

**West College Scotland  
AUDIT COMMITTEE**

**2 MARCH 2022 at 4.00 p.m.  
By TEAMS**

**AGENDA**

**General Business**

- |  |          |       |
|--|----------|-------|
| 1. Welcome and Apologies   |          | Chair |
| 2. Declaration of Interests  |          | Chair |
| 3. Minutes / Actions of meetings   |          |       |
| .1 Minutes of meeting of Audit Committee 1 December 2021                                 | Enclosed | Chair |
| .2 Minute of meeting of Joint Audit and Corporate Development Committee 23 November 2021 | Enclosed | Chair |
| .3 Actions from the Audit Committee Minutes  | Enclosed | Chair |
| .4 Actions from the Joint Committee Minutes  | Enclosed | Chair |
| 4. Matters arising from the minutes not otherwise on the agenda                          |          |       |
| None   |          |       |

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

***Internal Audit***

- |   |         |    |
|---|---------|----|
| 5. Internal Audit Report – Sustainability and Carbon Management | Paper 5 | SP |
| 6. Internal Audit Report – Digital Strategy                     | Paper 6 | SP |
| 7. Internal Audit Annual Plan 2021-22                           | Paper 7 | SP |
| 8. Rolling Audit Action Plan                                    | Paper 8 | AR |

***Other***

- |  |          |    |
|--|----------|----|
| 9. Annual Review of Effectiveness of the Committee | Paper 9  | SG |
| 10. IT Security / Cyber Resilience Report          | Paper 10 | AM |
| 11. Draft Internal Audit Plan 2022-23              | Paper 11 | AR |
| 12. Insurance and Risk Management                  | Paper 12 | AR |
| 13. Risk Management Strategy Update                | Paper 13 | AM |

**Items for Information (to note only)**

14. Schedule of Business 2021-22

Paper 14 AR

15. Any other business

Next meeting:

Audit Committee

18 May 2022 at 4.00 p.m. by TEAMS

**Shirley Gordon**  
**Secretary to the Committee**

## 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 [REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]  
[REDACTED]

### **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 text block]

[Redacted text block]

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[REDACTED]

[REDACTED]

[REDACTED]

- [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.'*

**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.

## Audit Committee: Actions from the Minutes

Date of Meeting	Min Ref	Matter for Action	Responsible Person	Action Taken	Timescale (where applicable)
1 Dec 2021	AM605.1	<b>IT Incident Update</b> - A report on the strategic processes for control and the assurance framework for IT security / cyber resilience be presented.	A McDonald		March 2022 meeting.
1 Dec 2021	AM609	<b>Internal Audit Annual Plan 2021-22</b> - a future assignment auditing the linkages of all the College's strategies to gain some insight into whether they collectively achieve the overall strategic ambition of the College may be one to be considered in the future.	A McDonald	March 2022 Committee meeting to consider 2022-23 audit plan.	March 2022 meeting
1 Dec 2021	AM611	<b>Risk Management Proposal</b> - proposed that risk be suggested to the Board as one of its strategic topical sessions for 2022.	L Connolly		February 2022 Board meeting following consideration at Dec 2021 Board meeting.

## Joint Audit and Corporate Development Committee: 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>
23 Nov 2021	AFM48	External Audit Report to be presented to the next meeting of the Board and recommend to the Board that the Letter of Representation be approved, and the Chair and the Principal be authorised to sign on its behalf.	A McDonald		<b>Complete</b> December 2021 meeting of the Board
" "	AFM49	Financial Statements for the year ended 31 July 2021 be presented to the next meeting of the Board including some redrafting and contextual suggestions where appropriate.	A Ritchie / A McDonald		<b>Complete</b> December 2021 meeting of the Board
" "	AFM50	2020-21 Credits Audit Report – record "partially implemented" as new "recommendations" as the current recording of "partially implemented" inferred incomplete implementation when, in fact, processes had been refined each year to address issues.	G Gillespie		<b>October 2022</b> To address in 2021-22 report
" "	AFM52	Internal Auditors Annual Report 2020-21 to be presented to the Board.	A McDonald		<b>Complete</b> December 2021 meeting of the Board
" "	AFM53	Audit Committee Annual Report 2020-21 to be presented to the Board.	G Bold		<b>Complete</b> December 2021 meeting of the Board



<b>Meeting</b>	Audit Committee
<b>Date</b>	1 December 2021
<b>Location</b>	MS Teams
<b>Title of Paper</b>	Internal Audit Report – Sustainability and Carbon Management
<b>Presented By</b>	Stephen Pringle Wylie & Bisset
<b>Recommendation to Members</b>	Consideration
<b>Appendix Attached</b>	Yes 05(a) – Internal Audit Report – Sustainability and Carbon Management

#### **PURPOSE**

As part of the 2021-22 Internal Audit Plan, Wylie & Bisset conducted a review of the College's compliance with sustainability and carbon management legislation including a review of policies and procedures. Their review considered the roles and responsibilities for sustainability and carbon management and assessed how embedded this is within the College. They also considered the recording and collection of data and performance indicators in relation to this area.

The paper is presented in line with West College Scotland Audit Committee Terms of Reference:

*'To agree the Internal Audit Plan and review the Internal Audit Annual Report'*

The paper is submitted *For Consideration*.

## **1. BACKGROUND**

- 1.1 Wylie & Bisset, as the appointed internal auditors of the College, conducted a review of the College's compliance with sustainability and carbon management legislation including a review of policies and procedures. Their review considered the roles and responsibilities for sustainability and carbon management and assessed how embedded this is within the College. They also considered the recording and collection of data and performance indicators in relation to this area.
- 1.2 The assignment formed part of the 2021-22 Annual Internal Audit Plan.

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

- 2.1 The scope of the review can be found on page 2 and was agreed by the College prior to the commencement of the audit.
- 2.2 The overall audit report assurance level is WEAK with the conclusion being

*'We can only give a weak level of assurance over the College's sustainability and carbon management arrangements. We have raised 9 recommendations, 1 of these has been graded as high with 7 medium and 1 low grade. We have raised 2 good practice points.'*

- 2.3 The lack of an overall College sustainability objective within the Corporate Strategy and the absence of an approved Sustainability Strategy has led to the weak assurance statement.
- 2.4 The report does highlight the work being undertaken by the College to address the climate change challenge and notes that the College does comply with its carbon management reporting requirements.
- 2.5 The report contains the outcome of a short survey carried out by Wylie & Bisset across a selection of their clients. The outcome can be found on page 8 and indicates that the College is slightly ahead in terms of addressing the need for a Sustainability Strategy than those included in the survey. Further detail of the responses made to the survey can be found on pages 36 to 40.

2.6 The College has accepted all nine recommendations which cover several areas. The recommendations are noted below in summary form with the detailed recommendations being located on pages 16 to 31 of Appendix A, along with the College responses:

1) No approved Sustainability Strategy	High
2) Sustainability objective to include in Corporate Plan	Medium
3) Robust KPIs	Medium
4) Use of Teams to integrate sustainability issues	Medium
5) Creation of Sustainability Oversight Group	Medium
6) Sustainability reporting and resourcing	Medium
7) Reporting requirements	Medium
8) Linkage to other College strategies	Medium
9) Assessment of impact of climate change	Low

2.7 The report on page 15 highlights a couple of areas of good practice:

- Action has been taken to reduce carbon emissions where possible.
- Complied with annual reporting requirements and exceeded its carbon management saving for the period to 2021

### **Next Steps**

2.8 The report will be presented to the Corporate Development Committee for consideration and the recommendations will be added to the Rolling Audit Action Plan. The College Assurance Map will be updated to show the outcome of this audit work.

## **3. FINANCIAL IMPLICATIONS**

3.1 The report recommends that the College considers the level of resource which is currently dedicated towards addressing sustainability matters across the organisation. This review could result in an increase in the staff establishment or an increase in the budget allocated to addressing sustainability and climate change.

## **4. STUDENT EXPERIENCE**

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

## **5. HUMAN RESOURCES IMPLICATIONS**

- 5.1 There is the potential for additional staff resources should the College decide to invest resource to increase the size of the sustainability team. Training will be required because of implementing the recommendations contained in the report especially around carbon management reporting.

## **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 reputational implications of not addressing the challenge of climate change and sustainability. Where an organisation does not have climate change and sustainability as a key objective, especially given the legal requirements on public sector bodies, there is the risk of negative publicity. This is becoming more relevant given the involvement of students as climate activists.

## **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 several environmental implications associated with this paper which primarily involve the College not being ready to address the Scottish Government requirement on public bodies to be net zero emitters by 2045. This requirement places a significant burden on the College which requires to be addressed now in order for future plans to be enacted to tackle this matter.

### **RECOMMENDATION**

The Audit Committee is requested to consider and note the contents of the report.

# West College Scotland

## Internal Audit 2021-22

Sustainability and Carbon Management  
February 2022

### Overall Conclusion

Weak

# TABLE OF CONTENTS

Section	Page
1 EXECUTIVE SUMMARY .....	2
2 DETAILED RECOMMENDATIONS .....	16
3 OBSERVATIONS.....	32
4 AUDIT ARRANGEMENTS .....	33
5 KEY PERSONNEL.....	34
<b>Appendix</b>	<b>Page</b>
A SURVEY RESULTS.....	36
B GRADING STRUCTURE .....	41
C ASSIGNMENT PLAN .....	43

*The matters raised in this report came to our attention during the course of our audit and are not necessarily a comprehensive statement of all weaknesses that exist or all improvements that might be made.*

*This report has been prepared solely for West College Scotland's individual use and should not be quoted in whole or in part without prior written consent. No responsibility to any third party is accepted as the report has not been prepared, and is not intended, for any third party.*

*We emphasise that the responsibility for a sound system of internal control rests with management and work performed by internal audit should not be relied upon to identify all system weaknesses that may exist. Neither should internal audit be relied upon to identify all circumstances of fraud or irregularity should there be any although our audit procedures are designed so that any material irregularity has a reasonable probability of discovery. Every sound system of control may not be proof against collusive fraud. Internal audit procedures are designed to focus on areas that are considered to be of greatest risk and significance.*

## Overview

### Purpose of review

We reviewed the College's compliance with legislation in this area including the review of policies and procedures. Our review considered the roles and responsibilities for sustainability and carbon management and assessed how embedded this is within the College. We also considered the recording and collection of data and performance indicators in relation to this area.

This assignment forms part of our Annual Internal Audit Plan for 2021/22.

### Scope of review

Our objectives for this review were to ensure:

- The College is complying with current sustainability and carbon management legislation.
- The College has a plan in place to help it meet the commitment of net zero carbon by 2040.
- The College has appropriately resourced its sustainability and carbon management function with clear roles and responsibilities and reporting lines in place.
- The College has robust arrangements for the recording and collection of data and performance indicators in relation to this area.

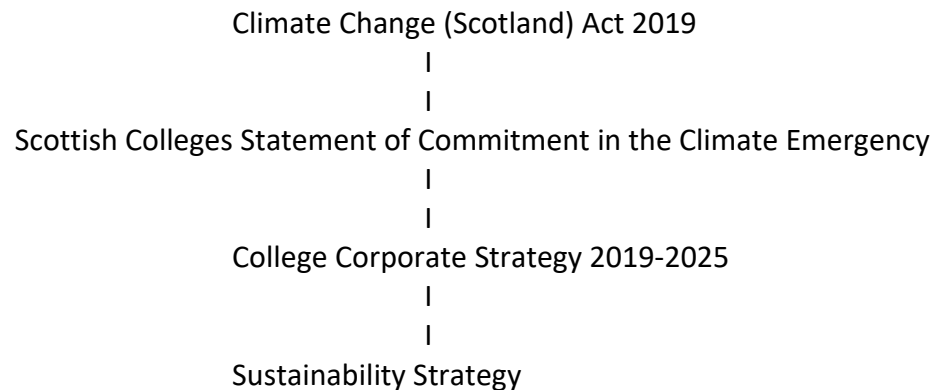
### Limitation of scope

There were no limitations of scope.

## Executive Summary

### *Sustainability and Carbon Management*

The College's sustainability agenda is based on the following:



The College's vision is to be "one of the most sustainable colleges in Scotland". The 5 key strategic aims of the draft Sustainability Strategy are:

- Leadership and Governance
- Teaching and Learning
- Estates and Operations
- Partnership and Engagement
- Carbon reduction and data collection

These objects directly support the 17 United Nations Sustainability Development Goals which enable positive environmental, social and economic development.



The College has signed up to the Scottish Colleges' *'Statement of Commitment on Climate Emergency'*. This includes a climate change roadmap for FE colleges.

The College has also prepared a Sustainability and Corporate Social Responsibility Statement which is included on its public facing website.

## ***Sustainability Strategy***

The College had an Environmental and Sustainability Policy in place which was approved in November 2018 and was due to be reviewed in November 2021. At this time, the Senior Management Team of the College decided that it needed something more suitable rather than the Environmental and Sustainability Policy. As such this Policy was not reviewed and updated, but instead a draft Sustainability Strategy was produced. Currently the draft Sustainability Strategy is with the College's Senior Management Team for consideration and approval.

The purpose of the Strategy is to provide a "road map of intended direction and objectives in relation to the provision, operation and development" of the College's Strategy, resources and services.

The Strategy includes the College's target of being net carbon zero by 2040 - 5 years before the Scottish Government's current requirement. This will include the College's direct emissions and their indirect emissions from the supply chain, financial investments, and the way the staff and students travel.

