### Pandemic – Remote Working

	“Agree” or “Strongly Agree”
Working remotely has been beneficial to my health and wellbeing	50.4%
Working remotely has helped my work/life balance	58.2%
Working remotely has improved my productivity	52.9%
I feel supported in being able to work remotely	63.8%
Communication has improved whilst we have been working remotely	41.4%
I have developed new virtual teams through remote working that are different to my normal campus team	43.8%
I have the IT equipment I need to be able to work remotely	72.2%
I have a suitable workstation for working at home	59.8%

## CONFIDENTIAL

I have a suitable workspace that allows me to work from home effectively	63.0%
If we put the challenges of the pandemic aside, I would like to return to work on campus 100% of the time	30.7%
If we put the challenges of the pandemic aside, I would like to work a combination of working on campus and working remotely	69.5%
If we put the challenges of the pandemic aside, I would like to work from home 100% of the time	21.6%

### Pandemic – Teaching Digitally

	“Agree” or “Strongly Agree”
My IT equipment allows me to meet the needs of students	54.1%
I have been offered sufficient training to be able to teach digitally	53.1%
I am happy with the way I have been able to adapt course delivery due to the pandemic	58.8%
I prefer teaching virtual classes to on-campus classes	12.9%
My students have engaged well with online learning	39.8%
My students have been able to progress their theoretical learning better through online learning	24.0%
I would like teaching virtually to remain as part of my mode of delivery	43.6%

### Pandemic – Engagement

	“Agree” or “Strongly Agree”
I have felt connected to the College during the pandemic	64.8%
I feel supported in being able to work remotely	65.0%
I am happy with the way I have been able to adapt my work due to the pandemic	70.7%
The amount of communication during the pandemic has been about right	61.2%
College leadership have been visible during the pandemic	48.7%
The College has taken a genuine interest in the health and wellbeing of staff during the pandemic	59.6%
The College has taken a genuine interest in the health and wellbeing of students during the pandemic	64.1%
Changes, which have happened as a result of the pandemic, make me optimistic about how we will work going forward	56.9%



[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]
[REDACTED]	[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]































**Agenda Item 18.1**

<b>Meeting</b>	Board
<b>Date</b>	13 December 2021
<b>Location</b>	MS Teams
<b>Title of Paper</b>	Corporate Development Committee - meeting held on Tuesday 23 November 2021.
<b>Presented By</b>	Jim Hannigan, Chair, Corporate Development Committee.
<b>Recommendation to Members</b>	The draft Corporate Development Committee minutes from the meeting held on Tuesday 23 November 2021 are attached for information later in the agenda. They will be formally approved at the next Committee meeting scheduled for Tuesday 8 March 2022. The Committee Chair, Jim Hannigan, will provide some highlights.
<b>Appendix Attached</b>	No

**Highlights:**

- The tenure of co-opted member, David Mark, expires on 28 February 2022. As such, the Chair of the Committee requests that David be reappointed for a further one year (1 March 2022 to 28 February 2023) and presents this for approval to the Board.



**Agenda Item 18.4**

<b>Meeting</b>	Board
<b>Date</b>	13 December 2021
<b>Location</b>	MS Teams
<b>Title of Paper</b>	LTQ COMMITTEE - meeting held on Wednesday 6 October 2021.
<b>Presented By</b>	Mark Newlands, Chair, LTQ Committee.
<b>Recommendation to Members</b>	The draft LTQC minutes from the meeting held on Wednesday 6 October 2021 are attached for information later in the agenda. They will be formally approved at the next Committee meeting scheduled for Wednesday 8 December 2021. The Committee Chair, Mark Newlands, will provide some highlights.
<b>Appendix Attached</b>	No

**Highlights:**

- The tenure of co-opted member, Ruth Binks, expires on 28 February 2022. As such, the Chair of the Committee requests that Ruth be reappointed for a further one year (1 March 2022 to 28 February 2023) and presents this for approval to the Board.
- The Regional Outcome Agreement was discussed, and a draft was circulated to the Committee, along with the 20/21 Self Evaluation report, prior to the submission date of 30 November 2021.
- The theme of the Committee meeting was Quality and the discussion focussed on Qualification compliance, Student Experience, Student outcome Performance Data and Professional Standards.
- The Committee commended the financial position for 20/21 with awareness that this will be presented to the CDC. The discussion focussed on engagement and innovation for 21/22 with a view to the wider external factors such as economic recovery post pandemic.
- Student Activity targets and enrolments were discussed with the College predicting a shortfall in core and ESF credits. It was noted that many other colleges were experiencing a similar reduction and work is ongoing across the SMT to mitigate the impact of this.

## CORPORATE DEVELOPMENT COMMITTEE

**Minutes:** Tuesday 23 November 2021.

**Present:** Jim Hannigan (in the Chair), Liz Connolly, Linda Johnston, John Leburn, David Mark.

**Attending:** Waiyin Hatton (Board Chair), Shirley Gordon (Secretary to the Board), Amy McDonald (Vice Principal Operations), Alan Ritchie (Director Finance), Natalie Smith (Director Organisational Development and HR), Nathan Tyler (Director Communications, Policy and Engagement), Brian Stobbs (Head of IT), Vivienne Mulholland (Head of Finance and Student Funding).

**Apologies:** Paul Sefton, Douglas Bayley.

### CD66 WELCOME

The Chair welcomed everyone to the meeting and noted apologies.

### CD67 DECLARATIONS OF INTERESTS

The following declarations of interest were recorded and **noted**:

- Waiyin Hatton: Wai Beyond, People and organisational development consultancy; Harvey McMillan, 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; Colleges Scotland (Board member).
- 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.

### CD68 MINUTES OF PREVIOUS MEETING

The minutes of the Corporate Development Committee meeting held on Tuesday 14 September 2021 were **approved**.

### CD69 ACTIONS FROM THE MINUTES

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

### CD70 MATTERS ARISING FROM THE MINUTES

There were no matters arising not otherwise on the agenda.

### CD71 COMMITTEE MEMBERSHIP

The Committee was asked to note that the tenure of co-opted member, David Mark, expired on 28 February 2022 and approve his reappointed for a further one year (1 March 2022 to 29 February 2023). The CDC Chair would present this for approval to the Board meeting scheduled for Monday 13 December 2021.

**The Committee recommended approval to the Board of David Mark's reappointment or a further one year (1 March 2022 to 29 February 2023).**

### CD72 COMMUNICATION AND MARKETING STRATEGY UPDATE

The Director Communications, Policy and Engagement delivered a presentation highlighting the core functions of the directorate and the key aims established to support delivery of the College strategy. He reported that objectives aligning with those aims had been set with work already started.

The Committee welcomed these developments and exciting opportunities ahead. Mr Tyler confirmed that an evaluative approach would be taken to measure the effectiveness of the aims and feed back would be provided to the Committee.

In response to a question about College marketing spend for the recruitment / retention of students, Mr Tyler agreed it was critical to get best value for investment. Benchmarking of that spend would be undertaken to establish cost as a percentage of overall student spend.

**The Corporate Development Committee thanked Mr Tyler for the update and noted developments.**

**CD73 2021 STAFF SURVEY RESULTS AND ACTION PLAN**

Natalie Smith, Director, Organisational Development & HR reported that the latest staff survey was conducted in May 2021 and she provided an overview of the results and action plan that the College had agreed to address the topics raised through the survey.