The College had a Carbon Management Plan 2016-2021 which was developed by the College and the Carbon Trust. This plan will be replaced with an action/operational plan being included within the Sustainability Strategy.

Within the Sustainability Strategy there is an action plan which includes the following elements:

- Corporate priority
- Corporate objective
- Strategy objective
- Outputs
- By whom

- By when

for each of the strategic aims noted above. It should be noted that this does not include any measures or KPIs relating to how the College will measure that its objectives have been met. The Strategy states that "*specific SMART targets will be set out in an annual Climate Change Action Plan*". ***We have raised a recommendation in respect of the KPIs – see section 2 recommendation (3).***

From our review of the Sustainability Strategy, we found that there is no clear linkage to other Strategies of the College. We also found that a sample of these Strategies did not link in with the Sustainability Strategy. ***We have raised a recommendation in respect of this – see section 2 recommendation (8) for further details.***

We also found that the College's Corporate Strategy 2019-2025 does not include an objective or aim in respect of its sustainability and carbon management ambitions. ***We have raised a recommendation in respect of this – see section 2 recommendation (2) for further details.***

## ***Carbon Management and Net Zero***

The College carbon management was covered in its Carbon Management Plan which expired in December 2021. This covered how and to whom the College should report its carbon emissions. The College's carbon emissions are reported to the Scottish Government every year. These are peer reviewed by other organisations. The College is therefore meeting its legislative responsibility in relation to reporting its carbon emissions.

The College has already implemented the following:

- Compression taps
- Reviewing its water usage
- Energy audits have been carried out
- Putting in water fountains
- Removing all single use plastic cups
- Ensuring the College waste contractor recycles all waste with none going to land fill. The wood, metal, food waste is broken down and goes to the waste collector's combustion site to put into energy.

The College Sustainability Officer continues to develop actions to address the wider sustainability agenda including the following:

- Working with teaching faculties to embed sustainability into the curriculum.
- The Construction Department are looking at how they use the wood in the joinery and carpentry classes to reduce the wood waste and potentially give the students something of value to make.
- The Head of Construction put solar panels in Clydebank campus, the College are looking to see if this could be rolled in at other campuses.
- The Hairdressing section are looking to recycle hair and foils.
- Working with the Student Association to help introduce new initiatives and get the student body involved.
- Recycling/furniture repairs course/workshops – to repair rather than replace.
- Upcycling initiatives involving staff and students.

From our review of work undertaken by some of our other clients, these tended to be around the “easy fix” items, i.e., recycling bins, energy audits, removing single use plastic cups, green transport plan, waste management, grey water usage and planned replacements with sustainable/carbon neutral items.

## ***Resources and Reporting Lines***

At present it is the Sustainability Officer who leads on sustainability and carbon management within the College. ***We have raised a recommendation around wider staff and student involvement – see section 2 recommendation (4).***

Prior to Covid-19 the College had a Sustainability Working Group in place. The membership of the Sustainability Working Group included representation from across the College, the Trade Unions and the Student Association. At present the Sustainability Working Group is not in operation. This has not met since February 2020, pre Covid-19 lockdown. ***We have raised a recommendation regarding recommencing a Sustainability Oversight Group – see section 2 recommendation (5) for further details.***

The Corporate Development Committee is the Board Committee which receives the update reports on sustainability. These reports are presented quarterly at the Corporate Development Committee meetings. It is the Director of Infrastructure and the Head of Estates who are the lead on these reports. The overall report tends to deal mainly with estate related matters such as project updates but does include a section at the end of the report on sustainability. The report provides an update on the work undertaken in terms of sustainability by the College since

the last report. Sustainability within the College is under the remit of the Director of Finance who from a committee perspective does not appear as having an input to these reports. It is unclear within the current reporting format whether the Sustainability Officer has any input to these reports as she is not mentioned on the cover section when it is stating who the lead.

The Sustainability Officer is line managed by the Director of Finance, although a lot of her work is done in conjunction with the Estates Team and the Teaching Faculties. In fact, sustainability is included in the reports produced by the Director of Infrastructure and the Head of Estates, which go to the Corporate Development Committee. Thus, it may be more appropriate for the Sustainability Officer to be line managed by the Director of Infrastructure or the Head of Estates.

To raise the profile and help emphasise the importance of sustainability and carbon management within the College, it would be better if the sustainability elements were a separate report. These should be written by the Sustainability Officer, on behalf of the Sustainability Oversight Group. These reports should update the Committee on the work of the Sustainability Oversight Group.

***We have raised a recommendation in respect of this, the reporting lines and the resourcing of sustainability and carbon management within the College – see section 2 recommendation (6) for further details. We have also raised a recommendation in respect of the assessment of impact the activity in the reports have on climate change and sustainability – see section 2 recommendation (9) for further details.***

## ***Data Recording and Reporting***

The College complete the Public Bodies Climate Change Duties Reporting to the Scottish Government on an annual basis. The report for 2020/21 shows that the College has exceeded its target of 10% reduction in carbon emissions for 2020/21 with a 42% reduction in total carbon emissions to date. The 2019/20 and 2020/21 figures were impacted upon by Covid-19 lockdown and closure of the College campuses which has helped the reduction of carbon emissions. This is not expected to carry on at such a rate once the College fully re-opens.

The information was included in the Estates and Sustainability Report presented to the Corporate Development Committee in November 2021.

The Sustainability Officer produces this report on an annual basis, with data being collated annually to enable this to be produced. We were informed that this can take some time to collate the required data prior to the completion of the required report. ***We have raised a recommendation around this – see section 2 recommendation (7) for further details.***

## *Other Organisations' Arrangements*

We issued a short questionnaire to 10 of our existing clients, covering colleges, public sector bodies and charities. At the time of writing this report we had received 7 responses. A summary of the findings from this questionnaire is as follows:

### 1. Does your organisation have a Sustainability and Carbon Management Strategy/Policy in place?

[More Details](#)

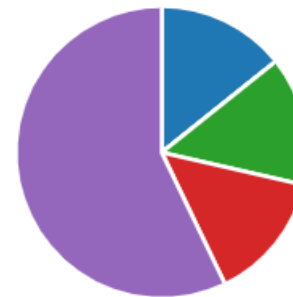
● Yes	1
● No	4
● Yes, but out of date	2
● Other	0



### 2. Who is responsible for the Strategy/Policy, i.e., who has ownership of this?

[More Details](#)

● Executive Director Resources	1
● Director of Finance and Resou...	0
● Managing Director	1
● Everyone within the Organisat...	1
● Other	4



### 3. Who is responsible for sustainability/carbon management within your organisation?

[More Details](#)

● Facilities Management	1
● Executive Director Resources, ...	1
● Senior Executive Group	1
● Everyone within the Organisat...	2
● Other	2



### 4. How many people are in the sustainability/carbon management team? Please provide details of the staff structure for this.

[More Details](#)

● No dedicated Team	4
● 1	0
● 6	1
● 2 staff of the Facilities Team	1
● Other	1



5. What are the reporting lines for sustainability/carbon management in your organisation? i.e., where is this being reported to in your organisation – which management group and Board/Committee – and how frequently?

[More Details](#)

● Leadership Team/Managemen...	2
● Leadership Team	1
● Joint Committee	1
● Other Group or Committee	0
● Other	3



6. What plans/initiatives have you put in place/are planning to put in place in terms of net zero emissions?

[More Details](#)

● No plans	1
● Energy reduction and green te...	1
● LED Lighting, cycle to work an...	1
● Responding to these curriculu...	1
● Other	3



## 7. Do you use KPIs to monitor achievement of Strategy/policy objectives? If so, what are these?

[More Details](#)

● Don't use KPIs	2
● Still to be developed	2
● reduction of energy / utility us...	2
● emissions against agreed scop...	1



The College would appear to be slightly ahead than most of the respondents in terms of having a draft Sustainability Strategy under consideration.

From the above it can be seen that in the majority of responses the Director of Resources and the Facilities Management Team have some form of responsibility for sustainability and carbon management within the surveyed organisations.

Where we have assessed the College as having some improvements to make, we found that this was the same as those who had responded to our questionnaire.

See Appendix A of this report for the anonymised responses to our questionnaire.



## Work Undertaken

In line with our objectives, we undertook the following work:

### Objective 1: The College is complying with current sustainability and carbon management legislation.

- We discussed the College's sustainability and carbon management arrangements with the Sustainability Officer.
- We assessed these against current legislation to confirm that the College is compliant with the legislation.
- We confirmed that the College had signed up to the Universities & Colleges Climate Commitment for Scotland commitment.
- We obtained and reviewed the College Sustainability Strategy and any other related policies and procedures to ensure they are adequate and cover all sustainability and carbon management issues at the College.

### Objective 2: The College has a plan in place to help it meet the commitment of net zero carbon by 2040.

- We discussed what the College has in place to meet its sustainability and net zero carbon commitment with the Sustainability Officer and the Director of Finance. We assessed what the College has in place in respect of this and what else the College requires to do to meet its commitment. We obtained and assessed any plans in place to ensure that the College will meet its net zero carbon commitment by 2040.
- We considered what other colleges and public sector bodies are doing in respect of their sustainability and carbon management commitment. This was done in the form of a questionnaire to a sample of 10 of our existing clients. At the time of writing this report we had received 7 responses. See earlier summary of findings and Appendix A for details of these responses.

### Objectives 3: The College has appropriately resourced its sustainability and carbon management function with clear roles and responsibilities and reporting lines in place.

- We discussed the current resourcing arrangements in respect of sustainability and carbon management with the Sustainability Officer and the Director of Finance.
- We assessed these arrangements to confirm whether these are appropriate and fit for purpose. This included considering who has responsibility for these functions and whether this is appropriate. We also considered and assessed whether this is embedded throughout the College.

- We considered where this function sits in other colleges to confirm appropriateness of the College's approach. This was done in the form of a questionnaire to a sample of 10 of our existing clients. At the time of writing this report we had received 7 responses. See earlier summary of findings and Appendix A for details of these responses.
- We discussed the reporting lines for sustainability and carbon management within the College with the Sustainability Officer and the Director of Finance. We established and evaluated these reporting lines to ensure that they are sufficient to keep Senior Management and the Board informed of the College's compliance with legislation and any future plans in respect of sustainability and carbon management.

**Objective 4: The College has robust arrangements for the recording and collection of data and performance indicators in relation to this area.**

- We discussed the arrangements for the recording and collection of data and performance indicators in relation to this area with the Sustainability Officer.
- We established what data is collected in respect of the College's sustainability and carbon management. We also established how this is recorded and what KPIs have been set for this as well as considering who this data and KPIs are reported to and used for.

## Conclusion

### Overall conclusion

**Overall Conclusion: Weak**

We can only give a weak level of assurance over the College's sustainability and carbon management arrangements. We have raised 9 recommendations, 1 of these has been graded as high with 7 medium and 1 low grade. We have raised 2 good practice points.

### Summary of recommendations

#### Grading of recommendations

	High	Medium	Low	Total
Sustainability and Carbon Management	1	7	1	9

The following is a summary of the recommendations we have graded as high:

- Sustainability Strategy

## Areas of good practice

The following is a list of areas where the College is operating effectively and following good practice.

- |    |  |
|----|--|
| 1. | In terms of reducing the College's carbon emissions, it has implemented the items which could be done without too much expense to the College. The items which are left to do will incur more expense for the College, i.e., replace windows etc.  |
| 2. | The College produces an annual report on public bodies climate change duties as required by the Scottish Government. For 2020/21 this showed a reduction in the College's carbon emissions of 42% against a target of 10%. It should be noted that this was impacted by the pandemic and remote teaching, learning, and working. |

## 2 DETAILED RECOMMENDATIONS

Sustainability Strategy			
Ref.	Finding and Risk	Grade	Recommendation
1.	<p>There should be an up-to-date Sustainability and Carbon Management Strategy/Policy. The Strategy should be complimented by a comprehensive action plan that will detail how the strategy objectives will be achieved.</p> <p>From our review we found that the College's existing Environmental and Sustainability Policy expired during December 2021 and has not been updated. The College has prepared a draft Sustainability Strategy which at the time of our audit visit was still being considered by the Senior Management Team. From our review of the draft Sustainability Strategy, we found that there is still work to be done on this to finalise the Strategy. We found the structure and the layout of the Strategy appeared slightly underdeveloped with some omissions, such as the roles and responsibilities of the wider staff base and students. The Strategy as it stands at present does not appear to get its message across in respect of what the College wants to do in terms of being sustainable and reducing its carbon emissions. It also does not</p>	High	We recommend that the College endeavours to fully develop and finalise its Sustainability Strategy as quickly as possible. Once this has been completed the Strategy should be presented to the appropriate Committee and Board for approval.

## 2 DETAILED RECOMMENDATIONS

	<p>include any links to other College policies and strategies.</p> <p>There is a risk that the ambitions of the College in terms of its sustainability and carbon management are not fulfilled due to the Strategy being unclear on its purpose.</p>		
Management response		Responsibility and implementation date	
<p>As noted in the report, the College has a draft Sustainability Strategy with the Senior Management Team for consideration. The College will now look to encapsulate the output from this report within the draft Sustainability Strategy and present the updated Strategy to the SMT for consideration prior to presenting it to the Board for approval. This work will be run concurrently with the Corporate Strategy refresh to ensure an appropriate top-down approach and clear link from the overall corporate objectives into this underpinning strategy.</p>		<p><i>Responsible Officer:</i> Principal and Director of Finance</p> <p><i>Implementation Date:</i> 31 December 2022</p>	

## 2 DETAILED RECOMMENDATIONS

College Corporate Plan			
Ref.	Finding and Risk	Grade	Recommendation
2.	<p>The College Corporate Strategy 2019-2025 should set out the strategic aims, objectives, and direction of the College together with how the College intends to implement these and get to where they want to be. The Corporate Strategy is the key document from which all other strategies/policies and plans of the College should flow.</p> <p>From our review of the College's Corporate Strategy 2019-2025, we found that there is no mention of its ambitions in respect of sustainability and carbon management.</p> <p>There is a risk that sustainability and carbon management is not viewed as important to the College as it has not been mentioned in the Corporate Strategy.</p>	<b>Medium</b>	<p>We recommend that the College considers updating its Corporate Strategy to include mention of its aims in terms of sustainability and carbon management. This will ensure that there is a direct link between the Corporate Strategy and the Sustainability Strategy.</p>

## 2 DETAILED RECOMMENDATIONS

Management response	Responsibility and implementation date
<p>The College notes the requirement to refresh the Corporate Strategy to include specific reference to sustainability objectives consistent with the requirements set out by Scottish Government. The College recognise the importance of ensuring the College Strategy makes reference to sustainability, that there is clarity within the College’s objectives and outcomes, and this is reflected within the Corporate Delivery plan. The completion of the delivery plan will inform the quantitative tracking of progress the College is making towards the target of net zero carbon emissions.</p>	<p><i>Responsible Officer:</i> Principal</p> <p><i>Implementation Date:</i> 31 December 2022</p>



## 2 DETAILED RECOMMENDATIONS

Key Performance Indicators (KPIs)			
Ref.	Finding and Risk	Grade	Recommendation
3.	<p>There should be robust KPIs in place which are SMART and enable achievements to be clearly measured.</p> <p>From our discussion with relevant staff and review of the draft Sustainability Strategy we found that the KPIs in place are quite subjective with no directly measurable outcome.</p> <p>There is a risk that achievement of the objectives is not as successful as expected but this goes unnoticed due to the way in which these are measured.</p>	<b>Medium</b>	We recommend that SMART KPIs are devised to measure the achievement/success of the implementation of the College's Sustainability Strategy. These should have definitive outcomes which can be measured.
Management response			Responsibility and implementation date
<p>The draft Sustainability Strategy will be updated to ensure that (a) the objectives and outcomes are SMART and that (b) a set of KPIs are included to allow meaningful measurement of the success of the Strategy implementation. This work will require to be part of the overall Corporate Strategy refresh to ensure consistency across all College Strategies which contribute to the achievement of success in this area.</p>			<p><i>Responsible Officer:</i> Director of Finance</p> <p><i>Implementation Date:</i> 31 December 2022</p>

## 2 DETAILED RECOMMENDATIONS

Wider Sustainability Group			
Ref.	Finding and Risk	Grade	Recommendation
4.	<p>The College should ensure that the views of a cross section of staff and students are considered in terms of sustainability and carbon management objectives and activities.</p> <p>From our review we found that the main person responsible for sustainability and carbon management is the Sustainability Officer. As such the Sustainability Officer is responsible for taking forward projects, raising awareness, and finding new initiatives for the College in terms of sustainability and carbon management. The Sustainability Officer is also responsible for collating and reporting on the College’s carbon emissions.</p> <p>There is a risk that the College is not fully utilising the resources it has in terms of taking its sustainability and carbon management agenda forward.</p>	<b>Medium</b>	<p>We recommend that to ensure that the College has a cross representation in respect of its sustainability and carbon management, it considers setting up a Teams Group (like the General Digital Strategy Group). This will enable staff and students from across the College to provide feedback and share ideas in respect of reducing carbon emissions and being a more sustainable College.</p> <p>We also recommend that this wider group establishes Sustainability and Carbon Management champions who can help share good practice and help staff become aware of initiatives happening within the College or wider sector etc.</p>

## 2 DETAILED RECOMMENDATIONS

Management response	Responsibility and implementation date
<p>The use of a Teams Group to aid the implementation of the Digital Strategy has been a successful tool to integrate the Digital Strategy objectives. The College would look to learn from this success and develop such a Teams platform for the integration of the Sustainability Strategy across the College. As part of this Teams roll out, departmental champions will look to be identified who can then filter suggestions from wider staff and student stakeholder groupings.</p> <p>The College proposes to set up the Teams group to help inform the development of the Sustainability Strategy and to engage staff and students during the development stages so there is stronger buy in and awareness of everyone's role in making a difference to running the College in a more sustainable manner.</p>	<p><i>Responsible Officer:</i> Director of Finance</p> <p><i>Implementation Date:</i> 30 April 2023</p>

## 2 DETAILED RECOMMENDATIONS

Sustainability Oversight Group			
Ref.	Finding and Risk	Grade	Recommendation
5.	<p>There should be an oversight Group/Committee which is responsible for decision making, taking forward, and implementing the Sustainability Strategy.</p> <p>From our review we were informed that the College had a Sustainability Working Group whose membership includes representation from across the College, the Trade Unions, and the Student Association. The Sustainability Working Group, however, has not met since February 2020, i.e., prior to Covid-19 lockdown and remote working. Since Covid-19 there has been no oversight Group/Committee for Sustainability operating in the College.</p> <p>There is a risk that strategies and plans are not taken forward due to lack of direction and oversight from the responsible Group/Committee.</p>	<b>Medium</b>	<p>We recommend that the College reconvenes or establishes a new Sustainability Oversight Group. The remit of this Group should include ensuring that the Sustainability Strategy, once finalised and approved, is taken forward and implemented.</p>

## 2 DETAILED RECOMMENDATIONS

Management response	Responsibility and implementation date
<p>The College recognises the requirement for such a Group as part of the roll out of the Teams site, referred to in the prior recommendation. The College is in the process of strengthening internal governance and would look to incorporate sustainability as part of all internal Boards that are established. The College consider this to be a more effective model in strengthening awareness and delivery of sustainability through all College activity. This is seen as a stronger model for the delivery of sustainable measures which it is intended become fully incorporated as part of a business-as-usual consideration. In addition, the new Board and Committee paper template is a move towards this model – ensuring every report has to state the Environmental Impact of each Board or Committee report.</p>	<p><i>Responsible Officer:</i> Principal</p> <p><i>Implementation Date:</i> 31 October 2022</p>

## 2 DETAILED RECOMMENDATIONS

Sustainability Reporting and Resources			
Ref.	Finding and Risk	Grade	Recommendation
6.	<p>The reporting lines and resources for sustainability and carbon management should be the most appropriate for the College's needs.</p> <p>From our review we found that the Director of Infrastructure produces a report to the Corporate Development Committee at each of its meetings on Estates and Sustainability. However, the remit for sustainability within the College currently sits with the Director of Finance.</p> <p>From review of the Director of Infrastructure's reports we found these to report mainly on Estates issues with sustainability being included at the end of these reports. Whilst a lot of the sustainability and carbon management is Estates related within the College not all of it does relate to Estates.</p> <p>To emphasise the importance of sustainability and carbon management within the College it may be better to have a separate Sustainability Report going to the Corporate Development Committee. This report should be linked to the approved</p>	Medium	<p>We recommend that the College considers the reporting lines for sustainability and the resources to support the sustainability objectives of the College. We also recommend that the quarterly updates to the Corporate Development Committee are a separate report produced by the Sustainability Officer and reflect the work of the Sustainability Oversight Group. These reports should also include an update to the figures for the College's emissions.</p>

## 2 DETAILED RECOMMENDATIONS

<p>Sustainability Strategy and the work of the Sustainability Oversight Group. To enable this, the College may need to consider the resourcing of sustainability and carbon management, i.e., should this be the responsibility of the Sustainability Officer only or should this be spread across the whole College.</p> <p>There is a risk that sustainability reporting lines and resources are not the most appropriate to the College, which could result in it being less efficient in meeting its sustainability and carbon management targets.</p>		
<p>Management response</p>		<p>Responsibility and implementation date</p>
<p>The College Executive / Senior Management Team will consider the most appropriate reporting line for sustainability activities as part of the ongoing management review. As part of that review the reporting requirements will be discussed with the Corporate Development Committee and amended accordingly should they feel that a separate Sustainability Report is required.</p>		<p><i>Responsible Officer:</i> Principal</p> <p><i>Implementation Date:</i> 31 October 2022</p>

## 2 DETAILED RECOMMENDATIONS

Sustainability and Carbon Management Data Collection and Recording			
Ref.	Finding and Risk	Grade	Recommendation
7.	<p>There should be a mechanism in place to enable the collection and recording of data on sustainability and carbon emissions within the College to be undertaken quickly and efficiently.</p> <p>From our review we found that the College is reporting annually on its carbon emissions, as required by the Scottish Government. From our discussion with the Sustainability Officer, we found that the collation of this data can be a time consuming and convoluted exercise. This exercise is undertaken on an annual basis.</p> <p>There is a risk that the data is not being collected and recorded in an efficient manner.</p>	<b>Medium</b>	We recommend that the Sustainability Officer collates the relevant information on a quarterly basis to enable this to be reported to the Sustainability Oversight Group, the SMT and the Corporate Development Committee.
Management response			Responsibility and implementation date
<p>The College can utilise Pentana – the College’s business planning tool. Specific deliverables cascading from agreed strategic objectives and outcomes can be recorded and tracked in this environment which is an efficient way to track and record progress against plan. This will support in capturing progress against sustainability targets. Additionally environmental impacts will be referred and tracked in all work taken to Board and Committee and cascading from this as part of business-as-usual activity within the College Corporate Governance arrangements.</p>			<p><i>Responsible Officer:</i> Director of Finance</p> <p><i>Implementation Date:</i> 31 October 2022</p>



## 2 DETAILED RECOMMENDATIONS

Linkage with other College Strategies			
Ref.	Finding and Risk	Grade	Recommendation
8.	<p>There should be a clear link between the Sustainability Strategy and the other Strategies of the College.</p> <p>From our review of a sample of College Strategies we found that there is not an obvious or clear link between these Strategies and the Sustainability Strategy with most not mentioning sustainability. To ensure that sustainability is embedded within the whole College, its Strategies should be aligned and take cognisance of the Sustainability Strategy once this has been updated and approved.</p> <p>There is a risk that sustainability and carbon management is not embedded throughout the whole College.</p>	<b>Medium</b>	<p>We recommend that the College ensures that all its Strategies take cognisance of its sustainability and carbon management objectives and ambitions. This will help embed sustainability and carbon management throughout the whole of the College.</p>

## 2 DETAILED RECOMMENDATIONS

Management response	Responsibility and implementation date
<p>The College recognises the importance of sustainability and the requirement that this and climate change should be reflected in all its strategies. The College recognises the importance of updating the overall Corporate Strategy to ensure a top-down approach and strong linkage is established with each of the Colleges underpinning strategies to address this recommendation. As the core College strategies are reviewed there will be a requirement to refer to how each Strategy is contributing to the delivery of the overall College Sustainability objective (see recommendation 2).</p>	<p><i>Responsible Officer:</i> Principal</p> <p><i>Implementation Date:</i> 31 July 2023</p>

Assessment of the Impact of Climate			
Ref.	Finding and Risk	Grade	Recommendation
9.	<p>The impact on the climate of activities undertaken by the College should be considered and reported.</p> <p>From our review of the covering reports presented to the Board and Committees we found that these do not include a section on the assessment of the impact of the report subject matter on climate. One of our other clients has started including this assessment with all of its reports presented to its Board/Committees to ensure that people are considering the sustainability and carbon management impact of its activities. This also helps keep this in the forefront of people's minds and may help to shape the way the College does things going forward.</p> <p>There is a risk that the impact on the climate is not considered by the College.</p>	<b>Low</b>	<p>We recommend that going forward the College includes a section on the covering paper to the reports being presented at the Board/Committee meetings relating to an assessment of the climate impact of the activity being reported. This will help focus people's minds on sustainability and carbon emissions.</p> <p>We also recommend that for any projects/initiatives a section is added to the new project process to include an assessment on the climate and sustainability of undertaking the project/initiative.</p>

## 2 DETAILED RECOMMENDATIONS

Management response	Responsibility and implementation date
<p>In late 2021 the College adopted a new reporting format for Board and Committees which included a section on environmental implications. This allows the College to capture any environment implications from papers being considered by the Board / Committees. This revised reporting format is being used for reporting at College Board and Committee level to ensure that environmental implications are highlighted when papers are being considered by the Senior Management Team.</p>	<p><i>Responsible Officer:</i> Vice Principal Operations</p> <p><i>Implementation Date:</i> 31 March 2023</p>

**The following is a list of observations from our review**

1. The College may wish to use the Climate Change Assessment Tool, which is freely available on the Zero Waste Scotland's website, to assess its current performance in terms of meeting carbon emissions reductions targets and reporting to the Scottish Government. This involves 28 questions, covering 5 categories leading to a self-assessment score between 0-4. This could be used by the College each year to assess how well it is doing and to assess whether the initiatives it is putting in place are having any impact on its overall assessment.

## 4 AUDIT ARRANGEMENTS

The table below details the actual dates for our fieldwork and the reporting on the audit area under review. The timescales set out below will enable us to present our final report at the next Audit Committee meeting.