Mrs Smith led the Committee through the detail of the survey and results (which consisted of questions under 8 themes) as well as the Action Plan that focused on the following 3 key areas:

- One College Culture
- Leadership
- Hybrid Working

The Action Plan would be delivered during the 2021/22 academic year, with the majority of the activity being completed before the next staff survey in May 2022 and Mrs Smith highlighted some actions already taken.

The Committee noted the excellent 57% response rate and commended the Action Plan, in particular, the emphasis it had to listening and acting on staff feedback which could help improve productivity and a commitment from staff to do the best they could for the College and ultimately students.

**The Corporate Development Committee considered and approved the survey results and action plan ahead of them being shared with the Board in December 2021.**

**CD74 ESTATES UPDATE REPORT**

The Vice Principal Operations provided an update in relation to the following 7 estates developments, projects, and funding areas:

- External Estates (including Clydebank District Heating System and NHS Golden Jubilee Hospital, Clydebank).
- Catering.
- Estate project and budget.
- Leasing agreements.
- College Estate Strategy.
- Asset Transfer requests.
- Sustainability.

The Committee welcomed the risk-based assessment maintenance approach taken by the College when in dialogue with the Scottish Funding Council on matters related to estates developments, projects, and funding.

**The Corporate Development Committee:**

- Reviewed and noted the report for information.
- Approved the increase to the total expenditure on the Finnart Street, Greenock Tower Window Replacement project by about £120k, which would be funded from 2021-22 VHPM budget.

**a) Greenock OBC – Update – Restricted Item**

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

**b) Estates Strategy Update**

The Vice Principal Operations presented the objectives of the Estates Strategy and led the Committee through the associated outcomes. She highlighted the short / medium / long term strategic asset management planning and provided some examples of projects being undertaken in all 3 campuses.

The Committee recognised that the College had been unable to fund the requirements identified in the 2019 condition survey and Estates Strategy 2016-26 in the manner required and that progress in tackling the main issues identified remained slow and sub-optimal. It welcomed, however, confirmation that the College continued to adopt a flexible approach to prioritising future expenditure noting that, overall, due to funding constraints, the College continued to manage the decline in its estate.

**The Corporate Development Committee noted the Estates Strategy Update.**

**CD75 IT UPDATE REPORT**

The Vice Principal Operations provided an update in relation to the following 6 IT developments, projects, and funding:

- Service developments.
- Support for teaching and learning.
- Infrastructure developments.
- Security and resilience.
- IT Project and associated budget updates.
- College IT Strategy.

In response to a question, Ms McDonald described the process for providing all students with a loan of IT devices if required (e.g. Chromebooks, laptops, tablets) for their studies including steps taken to ensure these were returned to the College on completion of their studies.

**The Corporate Development Committee noted the report for information.**

**CD76 FINANCE UPDATE REPORT**

The Director Finance provided an update in relation to the following 6 financial matters:

- Scottish Funding Council Circulars.
- SFC Financial Forecast Report.
- Report and Financial Statements for year ending 31 July 2021.
- National Bargaining.
- Payment Portal.
- National Fraud Initiative.

**The Corporate Development Committee noted the report.**

**CD77 PROCUREMENT APPROVAL (Restricted Item)**

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

**CD78 MANAGEMENT ACCOUNTS TO 31 OCTOBER 2021**

The Director Finance presented the Management Accounts for the 3 months to 31 October 2021. He reported that the Covid-19 pandemic had continued to have a material impact on ongoing business operations and the financial forecast to 31 July 2022 was based on the current information available to the College.

Mr Ritchie led the Committee through an overview of the Management Accounts to 31 October 2021 and highlighted the variance analysis that illustrated the changes compared to the Board-approved budget which the College had to account for during the first quarter of 2021-22. After accounting for these variances, the College was now forecasting to deliver an adjusted operating deficit of up to £(2,035,000), which would result in the financial deficit for the year increasing to £(4,914,000). Mr Ritchie confirmed that work would continue to reduce the operating deficit through the Budget Planning work already in progress.

In response to a question, Mr Ritchie confirmed that it was essential to ensure financial sustainability of the College and, therefore, work did not just cover the current financial year but looked ahead to the next 3 years. He added that the SFC was aware of the current deficit position. The Principal reported that the College would continue to monitor income and costs closely, to enable it to continually estimate the 2021-22 financial outturn and cashflow position as well as continue to engage with the SFC in relation to the financial challenges arising because of the global pandemic. These issues were similarly being discussed at the national College Principals Group.

**The Corporate Development Committee:**

- **Noted the revised format of the Management Accounts pack.**
- **Noted the current 2021-22 adjusted operating position.**
- **Noted the cashflow position.**
- **Approved the Management Accounts to 31 October 2021.**

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

**b) Nursery Provision (Restricted Item)**

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

**CD79 STRATEGIC RISK REGISTER REVIEW**

The Director 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 the current College Strategic Risk Register for consideration.

**The Corporate Development Committee:**

- 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

**CD80 2020-21 PROCUREMENT ANNUAL REPORT**

The Director Finance provided the Committee with the 2020-21 Procurement Annual Report for consideration prior to its publication.

**The Corporate Development Committee noted the 2020-21 Procurement Annual Report.**



**CD81 SCHEDULE OF BUSINESS 2021-22**

The Committee **noted** its schedule of business for 2021-22 as summarised by the Director Finance. This would be updated during the year to reflect revised dates for reports being submitted to the Committee.

**CD82 ANY OTHER BUSINESS**

No other business items were raised.

The Principal noted that it was Mr Hannigan's last meeting of the Committee as his Term of Office as a Board Member ended on 31 January 2022. On behalf of the Committee, she thanked him for his commitment and energy in taking forward the business of the Committee.

**CD83 DATE OF NEXT MEETING**

Tuesday 8 March 2022 at 4pm by TEAMS.

## AUDIT COMMITTEE

**MINUTES:** Wednesday 1 December 2021.

**PRESENT:** Graeme Bold (in the Chair), Grant Lyall, Ronald Leitch, Wai Wong.

**ATTENDING:** Liz Connolly (Principal), Amy McDonald (Vice Principal, Operations), Alan Ritchie (Director Finance), Shirley Gordon (Secretary to the Committee), Vivienne Mulholland (Head of Finance and Student Funding).

### ATTENDING BY

**INVITATION:** Stephen Pringle (Wylie & Bisset).

**APOLOGIES:** None

### AM601 WELCOME AND APOLOGIES

The Chair welcomed everyone to the meeting. No apologies were received. Mr Bold introduced Ronald Leitch as a newly appointed non-executive Board member whose four-year term started today. The Audit Committee looked forward to working with Ronald.

### AM602 DECLARATIONS OF INTERESTS

- Liz Connolly - Trustee of West College Scotland Foundation; Member of Developing the Young Workforce (DYW) West Regional Board.

### AM603 MINUTES

The minutes of the meeting held on Wednesday 8 September 2021 **were approved.**

### AM604 ACTIONS FROM THE MINUTES

The Committee **noted** the actions taken and outstanding since the last meeting and **agreed** that the completed actions could now be removed.