Audit stage	Date
Fieldwork start	17 January 2022
Closing meeting	2 February 2022
Draft report issued	4 February 2022
Receipt of management responses	8 February 2022
Final report issued	15 February 2022
Audit Committee	2 March 2022
Number of audit days	4 days

## 5 KEY PERSONNEL

We detail below our staff who undertook the review together with the College's staff we spoke to during our review.

<b>Wylie &amp; Bisset LLP</b>			
Partner	Graham Gillespie	Partner	graham.gillespie@wyliebisset.com
Senior Manager	Stephen Pringle	Senior Internal Audit Manager	stephen.pringle@wyliebisset.com
Supervisor	Audrey Cowan	Internal Audit Supervisor	audrey.cowan@wyliebisset.com

<b>West College Scotland</b>			
Key Contacts	Alan Ritchie	Director of Finance	Alan.Ritchie@wcs.ac.uk
	Marcelle McLaughlin	Sustainability Officer	Marcelle.Mclaughlin@wcs.ac.uk
Wylie & Bisset appreciates the time provided by all the individuals involved in this review and would like to thank them for their assistance and co-operation.			

# APPENDICES



## Sustainability and Carbon Management

We include for your reference comparative benchmarking data showing the results of the responses to a short questionnaire we issued to some of our existing clients. These were a mix of colleges, charities, and other public sector bodies. We issued 10 questionnaires and received 7 responses at the time of writing this report.

Organisation 1	Organisation 2	Organisation 3	Organisation 4	Organisation 5	Organisation 6	Organisation 7
<b>Question 1: Does your organisation have a Sustainability and Carbon Management Strategy/Policy in place?</b>						
Yes – Environmental Policy which covers core sustainable objectives. This is outdated. About to commence on the production of a new Green Sustainable Policy document that will set the tone for the whole organisation.	Yes, this was done a couple of years ago, and it is an objective for this year to put in place something more comprehensive, alongside a wider refreshed Estates Strategy.	No separate Sustainability Strategy/policy. The estates strategy has a specific dedicated to this task (Aim 5). Looking to build on this in coming months.	Yes, The Climate Change Plan – approved in November 2021.	Not yet, but it is on next year’s Business Plan.	No	At this point in time we do not have an approved plan/policy in place.
<b>Question 2: Who is responsible for the Strategy/Policy, i.e., who has ownership of this?</b>						
Overall person responsible is the Director for	Going forward it will be the Executive	No set person as sustainability and carbon management is	The Managing Director.	When drafted, it will be owned by the Accountable	Once developed, this will be owned by the Director of	Moving forwards overall responsibility for Sustainability is

# A SURVEY RESULTS

Marketing and Communications, Learner Support, Facilities and Health and Safety.	Director Resources.	everyone's responsibility.		Officer, and the Director will have responsibility for implementing through different parts of the organisation.	Finance & Resources and his team.	likely to sit with Assistant Principal: Education & Student Success with significant input from Head of Estates and Chief Transformation Officer.
<b>Question 3: Who is responsible for sustainability/carbon management within your organisation?</b>						
The Facilities Management supported by the Assistant FM Hard Services which includes Environmental.	Currently it is a mixture of Executive Director Resources, Facilities Manager and H&S Officer. This will need greater clarity as part of the work being undertaken in the next 6 months.	Co-ordinated by a senior executive group which comprises of Deputy Chief Executive, Deputy Principal and Director of Estates. The DP drives forward curriculum opportunities on the curriculum side to ensure that we are providing qualifications and training for employers/students in developing and understanding these skills/qualifications.	The Climate Change Plan is led by the Managing Director, but everyone is expected to play their part.	All staff will have some level of responsibility, particularly for their individual actions. Various roles will have aspects of responsibility overtly listed within the job role, such as managers, facilities management, procurement officer, etc.	We are not actively managing sustainability/carbon management currently.	Sustainability Committee. Overall responsibility is likely to sit with the Chair of this committee - Assistant Principal: Education & Student Success. Devolved responsibility for specialist areas will be formed, e.g. In relation to main sources of carbon production, utilities, waste, transport etc. and the management of these,

# A SURVEY RESULTS

						the responsibility falls to the Head of Estates.
<b>Question 4: How many people are in the sustainability/carbon management team? Please provide details of the staff structure for this.</b>						
There are no direct roles as they form part of the wider Facilities Team objectives as indicated above. This may change in the future but as it stands there are the 2x persons involved.	No specific team.	We have a Sustainability and Eco group across the organisation.	We don't have a dedicated team.	We don't have a team but a cross-team Community of Practice. There are 6 members of this group, and the Leadership Team sponsor of the group is the Director, it is chaired by the Building Coordinator.	We do not have a dedicated team.	The sustainability Committee consists of 17 members. This includes a wide spread of staff from across the organisation of various levels of responsibility and experience and from both teaching and professional services areas.
<b>Question 5: What are the reporting lines for sustainability/carbon management in your organisation? i.e., where is this being reported to in your organisation – which management group and Board/Committee – and how frequently?</b>						
Information is produced by the FM members and goes to Director for Marketing and Communications, Learner Support, Facilities and Health and Safety, who would	To be defined over next 6 months.	Co-ordinated by a senior executive group reports to the Leadership Team and the Board.	To the Joint Committee as part of the Annual Performance report process. We will be establishing reporting	Business plan activities and associated risks are reviewed by the Leadership Team every quarter. Climate Change will be listed as a strategic risk from 2022-23. Progress	To be determined.	Sustainability Committee will report to the Senior Management who will report to the Board.

present to the Board as appropriate.			arrangements to the Corporate Leadership Team. Will likely be quarterly.	against the business plan and measure of strategic risks are published every quarter.		
<b>Question 6: What plans/initiatives have you put in place/are planning to put in place in terms of net zero emissions?</b>						
For a number of years now we have had stretching targets for energy reduction, use and implementation of green technologies to assist. As part of the new policy there will be further development of the target setting around net zero etc. Including linking further buildings to the District Energy Centre	We are some ways from net zero, but contributors include IT Strategy, LED lighting, cycle to work scheme.	The Estates looks at responding to these curriculum needs notably in terms of new kit/facilities, but also to ensure that we are setting our own sustainability goals. <ul style="list-style-type: none"> <li>• Energy Management Group (as the name implies seeks to reduce energy usage)</li> <li>• Green Transport Plan</li> <li>• Planned replacement with sustainable/carbon neutral items (where technology allows)</li> <li>• Waste Management/recycling goals</li> </ul>	As per Climate Change Plan.	As per the Sustainability Report.	We have no plans in place at this time.	Currently looking at <ul style="list-style-type: none"> <li>• the possibly integration of Photo Voltaics across all main campuses,</li> <li>• the use of ground /air source heat pumps to replace traditional gas fired boilers</li> <li>• further roll out of LED lighting to our estate.</li> </ul> Initiatives/plans in place include: reduction in carbon emissions through better management of

# A SURVEY RESULTS

		<ul style="list-style-type: none"> <li>• Sustainable energy generation goals</li> <li>• Grey water usage.</li> </ul>				our BMS's, increasing recycling by working with our waste stream providers to reduce waste to landfill, water audits and embedding/considering sustainability through maintenance and refurbishment programmes
<b>Question 7: Do you use KPIs to monitor achievement of Strategy/policy objectives? If so, what are these?</b>						
The only KPIs we use at present are around the reduction of energy / utility usage, but this will be increased as part of the new policy.	To be developed over next 6 months.	Not answered.	Not as yet, but this will be part of our work in progressing our Climate Change Plan, which was approved in November 2021	We have been measuring our emissions against agreed scopes within the Climate Change Duties report, and we will track implementation of activities through the Business Plan.	We do not use KPIs at this time.	KPI's are used to measure Carbon reduction. Gas, electricity, water, waste streams, business miles are all trended and compared annually to monitor achievement against our carbon reduction target.

For each area of review, we assign a level of assurance in accordance with the following classification:

Assurance	Classification
Strong	Controls satisfactory, no major weaknesses found, no or only 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.

## B GRADING STRUCTURE

For each recommendation we assign a grading either as High, Medium, or Low priority depending on the degree of risk assessed as outlined below:

Grading	Classification
High	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	Significant issue or weakness which should be addressed by the College as soon as possible.
Low	Minor issue or weakness reported where management may wish to consider our recommendation.

## **Purpose of review**

We will review the College's compliance with legislation in this area including the review of policies and procedures. Our review will consider the roles and responsibilities for sustainability and carbon management and assess how embedded this is within the College. We will also consider the recording and collection of data and performance indicators in relation to this area.

This assignment forms part of our Annual Internal Audit Plan for 2021/22.

## **Scope of review**

Our objectives for this review are to ensure:

- The College is complying with current sustainability and carbon management legislation.
- The College has a plan in place to help it meet the commitment of net zero carbon by 2040.
- The College has appropriately resourced its sustainability and carbon management function with clear roles and responsibilities and reporting lines in place.
- The College has robust arrangements for the recording and collection of data and performance indicators in relation to this area.

## **Limitation of scope**

There are no limitations of scope.



## Audit approach

Our approach to the review will be:

- Discussion with key personnel to establish the College's sustainability and carbon management arrangements. We shall assess these against current legislation to confirm whether the College is compliant with the legislation. We shall discuss with key personnel whether the College has any environmental standards in place. We shall evaluate these standards to ensure that they are fit for purpose.
- Reviewing the College Sustainability Strategy and any other related policies and procedures to ensure they are adequate and cover all sustainability and carbon management issues at the College. We shall assess how these are enforced in practice.
- Discussion with key personnel on what the College has in place to meet its sustainability and net zero carbon commitment. We shall assess what the College has in place in respect of this and what else the College requires to do to meet its commitment. Obtaining and assessing any plans in place to ensure that the College will meet its net zero carbon commitment by 2040.
- Considering what other colleges and public sector bodies are doing in respect of their sustainability and carbon management commitment.
- Discussion with key personnel to establish the current resourcing arrangements in respect of sustainability and carbon management. Assess these to confirm whether these appropriate and fit for purpose. We should consider who has responsibility for these functions and whether this is appropriate. We shall consider who is responsible for this function, i.e., one person or is it embedded throughout the College. We shall consider where this function sits in other college to confirm appropriateness of the College's approach.
- Discussion with key personnel the reporting line for sustainability and carbon management within the College. Establishing and evaluating these reporting line to ensure that this is sufficient to keep the senior management and the Board informed of the College's compliance with legislation and any future plans in respect of sustainability and carbon management.
- Discussion with key personnel to establish the arrangements for recording and collection of data and performance indicators in relation to this area. We shall establish what data is collected in respect of the College's sustainability and carbon management. We shall establish how this is recorded and what KPIs have been set for this as well as considering what this data and KPIs are reported to and used for.

## Potential key risks

The potential key risks associated with the area under review are:

- The College is not complying with current sustainability and carbon management legislation which could result in fines or damage to reputation.
- The College is not meeting its net zero carbon commitment and has no plans in place to meet this commitment by 2040.
- The College has not adequately resourced its sustainability and carbon management function with unclear roles, responsibilities and reporting lines in place resulting in little or no buy in from other areas of the College. There is a risk that compliance and plans are not achieved due to the function being under resourced.
- The College does not have robust arrangements for the recording and collection of data and performance indicators in relation to this area which could result in poor performance or non-compliance with legislation going unnoticed.

<b>Meeting</b>	Audit Committee
<b>Date</b>	1 December 2021
<b>Location</b>	MS Teams
<b>Title of Paper</b>	Internal Audit Report – Digital Strategy
<b>Presented By</b>	Stephen Pringle Wylie & Bisset
<b>Recommendation to Members</b>	Consideration
<b>Appendix Attached</b>	Yes 06(a) – Internal Audit Report – Digital Strategy

#### **PURPOSE**

As part of the 2021-22 Internal Audit Plan, Wylie & Bisset conducted a review to assess whether there was an appropriate internal governance structure in place that ensures that IT related projects, initiatives and requests are aligned with the Digital Strategy. The review also considered whether appropriate KPIs and key risk indicators are in place to measure and report progress of the Digital Strategy and associated risks. In addition, they reviewed the level of skilled resources to deliver the key elements of the Digital Strategy as well as the monitoring and reporting arrangements in place.

The paper is presented in line with West College Scotland Audit Committee Terms of Reference:

*'To agree the Internal Audit Plan and review the Internal Audit Annual Report'*

The paper is submitted *For Consideration*.

## 1. BACKGROUND

- 1.1 Wylie & Bisset, as the appointed internal auditors of the College, conducted a review to assess whether there was an appropriate internal governance structure in place that ensures that IT related projects, initiatives and requests are aligned with the Digital Strategy. The review also considered whether appropriate KPIs and key risk indicators are in place to measure and report progress of the Digital Strategy and associated risks. In addition, they reviewed the level of skilled resources to deliver the key elements of the Digital Strategy as well as the monitoring and reporting arrangements in place.
- 1.2 The assignment formed part of the 2021-22 Annual Internal Audit Plan.