### AM605 MATTERS ARISING FROM THE MINUTES (AND NOT OTHERWISE ON THE AGENDA)

**.1 IT Incident Update** – in response to a question about the final IT Incident Report, it was explained that the Corporate Development Committee would receive a report at each of its meetings updating on IT security. It was agreed that a report on the strategic processes for control and the assurance framework for IT security / cyber resilience be presented to the Audit Committee at its March 2022 meeting and regularly thereafter. **[ACTION – AMcD]**

### AM606 EXTERNAL AUDIT ANNUAL EFFECTIVENESS REVIEW

The Secretary to the Committee summarised the findings of the external audit annual effectiveness review recently completed by members and attending officers of the Audit Committee. She confirmed that questionnaires returned indicated that members of the Committee were satisfied that the external auditors communicated issues freely with the Audit Committee and members were satisfied with their relationship with the external auditors. Committee members agreed that the external auditors provided constructive observations, implications, and recommendations in areas needing improvement and that they demonstrated an ongoing understanding of the uniqueness of the college sector. Attending officers of the Committee indicated that they were satisfied with the scope, nature, extent, and timing of testing

performed by the external auditors as well as the knowledge, skills, and abilities of the staff assigned to do the audit work). Furthermore, they were satisfied with the engagement leadership assigned including the partner(s), manager(s) and fieldwork leaders.

The Secretary advised that there were no areas of concern raised in any of the questionnaires returned.

**The Committee agreed with the conclusions and noted the report.**

**AM607 INTERNAL AUDIT REPORT – CASH MANAGEMENT**

Stephen Pringle explained that, as part of the 2021-22 Internal Audit Plan, Wylie & Bisset conducted an internal audit to provide assurance that the cash management practices, as outlined in the College Financial Regulations, were suitable and had been adopted. Wylie & Bisset also assessed the reporting arrangements in place to the Board of Management and the Scottish Funding Council (SFC).

Mr Pringle presented the scope of the review which concluded:

*“We can provide a strong level of assurance over the College's cash management arrangements and can confirm these are in line with the College's Financial Regulations. We can also provide a strong level of assurance over the reporting arrangements in place to the Board of Management and the SFC. We can also confirm that there is appropriate delegated authorities and responsibilities within the area of cash management. We have raised no recommendations and 1 Observation. We have also highlighted 10 good practice points from our audit work”.*

The report made no recommendations and highlighted 10 areas of good practice. One operational practice observation was made relating to the use of the correct form. This practice had been reviewed and strengthened through enforcing the requirement for the correct form to be used.

The Committee discussed the detail of the report and the following points were clarified:

- Remote auditing had been embraced since March 2020 with the auditors gaining access to relevant high-quality information without any difficulty.
- Internal audit reports were shared with relevant staff teams who would have known, in advance, the scope of the audit being undertaken and involved in providing the information required by the auditor.

**The Audit Committee considered and noted the contents of the report.**

**AM608 INTERNAL AUDIT REPORT – FINANCIAL REGULATIONS**

Stephen Pringle explained that, as part of the 2021-22 Internal Audit Plan, Wylie & Bisset conducted an internal audit to review the suitability of the College Financial Regulations to ensure that these complied with current guidance, such as the Scottish Public Finance Manual and the Financial Memorandum. The review considered the adequacy of the review and approval process of the Financial Regulations and compared these with best practice.

Mr Pringle presented the scope of the review which concluded:

*‘We can provide a strong level of assurance over the suitability of the College's Financial Regulations. We can confirm that the Financial Regulations comply with the requirements of the Scottish Public Finance Manual, the Scottish Funding Council's Financial Memorandum and are in line with CIPFA's Model Set of Financial Regulations for Academies, Colleges and Universities. We can also confirm that the College's Financial Regulations are generally comparable with the Financial Regulations of the 7 colleges we benchmarked the College against. We have raised no recommendations and 1 observation from our review. We have also highlighted 7 good practice points from our audit work’.*

The report made no recommendations and highlighted 7 areas of good practice. One operational practice observation was made relating to the content of the financial regulations. The College, having recently amended the Financial Regulations, would look to consider the aspects raised by the audits as part of the next annual review.

The Committee discussed the detail of the report and the following points were clarified:

- The College had a set of comprehensive Financial Regulations, and supporting policies and procedures, which provided detail to ensure that all financial matters were managed in accordance with College policies and best practice.
- The College's Financial Regulations compared well against the 7 colleges the auditor benchmarked them against, containing similar sections as the Financial Regulations of the other colleges.

**The Audit Committee considered and noted the contents of the report.**

#### **AM609 INTERNAL AUDIT ANNUAL PLAN 2021-22**

Stephen Pringle explained that the Audit Committee approved the 2021-22 College internal audit plan in May 2021, and he led the Committee through an update on 2021-22 planned internal audit activity for the year including:

- Agreed timings of the approved internal audit assignments;
- Dates that the Committee can expect to receive the internal audit reports; and
- Agreed timings for the other audit work to be undertaken.

The Committee discussed the 11 agreed audit assignments noting that a detailed assignment plan would 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.

The Committee welcomed the opportunity to be flexible around the audit assignments if a particular issue was raised during the year. The Vice Principal Operations suggested an assignment auditing the linkages of all the College's strategies to gain some insight into whether they collectively achieved the overall strategic ambition of the College may be one to be considered in the future.

**[ACTION – AMcD]**

**The Audit Committee noted the contents of this report.**

#### **AM610 ROLLING AUDIT ACTION PLAN**

The Director Finance explained that the purpose of the Rolling Audit Action Plan (RAAP) was to update the Audit Committee on the status of the recommendations made by both the internal and external auditors.

Mr Ritchie led the Committee through the report, summarising the movement in relation to the audit recommendations made since the last meeting and confirmed that the RAAP was reviewed by the staff with responsibility for the implementation of the audit recommendations on an ongoing basis.

Mr Ritchie reported that the College considered that good progress had been / was being made in addressing the recommendations made by the internal and external auditors.

The Committee discussed the detail of the removal of six internal audit recommendations; one date extension; removal of one external audit recommendation and inclusion of three new recommendations resulting from the external audit work.

In response to a question about the new Committee paper template being used, the Principal explained that its aim was to focus the Board / Committees on relevant strategic issues and explain pertinent points with implications highlighted to bring clarity to decision making. This approach was welcomed.

**The Audit Committee:**

- **Approved the removal of six internal audit recommendations.**
- **Approved the date extension of one recommendation.**
- **Noted the addition of two new external audit actions.**
- **Considered and approved the updated Rolling Audit Action Plan.**

**AM611 RISK MANAGEMENT PROPOSAL – Restricted Item**

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]



**AM612 REGISTER OF INTEREST FOR BOARD AND COMMITTEE MEMBERS**

The Audit Committee noted the Register of Interests for the Board of Management and Committee members.

**AM613 SCHEDULE OF BUSINESS 2021-22**

The Audit Committee noted the 2021-22 Schedule of Business.

**AM614 ANY OTHER BUSINESS**

- Audit Assurance Plan and Map – the Director Finance confirmed this continued to be updated on a rolling basis.
- Last Meeting for Wai – the Chair recorded this would be the last Committee meeting before Wai demitted office as a co-opted member on 29 February 2022. During his membership of 3 years, Wai had provided support and constructive debate to the business of the Committee. The Principal echoed this and thanked Wai for his contribution and time which had been greatly valued.
- Date of Next meeting: Wednesday 2 March 2022 at 4.00 p.m. by TEAMS

## JOINT MEETING OF AUDIT COMMITTEE AND CORPORATE DEVELOPMENT COMMITTEE

**MINUTES:** Tuesday 23 November 2021

**Present:** Graeme Bold (in the Chair)

**Audit:** Grant Lyall, Wai Wong.

**CD:** Jim Hannigan, John Leburn, Linda Johnston, Liz Connolly.

**Attending:** Amy McDonald (Vice Principal Operations), Alan Ritchie (Director Finance), Vivienne Mulholland (Head of Finance and Student Funding), Shirley Gordon (Secretary to the Committee).