## 2. FURTHER DETAIL ON THE REPORT TOPIC

- 2.1 The scope of the review can be found on page 2 and was agreed by the College prior to the commencement of the audit.
- 2.2 The overall audit report assurance level is SUBSTANTIAL with the conclusion being:
- 'We can provide a substantial level of assurance over the College's Digital Strategy. We found that there was a process in place which enabled IT related projects, initiatives, and requests to be aligned with the Digital Strategy. We can also confirm that reporting arrangements in place were appropriate and that there was sufficient skills and expertise on the Digital Strategy groups. We have raised 1 recommendation around the KPIs which are used to measure the achievement of the Digital Strategies objectives / priorities. We have raised 7 good practice points from our review.'*
- 2.3 The College has accepted the one medium recommendation which relates to the inclusion of measurable KPIs for each of the Digital Strategy objectives. Work is already underway to address this recommendation as part of the wider College Digital Strategy Group.
- 2.4 On page 12 of the report are highlighted seven areas of good practice which shows the work that has been done to date to embed the Digital Strategy into College operations including the comment the *'The revised Digital Strategy 2022 to 2026 is robust and gives a clear view of the journey the College has been on and the need for the revised Strategy.'*

## **Next Steps**

- 2.5 The report will be presented to the Learning, Teaching and Quality Committee for consideration and the recommendation will be added to the Rolling Audit Action Plan. The College Assurance Map will be updated to show the outcome of this audit work.

## **3. FINANCIAL IMPLICATIONS**

- 3.1 The report highlights the continued need to invest in the College IT infrastructure if the objectives of the Digital Strategy are to be delivered.

## **4. STUDENT EXPERIENCE**

- 4.1 A failure to deliver on the Digital Strategy objectives will have a direct impact on the student experience. The monitoring of the delivery of the strategic objectives' will be key to ensure that where early intervention is required, that action is taken.

## **5. HUMAN RESOURCES IMPLICATIONS**

- 5.1 The Strategy highlights the requirement for ongoing staff training requirements. For the Strategy objectives to be fully realised, the College will require to continue to invest in digital training for all staff.

## **6. LEGAL IMPLICATIONS**

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

## **7. REPUTATIONAL IMPLICATIONS**

- 7.1 Should the objectives of the Digital Strategy not be delivered the reputational damage to the College could be severe. The College requires to stay at the forefront of technological changes in order to be competitive and seen as the College of choice.

## **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 Audit Committee is requested to consider and note the contents of the report.

# West College Scotland

## Internal Audit 2021-22

Digital Strategy  
February 2022

**Overall Conclusion**

Substantial

Section	Page
1 EXECUTIVE SUMMARY .....	2
2 DETAILED RECOMMENDATIONS .....	14
3 AUDIT ARRANGEMENTS .....	15
4 KEY PERSONNEL.....	16
<b>Appendix</b>	<b>Page</b>
A GRADING STRUCTURE .....	20
B ASSIGNMENT PLAN.....	22

*The matters raised in this report came to our attention during the course of our audit and are not necessarily a comprehensive statement of all weaknesses that exist or all improvements that might be made.*

*This report has been prepared solely for West College Scotland's individual use and should not be quoted in whole or in part without prior written consent. No responsibility to any third party is accepted as the report has not been prepared, and is not intended, for any third party.*

*We emphasise that the responsibility for a sound system of internal control rests with management and work performed by internal audit should not be relied upon to identify all system weaknesses that may exist. Neither should internal audit be relied upon to identify all circumstances of fraud or irregularity should there be any although our audit procedures are designed so that any material irregularity has a reasonable probability of discovery. Every sound system of control may not be proof against collusive fraud. Internal audit procedures are designed to focus on areas that are considered to be of greatest risk and significance.*



## Overview

### Purpose of review

We assessed whether there was an appropriate internal governance structure in place that ensures that IT related projects, initiatives and requests are aligned with the Digital Strategy. Our review also considered whether appropriate KPIs and Key Risk Indicators are in place to measure and report progress of the Digital Strategy and associated risks. We also reviewed the level of skilled resources to deliver the key elements of the Digital Strategy as well as the monitoring and reporting arrangements in place.

This assignment forms part of our Annual Internal Audit Plan for 2021/22.

### Scope of review

Our objectives for this review were to ensure:

- The internal governance structure is appropriate to ensure IT related projects/initiatives and requests are aligned with the Digital Strategy.
- There is sufficient and robust reporting on the implementation and progress of the Digital Strategy and related projects/initiatives, including reporting on achievement of key performance indications (KPIs) and Key risk indicators, to enable informed decisions to be made.
- The College have appropriate resources in place to enable them to deliver the Digital Strategy.
- The College has considered future business needs to ensure that the current Digital Strategy and associated projects will have sufficient flexibility to meet these needs and any future developments or legislative changes.
- The Digital Strategy takes cognisance of the College's Corporate Plan/Strategy and links into the IT Strategy and other Strategies (e.g., Finance and HR etc.) of the College.

## Limitation of scope

There were no limitations of scope.

## Background Information

### *Digital Strategy*

The first Digital Strategy was implemented at pace in addressing the challenges the College suddenly faced because of the global pandemic. Given the recent change in emphasis, with a return to pre pandemic operations, it was considered appropriate to update the Digital Strategy. The updated Digital Strategy was presented to the Senior Management Team (SMT) in November 2021. From there it was presented to the Learning, Teaching & Quality Committee in December 2021 for their consideration and comment. The updated Digital Strategy is being presented to the February 2022 Board for their consideration, comment, and approval.

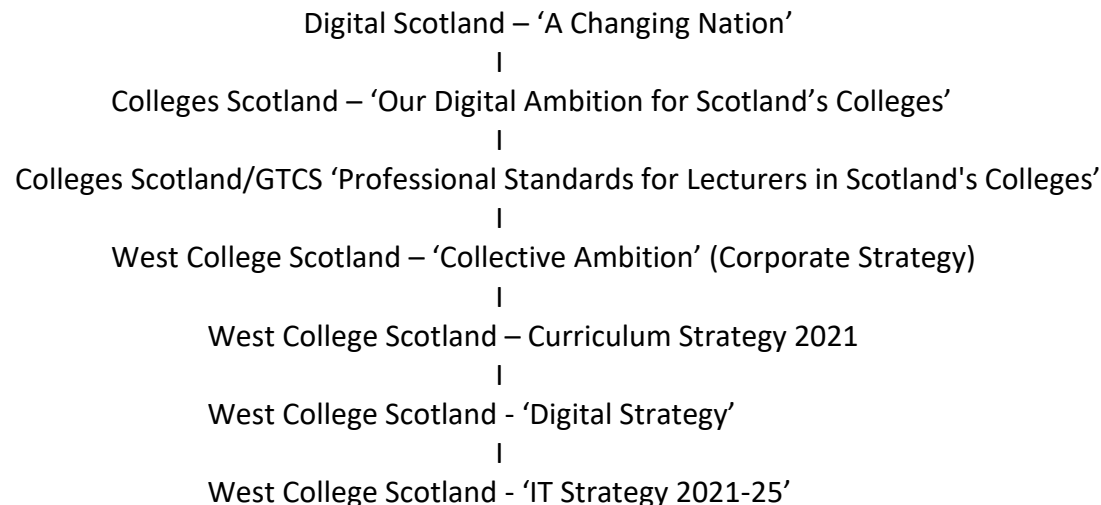
The updated Digital Strategy states it *"...is a roadmap which outlines the needs of our students, our staff and our College if we are to operate successfully in the digital world, and what tools and approaches are required in order to thrive in it. The Digital Strategy is intended to **enable our success** in a fast-moving world; **using data** to become better informed; **delivering inspirational learning** through positively exploiting the potential of new and emerging technologies; and **developing the skills base** of our students and our staff."*

The Digital Strategy includes the following:

1. Introduction
2. College Strategic Priorities
3. Background and Operating Context
4. Digital Drivers and External Trends
5. Contextual Information
6. Our Digital Culture
7. Our Digital Principles
8. Our Digital Strategic Aims and Objectives
9. Defining the Digital Strategic Aims and Objectives

10. Programmes and Projects
11. People Planning
12. Performance Management, Reporting and Governance
13. Appendix:
  - Background Papers
  - Glossary of Terms and further Definitions
  - College Development Network Baseline Lecturer Digital Capabilities
  - College Development Network Baseline Support Staff Digital Capabilities

The hierarchy that the College's Digital Strategy sits in, takes cognisance of, and aligns with is as follows:



As can be seen from the above, the Digital strategy has been aligned with the College's Corporate and Curriculum Strategies. The IT Strategy is also aligned to the Digital Strategy.

The Digital Strategy has expected outcomes which are being used as the KPIs. The KPIs are included on the 6 tables within the "Defining the Strategic Aims and Objectives" section of the Strategy. From our review of these we found them to be rather subjective with no real measurable outcome. It would be difficult to fully assess whether the actions put in place are achieving what is required of them. ***We have raised a recommendation around this – see section 2 recommendation 1 for further details.***

The achievement of the Digital Strategy will be tracked and monitored via the Pentana system. The objectives from the Digital Strategy have been included on the Pentana system. Those assigned the action for these objectives are set up as the owner. A timescale is recorded in Pentana for the completion of the action. When this timescale is due, the owner is alerted to this via an automatic email from the Pentana system. They will continue to receive these automatic emails until they go into Pentana and update the action with the current status. If required, they can set another timescale. In this way the action can be tracked. Reports can be produced from the Pentana system in respect of these actions. At the time of our audit visit, the person responsible for setting up the Digital Strategy in Pentana was in the process of updating this for the new objectives in the updated Digital Strategy.

## ***Internal Governance of Projects***

The internal governance for projects is as follows:

- The projects/initiatives are raised at the Senior Management Team (SMT) meetings as a recommendation seeking their approval to progress these projects/initiatives.
- If approval is given, the Project Action Group (PAG) or Workstream is established and the PAG will scope out the work for the project/initiative. These define the project, aims, objectives, linkage to the College's Corporate Strategy, remit, membership, expected outcome and timescales.
- This is then taken back to the SMT for their further consideration and approval of the project/initiative to go ahead.

The project/initiative papers are distributed to SMT members a week in advance of the meeting, which enables them to have fully considered the project/initiative being submitted to them. The SMT will also consider wider interdependencies and cross College opportunities/risks. At this stage, the SMT will consider how the proposed project/initiative will impact other areas of the College including the work of the Digital Strategy Group.

We were informed that the College is in the process of reviewing the internal governance of projects. This will include the creation of a Project Board and standardised templates to be used for scoping project work. This will be discussed by the SMT at its meeting on the 2<sup>nd</sup> week in February 2022. If this is put in place, this will further strengthen the internal governance arrangements for projects at the College.

## ***Sufficient and Robust Reporting***

The Digital Strategy reporting structure is as follows:

- The Digital Strategy Core members group meets officially monthly.
- The SMT - meet fortnightly and receive reports from the Digital Strategy Core Group monthly.
- The Learning, Teaching & Quality Committee - meet quarterly and receive quarterly updates on the progress made against the Digital Strategy.
- The Board - meet quarterly. They receive the minutes of the LTQ Committee which includes the updates to the Digital Strategy.

The Chair of the Digital Strategy Core Group updates the SMT at the meeting following the Digital Strategy Core Group meeting.

An update report is presented to the Learning, Teaching & Quality Committee (this is a Board Committee) at each of its quarterly meetings. In this way the members are kept up to date on the progress with the Digital Strategy. The update reports presented to the Learning Teaching & Quality Committee are also presented to the Board on a quarterly basis.

The Digital workstream Leads provided a verbal update to the Digital Strategy Core Group. The Chair of the Digital Strategy Core Group reported this update back to the SMT as part of her Digital update report.

## ***Appropriate Resources***

The College set up 2 main groups to take forward the Digital Strategy, namely:

- The Core Digital Strategy Group
- The General Digital Strategy Group

The Core Digital Strategy Group is the decision-making and oversight Group with the meetings and decisions from this Group being reported in a formal way. This Group are responsible for progressing all aims and objectives of the Digital Strategy. The Core Digital Strategy Group includes representation from the curriculum, finance, ICT, Quality, HR, Marketing, Learning Technologies and Stakeholder Experience. The Core Digital Strategy Group is chaired by the Assistant Principal, who has been given responsibility of overseeing and taking forward the Digital Strategy. This Group is augmented with 25 other members who can be called upon as and when required.

The specific purpose of the Core Digital Strategy Group is to:

1. Undertake an annual review of the Digital Strategy objectives to ensure these are consistent with the Corporate Strategy and digital/technology environment and to report this to the Board of Management.
2. Review the Digital Strategy business cases to ensure that these are consistent with the College's strategic objectives and will deliver value for money.
3. Approve the annual Digital Strategy operational/action plan and to have oversight of its delivery with appropriate action being taken to ensure the objectives are fulfilled.
4. Have oversight of the benefits realised from the Digital Strategy initiatives.
5. Have management and control of people and financial resources.
6. Provide regular updates to the College's Senior Management Team.

The General Digital Strategy Group is a wider group of approximately 44 staff, the purpose of this was to obtain staff views on activities etc. Those on this group are from both teaching and support staff and from all levels within the College. This Group was less formal with it being more a forum where continuous professional dialogue, sharing information and good practice took place. Any questions could also be raised in this forum.

Between 2019 to December 2021, the Core Digital Strategy Group set up 12 digital workstreams to take forward the work of the 2019 Digital Strategy and the Covid-19 Emergency Plan.

### **Microsoft Teams**

Within Microsoft Teams a Core Digital Strategy Group was set up as well as a General Digital Strategy Group.

# 1 EXECUTIVE SUMMARY

The General Group Teams site is used for posts, questions, responses to questions, advice, good practice etc. It was set up to provide staff with a place to get immediate communications and advice/answers to queries. The “ask the expert” section of the virtual hub directs the questions asked to the General Group site for the 44 staff members to consider and provide a response. Files can also be uploaded onto the General Teams site, thus top tips and guidelines can be shared amongst the group. This is an informal site for staff to share knowledge etc.

The Core Group is more formal and includes posts and files. The files are where all the information is stored.

## *Future Proofing the Digital Strategy*

The revised Digital Strategy has an action plan for the next 3 years. This looks at aligning cross discipline activity, working with others to ensure their planning meets the needs of the wider drivers and aligns accordingly. The Digital Strategy will be continuously reviewed with annual reviews in alignment with the ambitions outlined across the 3-year plan.

The members of the Digital Strategy Groups sit on a variety of external forums and networks including Microsoft, Jisc, Voc Tech, Association of Learning Technology, Colleges Scotland, and the Scottish Funding Council. This provides them with an insight into the latest thinking and developments which they will use to inform the Digital Strategy and to ensure that the Digital Strategy and other wider projects impacting on it takes cognisance of this knowledge and future developments.

## *Other Organisations*

From our review of the digital transformation work done at some of our other public sector organisations we found that most of these are at the same stage as the College. Some have managed to react to Covid-19 but are now in the process of considering how they take what they have learnt through that period and align this with their goals and aims going forward. Most have an IT Strategy, but this has not been fully developed into a Digital Strategy.

From our review we found that what these other organisations have in place is similar to what the College is considering, e.g., cloud based etc. We found that there was nothing from the other organisations which the College had not included in its revised Digital Strategy.

## Work Undertaken

In line with our objectives, we undertook the following work:

### **Objective 1: The internal governance structure is appropriate to ensure IT related projects/initiatives and requests are aligned with the Digital Strategy.**

- We discussed the current internal governance arrangements in place in respect of IT related projects/initiatives and requests to establish if this is appropriate to ensure that these projects are aligned with the Digital Strategy.
- We obtained and reviewed the College's Digital Strategy to ensure that this was robust, had been approved by the Board and has been communicated to all key personnel. We considered the content and objectives of other public sector organisation's Digital Strategy and compare these with the College's to ensure that the College has not omitted any significant elements and/or KPIs.

### **Objective 2: There is sufficient and robust reporting on the implementation and progress of the Digital Strategy and related projects/initiatives, including reporting on achievement of key performance indications (KPIs) and key risk indicators, to enable informed decisions to be made.**

- We discussed the reporting process and what is provided to the Senior Management and the Board in relation to the Digital Strategy and related IT projects. We assessed this to ensure this is appropriate, frequently provided and received on a timely basis. We obtained copies of these reports presented together with minutes of meetings and assessed whether there is appropriate discussion and challenge on the implementation and progress of the Digital Strategy initiatives.
- We established the KPIs and key risk indicators in place and assessed these to ensure that these are appropriate, SMART and are challenging but achievable. We established and assessed how these are reported to Senior Management and the Board, including any self-assessment exercises undertaken. ***We have raised a recommendation in respect of the KPIs – see section 2 recommendation 1 for further details.***

### **Objective 3: The College has appropriate resources in place to enable them to deliver the Digital Strategy.**

- We obtained the structure chart of those involved with the Digital Strategy and those responsible for delivering the Strategy.
- We assessed whether there is an appropriate level of skills and resources available to deliver on the Digital Strategy.
- We considered what plans are in place to enable and monitor the projects linked to the delivery of the Digital Strategy.



**Objective 4: The College has considered future business needs to ensure that the current Digital Strategy and associated projects will have sufficient flexibility to meet these needs and any future developments or legislative changes.**

- We established whether the College, when developing its Digital Strategy, considered the future business needs, development, and potential legislative changes. We ensured that cognisance of this was included in the Digital Strategy.
- We considered how those involved with the development and implementation of the Digital Strategy ensure that it is still appropriate in light of any new developments internally or externally.

**Objective 5: The Digital Strategy takes cognisance of the College's Corporate Plan/Strategy and links into the IT Strategy and other operational plans (e.g., Finance and HR etc.) of the College.**

- We discussed the mechanism used to ensure that the Digital Strategy reflects the College's Business Plan objectives and the objectives of other strategies.
- We obtained the College's Business Plan and other strategies and assessed their content to ensure these have been appropriately reflected within the Digital Strategy.

## Conclusion

### Overall conclusion

#### Overall Conclusion: Substantial

We can provide a substantial level of assurance over the College's Digital Strategy. We found that there was a process in place which enabled IT related projects, initiatives, and requests to be aligned with the Digital Strategy. We can also confirm that reporting arrangements in place were appropriate and that there was sufficient skills and expertise on the Digital Strategy groups. We have raised 1 recommendation around the KPIs which are used to measure the achievement of the Digital Strategies objectives/priorities. We have raised 7 good practice points from our review.

### Summary of recommendations

#### Grading of recommendations

	High	Medium	Low	Total
Digital Strategy	0	1	0	1

As can be seen from the above table there were no recommendations made which we have given a grading of high.

## Areas of good practice

The following is a list of areas where the College is operating effectively and following good practice.

1.	The revised Digital Strategy 2022 to 2026 is robust and gives a clear view of the journey the College has been on and the need for the revised Strategy.
2.	The reporting structure in place is robust with the SMT, the Learning, Teaching & Quality Committee and the Board being kept up to date with the progress made on the implementation of the Digital Strategy.
3.	The resourcing of the oversight and implementation of the College's Digital Strategy is a cross-College solution with 2 main Digital Strategy Groups being set up. The Digital Strategy Core Group established 12 workstreams to take forward the implementation of the Digital Strategy. The 12 workstreams had representation from across the College.
4.	The Digital Strategy Core Group ensure that any activities/projects it is undertaking are fit for purpose and future proofed by being members of various forums and networks, including JISC and Microsoft, which provide them with an insight into future developments in IT and Digital resources. This enables them to undertake horizon scanning to ensure that what they are doing now will not be redundant in a year's time.
5.	From our review of the revised Digital Strategy, the College's Business Plan, the IT Strategy, and the Curriculum Strategy we found that there is a clear link between each of these strategies. The Digital Strategy takes cognisance of the College's Business Plan in that one of the objectives of the Business Plan is Digital.
6.	The Digital Strategy Core Group uses the College's Pentana system to track and monitor the progress made against the objectives and actions of the Digital Strategy. This enables them to see immediately the percentage completion for each of the objectives/actions. This also shows any objectives/actions which are beyond the set deadline. This can be investigated further by the Digital Strategy Core Group members to assess what requires to be done to get the objective/action back on track for completion.

The following is a list of areas where the College is operating effectively and following good practice.

7. From our review we can confirm that the internal governance for IT related (and other) projects/initiatives and requests is adequate and enables these to be aligned with the Digital Strategy. All projects/initiatives must be approved by the Senior Management Team which has representatives from across the College, including those who are responsible for the Digital Strategy. As such they can highlight any potential issues or conflicts with the Digital Strategy at an early stage. This helps ensure that all projects/initiatives are aligned with the Digital Strategy where necessary.

The College has established a new process to follow for initiating projects, which includes having a Project Board for each project. This will strengthen the internal governance of projects further.

## 2 DETAILED RECOMMENDATIONS

Key Performance Indicators (KPIs)			
Ref.	Finding and Risk	Grade	Recommendation
1.	<p>There are a set of KPIs contained within the Strategy however in several cases these are not measurable KPIs. To assess the success of the Strategy the College should ensure a robust set of KPIs are in place which are SMART and enable achievement to be clearly measured.</p> <p>There is a risk that achievement of the objectives is not fully measured, and the successful implementation of the stated objectives is not fully recognised due to the way in which these are currently measured.</p>	<b>Medium</b>	We recommend that the College devise KPIs which are SMART and have definitive outcomes which can be measured.
Management response			Responsibility and implementation date
<p>The College recognises that the identification and measurement of KPIs going forward with the refreshed Strategy will be enhanced and will build on the College's growing digital maturity. SMART KPIs will be set against each of the actions within the Strategy for years 1-3 and will be recorded and achievement monitored via the Pentana System.</p>			<p><i>Responsible Officer:</i> Assistant Principal: Creativity and Skills</p> <p><i>Implementation Date:</i> 31 December 2022</p>

### 3 AUDIT ARRANGEMENTS

The table below details the actual dates for our fieldwork and the reporting on the audit area under review. The timescales set out below will enable us to present our final report at the next Audit Committee meeting.

Audit stage	Date
Fieldwork start	17 January 2022
Closing meeting	2 February 2022
Draft report issued	4 February 2022
Receipt of management responses	15 February 2022
Final report issued	15 February 2022
Audit Committee	2 March 2022
Number of audit days	6

## 4 KEY PERSONNEL

We detail below our staff who undertook the review together with the College's staff we spoke to during our review.

<b>Wylie &amp; Bisset LLP</b>			
Partner	Graham Gillespie	Partner	graham.gillespie@wyliebisset.com
Senior Manager	Stephen Pringle	Senior Internal Audit Manager	stephen.pringle@wyliebisset.com
Supervisor	Audrey Cowan	Internal Audit Supervisor	audrey.cowan@wyliebisset.com

## 4 KEY PERSONNEL

West College Scotland			
Key Contacts	Angela Pignatelli	Assistant Principal	Angela.Pignatelli@wcs.ac.uk
	Brian Stobbs	Head of IT	Brain.Stobbs@wcs.ac.uk
	Martin Joyce	Director of Infrastructure	Martin.Joyce@wcs.ac.uk
	Vivienne Mulholland	Head of Finance	Vivienne.Mulholland@wcs.ac.uk
	Sara Rae	Assistant Principal	Sara.Rae@wcs.ac.uk
	Emma Hanna	eLearning Team Leader	Emma.Hanna@wcs.ac.uk
	Gary McIntyre	Organisational Development Manager	Gray.McIntyre@wcs.ac.uk
	Paul Ferguson	Organisational and Development Manager	Paul.Ferguson@wcs.ac.uk
	Kate Carroll	Marketing and PR Executive	Kate.Carroll@wcs.ac.uk
	Robin Chandler	Stakeholder Experience Co-ordinator	Robin.Chandler@wcs.ac.uk
	Christine McGowan	Planning and Improvement Officer	Christine.Mcgowan@wcs.ac.uk
	Gillian Gray	Development Funding Executive	Gillian.Gray@wcs.ac.uk
	Paul McLaughlin	Head of Creative & Digital Industries	Paul.Mclaughlin@wcs.ac.uk



## 4 KEY PERSONNEL

We also spoke to some Curriculum Quality Leads, Curriculum Executive Leads, and some digital enthusiasts and ambassadors.

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

# APPENDICES

For each area of review, we assign a level of assurance in accordance with the following classification:

Assurance	Classification
Strong	Controls satisfactory, no major weaknesses found, no or only 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 assign a grading either as High, Medium, or Low priority depending on the degree of risk assessed as outlined below:

Grading	Classification
High	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	Significant issue or weakness which should be addressed by the College as soon as possible.
Low	Minor issue or weakness reported where management may wish to consider our recommendation.

### **Purpose of review**

We will assess whether there is an appropriate internal governance structure in place that ensures that IT related projects, initiatives and requests are aligned with the Digital Strategy. Our review will also consider whether appropriate KPIs and Key Risk Indicators are in place to measure and report progress of the Digital Strategy and associated risks. We will also review the level of skilled resources to deliver the key elements of the Digital Strategy as well as the monitoring and reporting arrangements in place.

This assignment forms part of our Annual Internal Audit Plan for 2021/22.

### **Scope of review**

Our objectives for this review are to ensure:

- The internal governance structure is appropriate to ensure IT related projects/initiatives and requests are aligned with the Digital Strategy.
- There are sufficient and robust reporting on the implementation and progress of the Digital Strategy and related projects/initiatives, including reporting on achievement of key performance indications (KPIs) and Key risk indicators, to enable informed decisions to be made.
- The College have appropriate resources in place to enable them to deliver the Digital Strategy.
- The College has considered future business needs to ensure that the current Digital Strategy and associated projects will have sufficient flexibility to meet these needs and any future developments or legislative changes.
- The Digital Strategy takes cognisance of the College's Corporate Plan/Strategy and links into the IT Strategy and other Strategies (e.g., Finance and HR etc.) of the College.

### **Limitation of scope**

There are no limitations of scope.

## Audit approach

Our approach to the review will be:

- We will discuss with the relevant personnel the current internal governance arrangement in place in respect of IT related projects/initiatives and requests to establish if this is appropriate to ensure that these projects are aligned with the Digital Strategy.
- We shall obtain and review the Digital Strategy to ensure that this is robust, has been approved by the Board and has been communicated to all key personnel.
- We shall establish and evaluate how the Digital Strategy is being implemented in practice.
- We shall consider the processes in place to take forward the Digital Strategy initiatives into practical projects and actions.
- We shall consider the content and objectives of other public sector organisation's Digital Strategy and compare these with the College's to ensure that the College has not omitted any significant elements and/or KPIs.
- We shall discuss with key personnel the reporting process and what is provided to the Senior Management and the Board in relation to the Digital Strategy and related IT projects. We shall assess this to ensure this is appropriate, frequently provided and received on a timely basis. We shall obtain copies of any reports presented together with minutes of meetings to assess whether there is appropriate discussion and challenge on the implementation and progress of the Digital Strategy initiatives.
- We shall establish the KPIs and key risk indicators in place and assess these to ensure that these are appropriate, SMART and are challenging but achievable. We shall establish and assess how these are reported to Senior Management and the Board, including any self-assessment exercises undertaken.
- We shall obtain the structure chart of those involved with the Digital Strategy and those responsible for delivering the Strategy. We shall assess whether there is an appropriate level of skills and resources available to delivery on the Digital Strategy. We shall consider what plans are in place to enable and monitor the projects linked to the delivery of the Digital Strategy.
- We shall establish whether the College, when developing its Digital Strategy, considered the future business needs, development, and potential legislative changes. We shall ensure that if this was done, that cognisance of this was included in the Digital Strategy.
- We shall consider how those involved with the development and implementation of the Digital Strategy ensure that it is still appropriate in light of any new developments internally or externally.
- We will discuss the mechanism used to ensure that the Digital Strategy reflects the College's Business Plan objectives and the objectives of other operational plans. We shall obtain the College's Business Plan and other operational plans and assess their content to ensure this has been

appropriately reflected within the Digital Strategy.