**Attending by invitation:**

Joanne Buchanan (Mazars – External Auditors).

Graham Gillespie (Wylie & Bisset – Internal Auditors).

**Apologies:** Douglas Bayley, Paul Sefton, David Mark.

**AFM43 CLOSED SESSION WITH EXTERNAL AUDITORS - Restricted Item**

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

**AFM44 WELCOME**

The Chair welcomed members, attending officers and auditors (internal and external) to the joint meeting of the Audit Committee and Corporate Development Committee.

**AFM45 DECLARATIONS OF INTERESTS**

- 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.

#### **AFM46 MINUTES**

The minutes of the joint meeting of the Audit Committee and Finance and General Purposes Committee held on 24 November 2020 **were noted (having already been approved at each of the Committees)**.

#### **AFM47 ACTIONS FROM THE MINUTES**

The Committee **noted** that all actions arising from the previous minutes had been completed.

#### **AFM48 EXTERNAL AUDIT ANNUAL REPORT AND LETTER OF REPRESENTATION 2020-21**

The external auditors, Mazars, presented their report on the audit of the financial statements for the year ending 31 July 2021 and their letter of representation 2020-21 was considered.

Ms Buchanan summarised the audit conclusions. She explained that Mazars had substantially completed their work on the financial statements and wider scope work for the year ended 31 July 2021 with one matter remaining outstanding.

She led the Committee through the report and highlighted that the auditors anticipated issuing an unqualified opinion concerning the:

- Financial statements for the year ending 31 July 2021;
- Regularity of income and expenditure (in all material respects the expenditure and income recognised in the financial statements had been applied for the purposes intended); and
- Remuneration and staff report, performance report and governance statement.

The external auditors also concluded that the College had:

- Effective arrangements, including budgetary control, that helped the Board members scrutinise finances;
- Adequate financial planning arrangements in place. The long-term operational funding gap previously identified by the College as well as a need for significant capital investment increases became more urgent. The College was reliant on the outcome of dialogue with the Scottish Funding Council to ensure future capital investment was made and, therefore, the risk of the College not being financially sustainable was reduced;
- Governance arrangements in place that provided appropriate scrutiny of decisions made by the Board; and
- An effective performance management framework in place that supported progress towards the achievement of value for money.

and this led to the Auditors anticipating the Report being unqualified.



In response to a question, Ms Buchanan explained that the report contained a “matter of emphasis” section in relation to the valuation of the property portfolio. This matter was not unique to the College and would apply to all organisations who had valued their properties during the year. It did not impact the operations of the College and was there to raise awareness of the unpredictable nature of any valuation given the current market conditions. Consequently, less certainty and a higher degree of caution should be attached to the valuation than would normally be the case. As this was reported in the property valuation report, the auditors required to bring this to the attention of the College.

In response to a question about the statement “The College was reliant on the outcome of dialogue with the Scottish Funding Council to ensure future capital investment was made and, therefore, the risk of the College not being financially sustainable was reduced”, Ms Buchanan explained that this point recognised the challenges of any likely future capital investment and the continued dialogue the College Executive had with the SFC. Ms McDonald added that the College acknowledged this, and it featured in the Strategic Risk Register which was supported by plans to ensure its mitigation.

The Chair congratulated the College for being as adaptive, agile and flexible as possible given the financial and operational challenges of 2021. The dedication to students, in particular, demonstrated tremendous effort and commitment.

Ms Buchanan thanked senior officers and their teams for the quality of the information provided and the constructive working relationship they enjoyed throughout the audit process.

The Committee recognised and welcomed that the external auditors were proposing an unqualified opinion concerning the financial statements, the regularity of income and expenditure, remuneration and staff report, performance report and governance statement.

**The Committee approved for presentation to the Board of Management the:**

- **Audit report to the Board of Management and the Auditor General for Scotland for the year ended 31 July 2021.**
- **The letter of representation.** [Action: AMcD]

#### **AFM49 REPORT AND FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 JULY 2021**

The College Report and Financial Statements for the year to 31 July 2021 were presented by the Director Finance for review and approval for presentation to the Board of Management. The report provided an overview of the 2020-21 Financial Statements and encompassed:

- Financial reporting requirements;
- The College’s underlying adjusted operating position as of 31 July 2021.
- An overview of the final year end position, reconciling the College 2020-21 budget to the audited position as of 31 July 2021; and
- Consideration of balance sheet movements.

Mr Ritchie confirmed that the Report and Financial Statements for the year ended 31 July 2021 had been audited by Mazars LLP and referred to the associated 2020-21 Annual Audit Report along with the associated Letter of Representation that had been considered earlier.

The Vice Chair of the Corporate Development Committee reported that members discussed the wealth of detail contained in the Performance and Accountability Reports earlier and he commended the open and transparent way in which the reports had been written. Some drafting and contextual suggestions, which may add to the consistency and understanding of the information presented, had been suggested and Mr Ritchie agreed to incorporate these where appropriate. **[ACTION – AR]**

The Chair recorded his thanks on behalf of the Committee to the finance team for this excellent work in what had been a challenging year.

**The Joint Audit / Corporate Development Committee reviewed and approved the Report and Financial Statements for the year to 31 July 2021 for presentation to the Board of Management. [Action: AMcD]**

#### **AFM50 2020-21 CREDITS AUDIT REPORT**

Graham Gillespie (Wylie & Bisset) presented the results of the SFC Credit (student activity) Audit for 2020-21 which included the audit certificate.

Mr Gillespie reported that Wylie & Bisset carried out the 2020-21 audit of student activity (Credits) and he led the Committee through the results of that audit work against each of the key risk areas highlighted by the SFC in their guidance.

Mr Gillespie added that Wylie & Bisset had concluded:

- The College had reasonable procedures and controls over the collection of data for the credits return and assurance could be taken that the credits count for the College was not materially mis-stated. The systems used by the College were satisfactory.
- That from their review of the 4 recommendations raised in 2019/20, 1 of the points raised had been implemented with 3 partially implemented recommendations remaining outstanding.
- The College credit target for the academic year 2020/21, agreed between the SFC and the College, was lower than the agreed total target. For 2020/21 the SFC had stated that it would not be recovering funds relating to grant-in-aid/fee waiver. However, Skills Boost activity was subject to clawback and the College would, therefore, be required to repay those funds.

Mr Gillespie confirmed that the audit certificate in respect of the 2020/21 return was unqualified and was in the format set out in the SFC audit guidance. The audit certificate was submitted to the SFC on 1 October 2021 in line with the required reporting deadline.

The Committee thanked the auditor for a thorough audit report and noted the 1 medium level and 4 low level recommendations which had been accepted by College management. Mr Ritchie confirmed that these would be added to the Rolling Audit Action Plan alongside timescales for implementation.