### Potential key risks

The potential key risks associated with the area under review are:

- If the College does not have appropriate internal governance structures in place there is a risk that IT related projects/initiatives and requests may not be aligned with the Digital Strategy, which could result in inappropriate use of funds.
- The reporting to Senior Management and the Board on the implementation and progress of the Digital Strategy and related projects/initiatives is not sufficient nor robust, which would lead to inappropriate decisions being made or inappropriate IT projects being undertaken.
- If the College does have the appropriate level of resources in place, there is a risk that it will not be able to deliver the Digital Strategy, or some projects may not be delivered on budget and to deadline due to lack of resources.
- The College has not "future proofed" its Digital Strategy and associated projects resulting in these being unable to support future business needs and developments.
- If the Digital Strategy does not take cognisance of the College's Corporate Plan/Strategy and other functional strategies, there is a risk that the Digital Strategy will deliver inappropriate and redundant projects.

<b>Meeting</b>	Audit Committee
<b>Date</b>	2 March 2022
<b>Location</b>	MS Teams
<b>Title of Paper</b>	Internal Audit Annual Plan 2021-22
<b>Presented By</b>	Stephen Pringle Wylie & Bisset
<b>Recommendation to Members</b>	Consideration
<b>Appendix Attached</b>	Yes 07(a) – Internal Audit Annual Plan 2021-22

#### **PURPOSE**

The Audit Committee approved the 2021-22 College internal audit plan in May 2021. The attached report provides the Audit Committee with 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.
- Agreed timings for the other audit work to be undertaken.

The paper is presented in line with West College Scotland Audit Committee Terms of Reference:

*'To agree the Internal Audit Plan and review the Internal Audit Annual Report'*  
and

*'To establish appropriate performance measures and indicators to monitor the effectiveness of the Internal Auditors 'To agree the Internal Audit Plan and review the Internal Audit Annual Report.'*

The paper is submitted *For Consideration*.



## **1. BACKGROUND**

- 1.1 The report at Appendix A provides the Audit Committee with an update on the 2021-22 Internal Audit Plan and the key performance indicators for the provision of the service.

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

- 2.1 Phase 1 and 2 assignments have now been undertaken apart from the IT Systems Administration audit. Work on this audit was delayed to early March 2022 due to the resignation of the Director of Infrastructure which resulted in a temporary staff resource challenge. The work of the IT Team was concentrated on the Digital Strategy assignment.

- 2.2 Planning for phase 3 assignments is now in progress.

### **Next Steps**

- 2.3 The College will work with the Internal Auditors to deliver the phase 3 assignments as planned.

## **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 Audit Committee is requested to consider and note the contents of the report.



# West College Scotland

Internal Audit Plan

2021 - 2022

February 2022

# 2. Internal Audit Plan 2021/22

## Assignment Plans

A detailed assignment plan will be prepared for each audit undertaken, setting out the scope and objectives of the work, allocating resources and establishing target dates for the completion of the work. Each assignment plan will be agreed and signed off by an appropriate sponsor from the College.

## Key Dates

Phase	Audit Areas	Number of Days	Key College Personnel	Provisional Date for Visit	Date of Issue of Draft Report	Status	Provisional Date to the Audit Committee
Phase 1	Credits	8	Iain Foster-Smith	13 September 2021	1 October 2021	Completed	23 November 2021
	SSF	4	Vivienne Mulholland	20 September 2021			
	EMA	3	Vivienne Mulholland	20 September 2021			
Phase 2	Review of Financial Regulations	5	Alan Ritchie	4 October 2021	22 October 2021	Completed	1 December 2021
	Cash Management	5	Vivienne Mulholland	4 October 2021	22 October 2021	Completed	
Phase 3	Digital Strategy	6	Angela Pignatelli / Sara Rae	17 January 2022	4 February 2022	Completed	2 March 2022
	Sustainability & Carbon Management	4	Alan Ritchie				
Phase 4	IT System Administration	5	Amy McDonald	1 March 2022	18 March 2022		18 May 2022
	Estates Strategy	6	Amy McDonald	21 March 2022	8 April 2022		18 May 2022
	Review of Business Continuity Planning	5	Alan Ritchie				
	Student Recruitment	5	Stephanie Graham				

<b>Meeting</b>	Audit Committee
<b>Date</b>	2 March 2022
<b>Location</b>	MS Teams
<b>Title of Paper</b>	Rolling Audit Action Plan
<b>Presented By</b>	Alan Ritchie Director of Finance
<b>Recommendation to Members</b>	Approval
<b>Appendix Attached</b>	Yes 08(a) – Rolling Audit Action Plan

#### **PURPOSE**

The purpose of this report is to update the Audit Committee on the status of recommendations made by the College internal and external auditors.

The paper is presented in line with West College Scotland Audit Committee Terms of Reference:

*'To review the Internal Audit reports, the management response to them and to review implementation of the actions required'*

and

*'To review the Rolling Audit Action Plan at each meeting'*

The paper is submitted *To Approve*.

## 1. BACKGROUND

- 1.1 This report provides an update on the progress made by the College in addressing the recommendations arising from the work of both the internal and external auditors.
- 1.2 The report at Appendix A summarises the status of each of the recommendations and includes the latest management update.

## 2. FURTHER DETAIL ON THE REPORT TOPIC

### Overall Position

- 2.1 The tables below summarise the movement in relation to the audit recommendations made since the December 2021 Audit Committee meeting:

<b>Total Number of Recommendations</b>	<b>Internal Audit</b>	<b>External Audit</b>	<b>Total</b>
<b>Brought forward</b>	<b>15</b>	<b>6</b>	<b>21</b>
Added to the RAAP following prior meeting			
Internal Audit – Cash Management	0	0	0
Internal Audit – Review of Financial Regs	0	0	0
Follow Up Work			
Proposed for removal	0	0	0
<b>Total remaining recommendations</b>	<b>15</b>	<b>6</b>	<b>21</b>

<b>Status of remaining recommendations</b>	<b>Internal Audit</b>	<b>External Audit</b>	<b>Total</b>
<u>Partially Implemented</u> Not Yet Due	6	5	11
<u>Partially Implemented</u> Due for completion – extension requested	2	0	2
<u>Complete</u> Pending auditor review	7	1	8
<b>Total</b>	<b>15</b>	<b>6</b>	<b>21</b>

## Internal Audit

### Request to Remove Actions from the Plan

- 2.2 At this time there are no actions to be removed from the Rolling Audit Action plan as work is still to be undertaken to verify the status of the completed items noted below.

### Completed Actions Subject to Audit Review

- 2.3 The following actions have been completed and will be reviewed by the internal auditors as part of their phase 3 work during March 2022.

Action	Due Date
IA20-21(09) Complaints Handling - Responding to Complaints within appropriate timeframes	30 Nov 2021
IA20-21(10) Complaints Handling - Lesson Learned from Complaints	30 Nov 2021
IA20-21(17) Complaints Handling - Student Feedback	30 Nov 2021
IA20-21(11) Complaints Handling - Complaints Log	31 Jan 2022
IA20-21(18) External Communications - Marketing & Communications Strategy and Action Plan	28 Feb 2022
IA20-21(19) External Communications - Student and Stakeholder Feedback	28 Feb 2022
IA20-21(16) Complaints Handling - Complaints Handling Process Map	1 Apr 2022

### Extension Requested

#### IA20-21(22) External Communications - Content of the Public Facing Website.

- 2.4 The auditors recommended that the College ensured that the most up to date information is included on its public facing website as this is the area which potential students and the public will see first.
- 2.5 An extension was authorised at the previous Committee meeting extending the deadline date from 31 October 2021 to 31 December 2021. The College has undertaken the recommended work regarding the website. The content of the website is up to date but requires to be decluttered as the lack of a deletion policy has resulted in more information being available than is required. This

work will be undertaken in advance of the start of the new academic year. Given the complexity and quantity of data requiring review, a further extension is requested to 31 July 2022.

**IA20-21(20) External Communications - Analysis of the Usage of the Website**

- 2.6 The auditors had recommended that the Marketing Department on a periodic basis produce and review the analytical data available about website usage to ensure that any future developments of the website are reflective of the available data.
- 2.7 The College has been able to obtain access to the College website analytics. A report on the usage of the College website will be presented to the Senior Management Team (SMT) in March 2022 and then on a regular basis after that. An extension from 28 February 2022 to 31 July 2022 is requested to allow the SMT to consider the content of the report and what other information / actions may be required post this consideration.

**Recommendation Status**

- 2.8 Audit recommendations are graded as noted below:

Grading Classification		
1	High	Major weakness that we consider needs to be brought to the attention of the Audit Committee and addressed by Senior Management of the organisation as a matter of urgency.
2	Medium	Significant issue or weakness which should be addressed by the organisation as soon as possible.
3	Low	Minor issue or weakness reported where management may wish to consider our recommendation.

- 2.9 The table below summarises the gradings of the outstanding recommendations:

Audit Grading	Low (3)	Medium (2)	High (1)
This report	11	10	0



## **Next Steps**

- 2.10 The College will:
- Update the Rolling Audit Action Plan following consideration by the Audit Committee.
  - Continue to monitor the Rolling Audit Action Plan.
  - Work with the internal auditors to remove the recommendations considered as fully implemented for consideration by the next Audit Committee.

## **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 Audit Committee is requested to:

- Approve the date extension of two recommendations.
- Consider and approve the updated Rolling Audit Action Plan.



## **Committee Report**

## **Rolling Audit Action Plan**

## **Progress Review**

# Rolling Audit Action Plan - Progress Review Report by Revised Due Date





## Internal Audit Action Plan 2019-20

Audit Action Code		Audit Action					
IA19-20(05)		Continuing Professional Development – Alignment of Staff Training with the College's Strategic Objectives					
Assigned To	Grading	Original Due Date	Revised Due Date	Previous Audit Status		Current Audit Status	
Organisational Development Manager; Organisational Development Manager; Head of Organisational Development and HR	2	31-Mar-2021	31-Mar-2022	Partially implemented – not yet due		Partially implemented – not yet due	
Audit Finding Description							
The College should review the Annual Staff Development Programme planning process to ensure a comprehensive training plan is developed that is fully aligned with, and supports the achievement of, the College's strategic objectives. In addition, it would be good practice to align the ODHR Operational Plan and Annual Staff Development Training Programme timetables to ensure the plans are covering the same time periods, as doing so will allow the College to compare both plans before they are agreed to ensure there is no duplication and efficiencies are achieved where possible.							
Audit Finding Risk							
There is a risk that the College's Corporate Strategy will not be achieved due to the College failing to assess and identify appropriate training and development areas that staff are required to undertake to provide them with the skills needed to support the achievement of the College's strategic objectives, ultimately impact the reputation of the College. In addition, failure to cross reference the College's two training programmes may result in duplicate training being provided to staff members, resulting in unnecessary resource and expenditure costs, which may impact the reputation of the College.							
Audit Recommendation							
The College should review the Annual Staff Development Programme planning process to ensure a comprehensive training plan is developed that is fully aligned with, and supports the achievement of, the College's strategic objectives. In addition, it would be good practice to align the ODHR Operational Plan and Annual Staff Development							

Training Programme timetables to ensure the plans are covering the same time periods, as doing so will allow the College to compare both plans before they are agreed to ensure there is no duplication and efficiencies are achieved where possible.

**Management Update Note**

CDPR is being replaced with 'My Conversations' a new holistic approach to personal effectiveness, learning and development. Awareness sessions have taken place for all staff and a pilot is taking place from February which will include HR/OD, Marketing, Enterprise and Employability and Hairdressing and Beauty. My Conversations adopts a new approach to goal setting which is FAST goals which are directly aligned to the College's strategic objectives this includes their personal/professional development goals. Individuals can see how the contribution they make directly impacts the College's strategic objectives.

Audit Action Code		Audit Action					
IA19-20(06)		Continuing Professional Development – Completion of CPD Review					
Assigned To	Grading	Original Due Date	Revised Due Date	Previous Audit Status		Current Audit Status	
Organisational Development Manager; Organisational Development Manager; Head of Organisational Development and HR	2	31-Mar-2021	31-Mar-2022	Partially implemented – not yet due		Partially implemented – not yet due	

**Audit Finding Description**

The College should consider relaunching the CPDR process with staff being reminded that the completion of the process is a mandatory requirement, this will ensure the College has a clear understanding of individual staff skill gaps and training needs. In addition, the College must ensure the CPDR process is being fully applied when a staff member participate in the process, thus all annual and interim reviews must be scheduled and completed. Management should also implement a quality assurance regime to ensure that all reviews take place in line with the CPDR procedure.