The Committee discussed those recommendations listed as partially implemented from 2019/20. Mr Gillespie agreed, in future, to record these as new recommendations as the current recording of partially implemented inferred incomplete implementation when, in fact, processes had been refined each year to address the issues. **[ACTION – GG]**

**The Committee:**

- **Noted the 1 medium and 4 low level audit recommendations and management responses.**
- **Approved the 2020-21 Credit Audit Report and Certificates.**

**AFM51 STUDENT SUPPORT FUNDS 2020-21 – AUDIT REPORT AND CERTIFICATES**

Graham Gillespie (Wylie & Bisset) presented the outcomes from the 2020-21 Student Support Fund audits explaining that the College operated several student support funds which were subject to independent audit. Mr Gillespie reported that Wylie & Bisset carried out the 2020/21 audits of the College student funding expenditure against the relevant SFC or SAAS guidance. The assignment covered the audits of:

- Student Support Funds – which covered the following:
  - ❖ Scottish Funding Council (SFC) Student Support Fund which included bursary, childcare and discretionary funds; and
  - ❖ Student Awards Agency for Scotland (SAAS) Discretionary Fund.
- Educational Maintenance Allowances (EMA).

Mr Gillespie reported that in respect of the Student Support Funds the auditors concluded that:

*"We have examined the books and records of West College Scotland and have obtained such explanations and carried out such tests as we considered necessary. On the basis of our examination and of the explanations given to us, we report that the information set out in these forms is in agreement with the underlying records. We also report that, in our opinion, the College used these funds in accordance with the guidance issued by the SFC. We are satisfied that the systems and controls of the administration and disbursement of these funds are adequate".*

He confirmed that the audit did not make any recommendations as to the operation of either fund which was better than the average of one recommendation made to other organisations in the sector.

In respect of the Educational Maintenance Allowances the auditors had concluded that:

*"We have examined the books and records of West College Scotland, with a sample size appropriate to the size of the College and have obtained such explanations and carried out such tests as we considered necessary. The*

*College have not undertaken spot checks in 2020/21 due to the College staff working from home during the year.*

*On the basis of our examination and of the explanations given to us, we report that the information set out in these forms is in agreement with the underlying records.*

*We also report that, in our opinion, the College used these funds in accordance with the SFC's conditions and the principles of the Education Maintenance Allowance programme.*

*We are satisfied that the systems and controls of the administration and disbursement of these funds are adequate".*

Mr Gillespie confirmed that the audit made one low level recommendation in relation to spot checks, "...that the College produces a process to enable it to undertake the EMA spot checks remotely, until such times as all staff are back on site and the College is fully reopened". The College had accepted the recommendation and would undertake spot checks during 2021/22.

Wylie & Bisset had issued unqualified audit opinions for all three funds.

**The Committee approved the:**

**a) Audit Report on Student Support Fund 2020-21; and**

**b) Audit Report on Educational Maintenance Allowance 2020-21.**

## **AFM52 INTERNAL AUDITORS ANNUAL REPORT 2020-21**

Graham Gillespie presented the Internal Auditor's Annual Report and provided further background information in considering approval of the Financial Statements. He explained that the report would also be submitted to the Scottish Funding Council (SFC).

Mr Ritchie explained that the report was considered and approved by the Audit Committee at its 8 September 2021 meeting. The College received confirmation from Wylie & Bisset in early November 2021 that they were not aware of any factors since the report was presented to the September 2021 Audit Committee that required them to change the content and conclusion contained within their annual report.

The key extract from the report was in relation to the overall internal audit opinion based on the work undertaken during the year which was as follows:

*'We are satisfied that sufficient internal audit work has been undertaken to allow us to draw a conclusion as to the adequacy and effectiveness of the College's risk management, control and governance processes.*

*In our opinion West College Scotland did have adequate and effective risk management, control and governance processes to manage its achievement of the College's objectives at the time of our audit work. In our opinion, the College has proper arrangements to promote and secure value for money. However, we were only able to provide 'weak' assurance around the review of External Communications – Website. The College accepted all of the internal audit recommendations and will be undertaking the required actions to address*

*the weaknesses identified. We were also asked to undertake additional work during the year as a result of an IT incident. From the work undertaken we were able to provide 'Strong' assurance on the College's response to the incident.'*

*Pringle*

**The Joint Committee noted the content of the Internal Auditor's Annual Report 2020-21.**

**AFM53 2020-21 ANNUAL REPORT FROM AUDIT COMMITTEE TO BOARD OF MANAGEMENT**

The Chair presented the Annual Report to the Board of Management which detailed the work carried out by the Audit Committee during the period 1 August 2020 to 31 July 2021.

The Annual Report was a requirement of both the Scottish Funding Council (SFC) Financial Memorandum and the Scottish Public Finance Manual and complied with the requirements of those documents. It was based on the guidance laid out in the Scottish Government's 'Audit and Assurance Committee Handbook'.

Mr Bold led the Committee through the report noting that, despite the governance and operational challenges faced by the College, the 2020-21 schedule of Committee business was completed within the year which was an excellent achievement.

In response to a question, the Principal reported that the Corporate Development Committee was working well since its formation in March 2021. Its agendas were well structured to include visibility of all areas within its remit with reporting being strategic rather than operational.

**The Committee considered and approved the content of the Annual Report from the Audit Committee to the Board of Management at its 13 December 2021 meeting.** **[Action: GB]**

**AFM54 ANY OTHER BUSINESS**

The Chair thanked members of the Committee, attending officers and auditors for their attendance. No other business items were raised.

## LEARNING, TEACHING AND QUALITY COMMITTEE

**Minutes:** Wednesday 6 October 2021.

**Present:** Mark Newlands (in the Chair), Gordon Hunt, Liz Connolly, Fiona McKerrell, Mark Gillan, Mark Hamilton, Ruth Binks.

**Attending:** Stephanie Graham (Vice Principal Educational Leadership), Cathy MacNab (Assistant Principal Performance and Skills), Iain Forster-Smith (Assistant Principal, Student Life and Skills), Sara Rae (Assistant Principal: Enterprise and Skills), Nathan Tyler ((Director Communication, Policy and Engagement), Shirley Gordon (Secretary to the Board), Waiyin Hatton (Chair of the Board).

**Apologies:** Abbie McGrath

### LM426 WELCOME

The Chair welcomed everyone to the meeting and noted apologies. Mr Newlands welcomed Mark Gillan to his first meeting as the newly elected Teaching Staff member and Mr Tyler as the recently appointed College Director of Communication, Policy and Engagement.

### LM427 DECLARATIONS OF INTERESTS

- Liz Connolly: Trustee of the West College Scotland Foundation; Member of Developing the Young Workforce (DYW) West Regional Board.
- Waiyin Hatton: Wai Beyond, People and organisational development consultancy; Harvey McMillan, People and organisational development consultancy; Action Against Stalking; Colleges Scotland (Board member).

### LM428 MINUTES

The minutes of the meeting held on Wednesday 19 May 2021 **were approved**.

### LM429 ACTIONS FROM THE MINUTES

The Committee **noted** the actions from the minutes, and it was **agreed** those completed could now be removed.

### LM430 MATTERS ARISING FROM THE MINUTES

There were no matters arising not otherwise covered on the agenda.

### LM431 STUDENTS ASSOCIATION (SA) UPDATE

In Ms McGrath's (SA President) absence, Mr Newlands outlined the varied workload of the Students Association over recent months and noted that the overall objectives for the SA this year were mental health, wellbeing, and physical health. Furthermore, the SA was keen to raise exposure on social media and work closely with class reps. The Committee noted the planned events coming up and that the SA had been working with the NUS to ensure the best support for all students with meetings scheduled to take place with the NUS and Student Associations from colleges and universities from all over Scotland.

**The Chair thanked the Students Association President for progressing the work of the Association and the update was noted.**

### LM432 REGIONAL OUTCOME AGREEMENT 2021-22 & SELF EVALUATION 2020-21

The Vice Principal Educational Leadership reported that the Regional Outcome Agreement 2021-22 would be an interim agreement in a similar format to 2020-21 and Guidance was published on 31 August 2021. It was required to be submitted by 30 November 2021 (alongside a self-evaluation report for 2020-21) and was required to ensure that an agreement was in place between the SFC and each university, college or

college region during this transition year which captured, at a high level, contributions, impact, and outcomes and provided assurance on use of allocated funding in AY 2021-22.

Ms Graham led the Committee through the key sector priorities and outcomes for students, economic recovery, and social renewal. She added that the SFC had recommended a new overarching National Impact Framework (NIF) be developed to ensure greater alignment with Scotland's National Performance Framework and the UN Sustainable Development Goals. That would be used in future agreements but for this transitional year, the SFC had issued a table to each institution with reduced 2019-20 KPI data, which was to be used to populate projections for 2021-22.

**The Committee discussed the ROA and agreed to a draft being circulated to the Committee, along with the 2020-21 Self Evaluation Report, for comment and approval prior to the submission date of 30 November 2021. {ACTION – StG}**

**LM433 QUALITY - STUDENT PERFORMANCE 2020-21, FEEDBACK AND EXTERNAL REVIEW**

The Assistant Principal Performance and Skills provided a summary of:

- Qualifications Compliance – including approvals, externally accredited awards, verification outcomes, Internal Quality Assurance Panels, National Qualifications (Highers and National 5 awards) and actions to take forward into session 2021-22.
- Student Experience – including the work of the Student Association, Student Feedback 2020-21, and feedback from complaints.
- Student Outcome Performance Data - including the Student Outcomes / ROA template report and College Leavers Destinations summary.
- Professional Standards – including GTCS Lecturer Registration and supporting professionalism CPD for teaching staff.

The Chair thanked Mrs MacNab for the rich detail in the report and her presentation which provided insightful context. The Committee discussed the detail of the report with the following points clarified:

- As well as reflecting on sector-wide comparisons, the College focussed analysis on its own trends as it was important to note that demographics, size, and scale of Colleges differed, therefore, it was often challenging to directly compare like for like.
- Recognition that behind the wealth of performance data and analysis, lay many personal student stories and it would be useful to add some examples of these to showcase success. Ms Graham agreed and suggested that links be added to the report highlighting positive outcomes. **{ACTION – StG}**
- The Annual Complaints Handling Report 2020-21 would be circulated to all members as soon as it had been published. **{ACTION – CMacN}**
- Recognition that some course types adapted better than others when learning shifted from on-campus to online / remote during the pandemic. In relation to student feedback about that transition and associated impact, all curriculum teams received full details of responses concerning their own areas so that analysis / themes / solutions could be explored fully.
- In response to the need expressed for student support with setting up and working their devices, a Student Tech team Help Desk was created. As well as helping fellow students, this offered some computing students a real work experience opportunity and the chance to be mentored by the ICT team in the College.
- A full analysis of trend outcomes and impact on key groups of students (multiple deprivation areas, care experienced, BME and disability) would be incorporated into the SFC self-evaluation report (discussed earlier and due for submission in November

2021). That data was actioned through the Equality and Diversity Committee who maintained oversight of outcome trends for students with protected characteristics.

- EIS/FELA, Colleges Scotland, GTCS and the Scottish Government were all fully supportive of the national level GTCS Lecturer Registration process and, as a result, from September 2021, all lecturers covered by the national agreement who held a TQFE or other GTC Scotland recognised teaching qualification, would receive an invitation to register with GTCS.
- The College offered and supported a range of accredited teaching and professional development qualifications. During 2021-21 this included TQFE where the College partnered with Aberdeen University for the first time.

**The Committee noted the report.**

**LM434 ALTERNATIVE INCOME 20-21 - PERFORMANCE AND IMPACT Restricted Item**

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]

[Redacted]



**LM435 STUDENT ACTIVITY TARGETS AND ENROLMENT**

The Vice Principal Educational Leadership outlined credit activity outturn for 2020-21 and summarised targets, current enrolment, and activity plans for 201-22.

Ms Graham led the Committee through a summary of:

- Credits & student activity 2020-21.
- Credits and student activity 2021-22.
- Applications and Enrolments for 2021-22 courses.
- Plans to increase credit generation in 2021-22.

Ms Graham explained that the College was currently predicting a shortfall in core and ESF credits due to enrolments falling short of target and changes to credit guidance. Curriculum delivery was already being stretched to make up for credits that were reduced for the planned Distance Learning offering in response to discussions with the SFC. Given that, planning was now ongoing to identify how the shortfall could be addressed and Ms Graham summarised some of the actions being explored.

Ms Graham added that many other Colleges in Scotland were also experiencing a reduction in enrolments and work was ongoing through the sector Principal, VP and Finance groups to work with the SFC on mitigating the impact of an enrolment shortfall. The Committee welcomed engagement on this basis with the SFC going forward to explore opportunities and bring a sharper focus to be more pioneering in the different further education landscape that was evolving. The Principal added that Colleges Scotland was also conducting some survey work to help inform sector wide patterns and debate.

**The Committee discussed and noted the report.**

**LM436 COMMITTEE REMIT, MEMBERSHIP AND DATES OF MEETINGS IN 2021/22**

Given this was the first LTQ Committee meeting of the academic session, the Secretary asked the Committee to consider and approve the CDC remit, current membership and 2021-22 meeting dates.

**The Committee approved its remit, membership and 2020-21 meeting dates and recommended approval to the Board of Ruth Binks' reappointment as a co-opted member for a further one year (1 March 2022 to 28 February 2023). {ACTION – MN}**

**LM437 UPDATE FROM EDUCATIONAL LEADERSHIP TEAM (ELT)**

The Vice Principal Educational Leadership's report updated the Committee on developments in the following key areas since the last meeting:

- Portfolio Reviews.
- Curriculum Strategy.
- CQL Development.
- Student Services.
- Schools.
- Community.
- NHS Academy Scotland.

- Awards.

**The report was noted.**

**LM438 Internal Audit Reports:  
a Covid-19 (Phase 1)  
b Complaint Handling**

The Vice Principal Educational Leadership's report explained that as part of the 2020-21 Internal Audit Plan, Wylie & Bisset had conducted two internal audit assignments which had a bearing on the remit of the LTQ Committee. Since the previous LTQC meeting, the Audit Committee had considered the following reports:

- Covid-19 (Phase 1)
- Complaint Handling

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. The two internal audit reports were noted as were the proposed implementation dates for the recommendations.

**The Committee noted the contents of the internal audit reports.**

**LM439 QUALITY STANDARDS COMMITTEE MINUTES**

The 6 May 2021 minutes from the meeting of the Quality Standards Committee were submitted for the Committee's consideration.

**The Committee noted the 6 May 2021 minutes from the meeting of the Quality Standards Committee.**

**LM440 STRATEGIC RISK REGISTER**

The Vice Principal Educational Leadership's report explained that the Committee considered risk in relation to the activities within its remit. Risk was considered by the Board and all the Board Committees at each of the meetings. That meant that emerging risks were quickly identified, and mitigating actions agreed. In relation to the risks pertinent to its remit, the Committee must be confident that these have been identified and mitigating actions agreed. The latest update of the College Strategic Risk Register was considered by the Board at its meeting held on Monday 4 October 2021.

**The Committee noted the current strategic risk register and did not propose any amendments and / or additions, or any re-phrasing, required to be made at this point.**

**LM441 ANY OTHER BUSINESS**

- LTQC Topical Suggestions for Board Briefings – Mr Newlands asked members to forward to him any suggested topics for Board deep dive sessions. **{ACTION – ALL MEMBERS}**
- Date of next meeting - Wednesday 8 December 2021 – 4 till 6pm.

**CONFIDENTIAL**

**WEST COLLEGE SCOTLAND  
REMUNERATION COMMITTEE**

**MINUTE:** Monday 4 October 2021

**Present:** Jim Hannigan (in the Chair), Graeme Bold, Waiyin Hatton, Linda Johnston, Mark Newlands.

**Attending:** Liz Connolly, Principal, Natalie Smith, Director of Organisational Development and HR, Shirley Gordon, Secretary to the Committee.

**Apologies:** None.

**RM87 DECLARATIONS OF INTERESTS**

The following declarations of interest were recorded and **noted**:

- Waiyin Hatton: Wai Beyond, People and organisational development consultancy; Action Against Stalking; Harvey McMillan, People and organisational development consultancy; Colleges Scotland (Board member).
- Liz Connolly: Trustee of the West College Scotland Foundation; Member of Developing the Young Workforce (DYW) West Regional Board.
- Jim Hannigan: University of Strathclyde and National Manufacturing Institute Scotland (NMIS); Chair of Developing the Young Workforce (DYW) west regional Board.

**RM88 MINUTES**

The minutes of the meeting held on Tuesday 27 April 2021 were **approved**.

There were no matters arising not otherwise on the agenda.

**RM89 REMIT AND MEMBERSHIP**

Given this was the first Remuneration Committee meeting of the academic session, the Secretary asked the Committee to consider and approve the Remuneration Committee remit, current membership and 2021-22 meeting dates.

**The Committee approved its remit, membership and 2020-21 meeting dates.**

**RM90 REVIEW OF PAY SCALES OF THE COLLEGE SENIOR TEAM – Restricted Item**

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

**RM91 STRATEGIC RISK REGISTER**

The Committee considered risk in relation to the activities within its remit. Risk was considered by the Board and all the Board Committees at each of the meetings. This meant that emerging risks were quickly identified, and mitigating actions agreed. In relation to the risks pertinent to its remit, the Committee must be confident that these had been identified and mitigating actions agreed.

Mr Hannigan presented the College Strategic Risk Register for the consideration of the Committee explaining that the latest update was being considered by the Board at its meeting held later today.

The Committee **noted and reviewed** the current Strategic Risk Register and agreed that no amendments and / or additions, or any re-phrasing, required to be made at this time. Members discussed whether there was any opportunity to reflect on risks and mitigations that impacted on their own remit rather than a required review of the Register in its totality at each Committee meeting. The Principal agreed to discuss this suggested approach at the next Executive meeting and feed back to members.

**{ACTION – LC}**

**RM92 ANY OTHER BUSINESS**

- No other business items were raised.



<b>Meeting</b>	Board <b>Agenda Item 26</b>
<b>Date</b>	13 December 2021
<b>Location</b>	MS Teams
<b>Title of Paper</b>	Board Membership, Proposed Schedule of Business 2021/22 And Dates of Meetings In 2021/22
<b>Presented By</b>	Shirley Gordon, Secretary to the Board
<b>Recommendation to Members</b>	The Board is asked to note the information.
<b>Appendix Attached</b>	<p>Yes</p> <p>Appendix 1 - Current Board membership.</p> <p>Appendix 2 - Proposed Schedule of Business for 2021/22. This will be subject to review and adjustment in light of business coming forward but has been drafted based on previous years business cycles to give a guide.</p> <p>Appendix 3 - Dates of meetings in 2021/22. The dates of meetings of the Board and Committees is attached.</p>



## **WEST COLLEGE SCOTLAND BOARD OF MANAGEMENT**

Under the terms of the Further and Higher Education (Scotland) Act 1992, as amended by the Post-16 Education (Scotland) Act 2013, the membership of the Board of Management shall consist of no fewer than 15 nor more than 18 members. The current membership is:

### **Chair**

Dr Waiyin Hatton

### **Vice Chair (Non-Executive Member)**

Linda Johnston

### **Principal**

Elizabeth Connolly

### **Teaching staff – 1 elected**

Mark Gillan

### **Non-Teaching staff – 1 elected**

Douglas Bayley

### **Students Association – 2 elected**

Abbie McGrath

Paul Sefton

### **Non-Executive Members**

Nick Allan

Graeme Bold

Jim Hannigan

Gordon Hunt

John Leburn

Ronald Leitch

Grant Lyall

Fiona McKerrell

Jane McKie

Mark Newlands

Vacancy

### **In Attendance**

Stephanie Graham, Vice-Principal Educational Leadership

Amy McDonald, Vice-Principal Operations

Shirley Gordon, Secretary to the Board

**BOARD OF MANAGEMENT  
PERIOD OF APPOINTMENT AND MEMBERSHIP OF COMMITTEES 2021/22**

Name	Status	Period of appointment	Committee (s)	Period of appointment (as Chair / Vice Chair / member from Feb 2021 Committee Restructure)
Dr Waiyin Hatton	Chair	03.03.20 – 02.03.24	Board Nominations Remuneration CDC LTQC	<b>Chair</b> <b>Chair</b> Member Ex officio Ex officio
Elizabeth Connolly	Principal	01.09.18	Board CDC LTQC Audit Remuneration	Member Member Member In attendance In attendance
Mark Gillan	Teaching Staff	4 years 13.09.21 – 12.09.25	Board LTQC Nominations *	Member Member - from Sept 2021 Member - 14.06.23 – 13.06.25
Douglas Bayley	Support Staff	4 years 14.06.21 – 13.06.25	Board CDC Nominations *	Member Member - from June 2021 Member - 14.06.21 – 13.06.23
Abbie McGrath	Student President	1 year 1.08.21 – 31.07.22	Board LTQC Nominations	Member Member – from Aug 2021 Member - from Aug 2021
Paul Sefton	Student rep	1 year 1.08.21 – 31.07.22	Board CDC	Member Member - from Aug 2021

Nick Allan	Non-Executive	4 + 4 years 1.02.15 – 31.01.19 1.02.19 – 31.01.23	Board	Member
Graeme Bold	Non-Executive	4 years 1.02.21 – 31.01.25	Board Audit Nominations Remuneration	Member <b>Chair</b> – from Feb 2021 Member - from Feb 2021 Member - from Feb 2021
Jim Hannigan	Non-Executive	3 +4 years 1.02.15 – 31.01.18 1.02.18 – 31.01.22	Board CDC Nominations Remuneration	Member <b>Chair</b> – from Feb 2021 Member – from Feb 2021 <b>Chair</b> – from Feb 2021
Gordon Hunt	Non-Executive	4 years 1.02.21 – 31.01.25	Board LTQC	Member Member - from Feb 2021 and <b>VC</b> from Aug 2021
Linda Johnston	Non-Executive	4 + 4 years 1.01.17 – 31.12.20 1.01.21 – 31.12.24	Board  CDC Nominations Senior Independent Member  Remuneration	Member then <b>VC</b> from Aug 2021 Member – from Feb 2021 Member - from Feb 2021 Nominee – from Feb 2021 to July 2021 Member – from Aug 2021
John Leburn	Non-Executive	4 + 4 years 1.01.17 – 31.12.20 1.01.21 – 31.12.24	Board CDC  WCS Foundation	Member Member - from Feb 2021 then <b>VC</b> from Aug 21 Nominee – from Feb 2021
Grant Lyall	Non-Executive	4 years 1.02.21 – 31.01.25	Board Audit	Member Member - from Feb 2021 then <b>VC</b> from Nov 2021



Fiona McKerrell	Non-Executive	4 years 1.12.19 – 30.11.23	Board LTQC SIM Nominations	Member Member - from Feb 2021 Nominee from Aug 2021 Member and <b>VC</b> from Nov 2021
Mark Newlands	Non-Executive	4 +4 years 1.02.15 – 31.01.19 1.02.19 – 31.01.23	Board LTQC  Nominations Remuneration	Member Vice Chair - from Feb 2021 then <b>Chair</b> from July 2021 Member from Aug 21 Member from Aug 21 and <b>VC</b> from Nov 2021
Jane McKie	Non-Executive	4 years 1.12.21 – 30.11.25	Board CDC Remuneration	Member Member from Dec 2021 Member from Dec 2021
Ronald Leitch	Non-Executive	4 years 1.12.21 – 30.11.25	Board Audit	Member Member from Dec 2021
Vacancy	Non-Executive		Board LTQC	Member Member

#### CO-OPTED MEMBERS PERIOD OF APPOINTMENT AND MEMBERSHIP OF COMMITTEES 2021/22

Name	Status	Period of appointment	Committee
Ruth Binks	Co-opted	1 year 1.03.19 – 29.02.20 1.03.20 – 29.02.21 1.03.21 – 29.02.22 1.03.22 – 29.02.23	LTQ
Mark Hamilton	Co-opted	1 year 1.11.19 – 31.10.20 1.11.20 – 31.10.21 1.11.21 – 31.10.22	LTQ

Wai Wong	Co-opted	1 year 1.03.19 – 29.02.20 1.03.20 – 29.02.21 1.03.21 – 29.02.22	Audit
David Mark	Co-opted	1 year 1.03.18 – 29.02.19 1.03.19 – 29.02.20 1.03.20 – 29.02.21 1.03.21 – 29.02.22 1.03.22 – 29.02.23	CDC

\*In accordance with the Nominations Committee remit, “One Staff Member (The Staff members will serve for 2 years each (in succession), so that both the Teaching staff member and the Support staff member will have the opportunity to join this committee during their period of membership of the Board)”.

## WCS BOARD - SCHEDULE OF BUSINESS

WHAT	WHEN				
	Meeting – 4/10/21 Papers dist – 27/9/21	Meeting – 13/12/21 Papers dist – 6/12/21	Meeting – 7/2/22 Papers dist – 31/1/22	Meeting – 21/3/22 Papers dist – 14/3/22	Meeting – 13/6/22 Papers dist – 6/6/22
<b>Standing Items of Business</b>					
Chair's Report	✓	✓	✓	✓	✓
Chief Executive's Report	✓	✓	✓	✓	✓
Student Association Report	✓	✓	✓	✓	✓
Strategic Risk Register	✓	✓	✓	✓	✓
Board of Management:					
• Membership	✓	✓	✓	✓	✓
• Dates of Meetings	✓	✓	✓	✓	✓
• Proposed Schedule of Business	✓	✓	✓	✓	✓
• Any appointment matters to consider?	✓Yes – covered as an item	✓Yes – covered as an item			
• Other	✓ October Board agendas include the Articles, SofD and SOs to approve. ✓ Chair to confirm BM appraisal reviews have been undertaken.	<b>None</b>	Start of Board Dev Plan and Int Eff Review discussions		VC and SIM to confirm Chair's appraisal review has been undertaken
Report on Delegated Action Taken since last meeting (if any)	<b>None</b>	<b>None</b>			
Approval of Policies?	<b>None</b>	<b>None</b>			
Approval of contracts?	<b>None</b>	<b>Yes x 1</b>			

WHAT	WHEN				
	Meeting – 4/10/21 Papers dist – 27/9/21	Meeting – 13/12/21 Papers dist – 6/12/21	Meeting – 7/2/22 Papers dist – 31/1/22	Meeting – 21/3/22 Papers dist – 14/3/22	Meeting – 13/6/22 Papers dist – 6/6/22
<b>Main Items of Business</b>					
<i>External</i> Board Effectiveness Review – (carried out every 3 years – last done and submitted to February 2020 Board meeting. Next review due to be carried out by February 2023).	Not required in 2021				
Financial Regulations Annual Review	✓				
Staff Survey Outcomes					
Regional Outcome Agreement Review Report		✓			
2020-21 Financial Statements for the year end		✓			
Annual Report from External Auditor		✓			
Annual Report from Audit Committee		✓			
Annual Report from Internal Auditor		✓			
Management Accounts		✓ Oct 21		✓ Jan 22	✓ Apr 22
Review of Board Development Action Plan			✓	✓	✓
<i>Internal</i> Board Annual Effectiveness Review			✓	✓	✓
Draft Regional Outcome Agreement			✓		
Review of Modern Slavery Statement				✓	
Final Regional Outcome Agreement				✓	
HR Annual Report	✓				
People Strategy				✓	

**WCS BOARD - SCHEDULE OF BUSINESS**

WHAT	WHEN				
	Meeting – 4/10/21 Papers dist – 27/9/21	Meeting – 13/12/21 Papers dist – 6/12/21	Meeting – 7/2/22 Papers dist – 31/1/22	Meeting – 21/3/22 Papers dist – 14/3/22	Meeting – 13/6/22 Papers dist – 6/6/22
Key Performance Indicators update				✓	
Proposed dates of Board meetings for following year				✓	
Update on the Employee Health and Wellbeing Strategy				✓	
Budget and Financial Forecast (including budget for Students Association)					✓
Risk Management Strategy					✓
Committee Reports on Progress against Regional Outcome Agreement					✓
Estates Strategy		✓			
<b>Committee Reports</b>					
Audit	Sept minute	Dec minute		March minute	May minute
CDC	Sept minute	Nov minute		March minute	May minute
Joint Audit - CDC		Nov minute			
LTQC		Oct minute	Dec minute	Feb minute	May minute
Nominations					May minute
RemCo		Oct minute		Feb minute	

## Dates of Meetings in 2021-22

Committee	September 2021	October 2021	November 2021	December 2021	January 2022	February 2022	March 2022	April 2022	May 2022	June 2022
<b>BOARD</b> (at least 4) Mondays at 4.00 p.m.		4		13		7	21			13
<b>Audit</b> (at least 4) Wednesdays at 4.00 p.m.	8			1			2		18	
<b>Joint Audit &amp; CDC</b>			23 (4pm)							
<b>CDC</b> (at least 4) Tuesdays at 4.00 p.m.	14		23 (2pm)				8		31	
<b>LTQC</b> (at least 4) Wednesdays at 4.00 p.m.		6		8		23			25	
<b>Remuneration</b> (twice per year) Mondays at 2p.m. before Board meetings		4				7				
<b>Nominations</b> (at least annually)									TBC	

### NOTES

- The venue for the Board and some Committee meetings may alternate between being virtual via Teams and different campuses.
- No formal business meetings are held in July or August.