**Audit Finding Risk**

The absence of completing CPDR reviews, there is a risk that the College may not identify staff training needs, which may result in staff not having the required skills and knowledge needed to effectively deliver their roles. This could lead to poor staff performance which will ultimately impact the performance of the College.



**Audit Recommendation**

The College should consider relaunching the CPDR process with staff being reminded that the completion of the process is a mandatory requirement, this will ensure the College has a clear understanding of individual staff skill gaps and training needs. In addition, the College must ensure the CPDR process is being fully applied when a staff

member participate in the process, thus all annual and interim reviews must be scheduled and completed. Management should also implement a quality assurance regime to ensure that all reviews take place in line with the CPDR procedure.

**Management Update Note**

CDPR is being replaced with 'My Conversations' a new holistic approach to personal effectiveness, learning and development. Awareness sessions have taken place for all staff and a pilot is taking place from February which will include HR/OD, Marketing, Enterprise and Employability and Hairdressing and Beauty. Staff will be thinking differently about how they have conversations with their managers with the ownership for their personal effectiveness, learning and development very much with them.

Audit Action Code		Audit Action					
IA19-20(07)		Continuing Professional Development – Alignment of CPDR development plans with corporate objectives and operational priorities					
Assigned To	Grading	Original Due Date	Revised Due Date	Previous Audit Status		Current Audit Status	
Organisational Development Manager; Head of Organisational Development and HR	2	31-Mar-2021	30-Jun-2022	Partially implemented – not yet due		Partially implemented – not yet due	

**Audit Finding Description**

The College must ensure line managers are reminded of the importance of linking staff personal objectives with those of the wider College. Quality assurance checks should be completed by the College to ensure the process is being properly applied by staff and line managers.

**Audit Finding Risk**

Failure to align CPDR plans with the College's strategic and operational priorities, increases the risk of the College agreeing and delivering training to staff that will not provide them with the skills and knowledge needed to support the College achieving its strategic objectives, ultimately resulting in the College's stagey failing and the reputation of the College being damaged.



**Audit Recommendation**

The College must ensure line managers are reminded of the importance of linking staff personal objectives with those of the wider College. Quality assurance checks should be completed by the College to ensure the process is being properly applied by staff and line managers.

**Management Update Note**



Work started on this. Once the revised CPDR process is launched the process will be clearer for all staff. Appropriate guidance, training and support will be provided as required.

## Internal Audit Action Plan 2020-21

Audit Action Code		Audit Action					
IA20-21(09)		Complaints Handling – Responding to Complaints within appropriate timeframes					
Assigned To	Grading	Original Due Date	Revised Due Date	Previous Audit Status		Current Audit Status	
Head of Sector Quality and Professional Standards	2	30-Nov-2021	30-Nov-2021	Partially implemented – not yet due		Fully implemented – awaiting audit confirmation	
Audit Finding Description							
<p>We recommend that the College ensure that complaints are completed in line with SPSO guidance. In events where an investigation may run over the 20 days, this should be communicated to the individual prior to due date.</p> <p>We also recommend that the Quality Team follow up with the complaint investigators more regularly in relation to the progress of their investigation which may in turn reduce the delays surrounding the processing of complaints.</p>							
Audit Finding Risk							
<p>There is the risk that the College are not effectively processing complaints in line with SPSO guidance, are not communicating delays in a timely manner with complainants and have insufficient internal arrangements in place to ensure that investigations are completed in line with requirements.</p>							
Audit Recommendation							
<p>We recommend that the College ensure that complaints are completed in line with SPSO guidance. In events where an investigation may run over the 20 days, this should be communicated to the individual prior to due date.</p> <p>We also recommend that the Quality Team follow up with the complaint investigators more regularly in relation to the progress of their investigation which may in turn reduce the delays surrounding the processing of complaints.</p>							

**Management Update Note**

All complaints are responded to within the timeframes specified by SPSO and compliant with the updated Procedure for Handling Complaints April 2021. Evidence sent to auditor November 2021.

Audit Action Code		Audit Action					
IA20-21(10)		Complaints Handling – Lesson Learned from Complaints					
Assigned To	Grading	Original Due Date	Revised Due Date	Previous Audit Status		Current Audit Status	
Assistant Principal Performance and Skills	2	30-Nov-2021	30-Nov-2021	Partially implemented – not yet due		Fully implemented – awaiting audit confirmation	

**Audit Finding Description**

We recommend that the College ensure that lessons learnt are reviewed for all complaints even when complaint has not been upheld.

**Audit Finding Risk**

There is the risk that the College are not utilising their complaints process to aid in improvement of the College operations.

**Audit Recommendation**



We recommend that the College ensure that lessons learnt are reviewed for all complaints even when complaint has not been upheld.



**Management Update Note**


Lessons learned are included on the agenda and shared at both the Quality Standards Committee and the Educational Leadership Team meetings, at least quarterly.



Lessons learned are shared with the Student Association and used for noting trends in the student experience and taking actions in partnership with the WCSSA when appropriate to do so.





Audit Action Code		Audit Action					
IA20-21(17)		Complaints Handling – Student Feedback					
Assigned To	Grading	Original Due Date	Revised Due Date	Previous Audit Status		Current Audit Status	
Assistant Principal Performance and Skills	3	30-Nov-2021	30-Nov-2021	Partially implemented – not yet due		Fully implemented – awaiting audit confirmation	
Audit Finding Description							
<p>We recommend that any amendments in the process are notified to students via posts on the website and/or the MyDay student portal. The College should also signpost the students to the Annual Complaints Handling reports via the Student Association’s social media and the MyDay student portal.</p>							
Audit Finding Risk							
<p>There is a risk that students and other stakeholders are not aware of the changes to the complaints handling process. There is also the risk that the College are not adequately gathering student feedback in line with expected practice.</p>							
Audit Recommendation							
<p>We recommend that any amendments in the process are notified to students via posts on the website and/or the MyDay student portal. The College should also signpost the students to the Annual Complaints Handling reports via the Student Association’s social media and the MyDay student portal.</p>							
Management Update Note							
<p>Action completed.</p> <p>The College makes available details of its Complaints Handling Procedure on the website and the student induction checklist includes a section on how to complain. During the first quarter of 2021–22 to supplement the already available information an update was made on the student portal ‘MyDay’ to ensure students are made aware of the recent changes. The College already attempts to gather the views of all complainers through a post complaint questionnaire.</p> <p>The College annually signpost to students via social media and on MyDay as to the availability of the Annual Complaints Handling Report.</p>							

Audit Action Code		Audit Action					
IA20-21(11)		Complaints Handling – Complaints Log					
Assigned To	Grading	Original Due Date	Revised Due Date	Previous Audit Status		Current Audit Status	
Head of Sector Quality and Professional Standards	2	31-Jan-2022	31-Jan-2022	Partially implemented – not yet due		Fully implemented – awaiting audit confirmation	
Audit Finding Description							
<p>We recommend that complaints when being initially logged are split into either stage 1 or stage 2 complaints. This should be notified to the person the complaint has been passed to for investigating to ensure that they are aware of the required timescales for resolution of the complaint.</p> <p>We would also recommend that the College's complaints log is updated to reflect the new SPSO guidance in respect of what should be included when recording complaints</p>							
Audit Finding Risk							
<p>By recording complaints in this way, there is a risk that complaints which should be considered as Stage 1 complaints are being resolved after the 5- day timescale for such complaints and that this is going unnoticed due to the way these complaints are logged. As such the College's performance regarding complaints handling may be adversely impacted upon.</p>							
Audit Recommendation							
<p>We recommend that complaints when being initially logged are split into either stage 1 or stage 2 complaints. This should be notified to the person the complaint has been passed to for investigating to ensure that they are aware of the required timescales for resolution of the complaint.</p> <p>We would also recommend that the College's complaints log is updated to reflect the new SPSO guidance in respect of what should be included when recording complaints</p>							
Management Update Note							
<p>All complaints are classified at reporting stage as being either stage 1 or 2. The College is now highlighting on receipt whether a complaint will be dealt with as a Stage 1 or Stage 2 complaint as per the Complaint Handling Procedure (CHP) tracking and monitoring process. This modification has been included in update training on the CHP effective and shared with all relevant staff. This training will be ongoing throughout the first half of 2021-22</p>							

Audit Action Code		Audit Action					
IA20-21(22)		External Communications – Content of the Public Facing Website					
Assigned To	Grading	Original Due Date	Revised Due Date	Previous Audit Status		Current Audit Status	
Director Communications, Policy and Engagement	3	31-Oct-2021	31-Jan-2022	Partially implemented – not yet due		Partially implemented – Extension Requested	
Audit Finding Description							
We recommend that the College ensures that the most up to date information is included on its public facing website as this is the area which potential students and the public will see first.							
Audit Finding Risk							
There is a risk that the College's public facing website is not presenting an accurate picture of the College and that those using the website are not basing any decisions on the most up to date information.							
Audit Recommendation							
We recommend that the College ensures that the most up to date information is included on its public facing website as this is the area which potential students and the public will see first.							
Management Update Note							
<p>A full listing of WCS website content including publication dates, subsequent updates, traffic numbers and last visits has been delivered by our third party hosts. Further details are awaited and work is now underway to audit 5000+ active pages.</p> <p>With no deletion/keep policy the volume of content on the website has essentially been allowed to get out of control. A major piece of work now needs to be undertaken to declutter the site prior to making further fundamental changes.</p> <p>See Attached: WCS_Aug 2015 to Jan 2022</p>							

Audit Action Code		Audit Action					
IA20-21(18)		External Communications – Marketing & Communications Strategy and Action Plan					
Assigned To	Grading	Original Due Date	Revised Due Date	Previous Audit Status		Current Audit Status	
Director Communications, Policy and Engagement	3	28-Feb-2022	28-Feb-2022	Partially implemented – not yet due		Fully implemented – awaiting audit confirmation	
Audit Finding Description							
We recommend that the College implement its intention to produce a Marketing & 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							
Audit Finding Risk							
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.							
Audit Recommendation							
We recommend that the College implement its intention to produce a Marketing & 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							
Management Update Note							
The 7 February 2022 Board of Management meeting approved the Communications Strategy after review and approval by the Corporate Development Committee and College Senior Management Team. The Strategy is now being formatted for publication in March 2022.							

Audit Action Code		Audit Action					
IA20-21(19)		External Communications – Student and Stakeholder Feedback					
Assigned To	Grading	Original Due Date	Revised Due Date	Previous Audit Status		Current Audit Status	
Director Communications, Policy and Engagement	2	28-Feb-2022	28-Feb-2022	Partially implemented – not yet due		Fully implemented – awaiting audit confirmation	
Audit Finding Description							
We recommend that the Marketing Department obtain feedback from students and other stakeholders to obtain their thoughts and comments on the current website. This could be done via surveys and/or focus groups but the College may wish to look at other sources of feedback as required. This should try to bring out what features they like and do not like in the current set up as well as the features they would like to see on the website.							
Audit Finding Risk							
There is a risk that if the College does not seek feedback from users of its website the College could miss opportunities to make improvements to its website.							
Audit Recommendation							
We recommend that the Marketing Department obtain feedback from students and other stakeholders to obtain their thoughts and comments on the current website. This could be done via surveys and/or focus groups but the College may wish to look at other sources of feedback as required. This should try to bring out what features they like and do not like in the current set up as well as the features they would like to see on the website.							
Management Update Note							
<p>Positive progress has been made with feedback and analysis leading to changes in how the 2022/23 courses are currently being presented. This action has been superseded by the actions now required to implement the approved Communications Strategy. The Corporate Development Committee will be regularly updated on the progress towards achieving the objectives as set out below:</p> <p>1.2 Recruitment Campaigns</p> <p>1.2.1 Survey the changing landscape and challenges surrounding recruitment (caused by demographic changes, behavioural changes resulting from the Covid pandemic, and competing learning pathways). [Summer 2022/ Comms (NT)]</p>							

1.2.2 Use survey results & student profiles to develop a multi-media approach to increase traffic to WCS course directories. The campaign(s), at a regional and national level, will market WCS as an attractive destination for both school-leavers and potential students. **[Autumn '22 / Comms (NT, FMcL), Curriculum]**

1.2.3 Support the Central Admissions team to monitor response times during the application and enrolment process using Power BI. Determine communication interventions to limit withdrawals, such as providing regular updates to prospective students to keep them involved in their application progress. **[Start Spring '22 / Comms, MIS, Admissions]**

### 3.2 WCS Website



3.2.1 Review the necessity for a website rebuild versus an upgrade. Consider content visibility (Comms department) and functionality (IT Department). Either option requires migration of the WCS website to another developer that provides better service. [Spring/Summer '22 / Comms (NT, FMcL, BW), IT (BS)]



3.2.2 To understand the technical and financial challenges involved with the transfer, and upgrade or rebuild. [Spring/Summer '22 / Comms (NT, FMcL, BW), IT (BS)]

3.2.3 Establish a steering group with key stakeholders including CQLs, IT, SA and the Admissions Service to understand the core functions and requirements of the website, and how can it be better developed to support ecommerce. [Autumn '22 / Comms (NT, FMcL, BW), IT, SS, Curriculum]



3.2.4 Review hosting and website support, including the potential to take this in-house. [Spring/Summer '22 / Comms (NT), IT (BS)]

Major changes to the communication of College courses however await a decision on whether or not to build a new website, upgrade our current site and discussions on how this can be funded.



Audit Action Code		Audit Action					
IA20-21(20)		External Communications – Analysis of the Usage of the Website					
Assigned To	Grading	Original Due Date	Revised Due Date	Previous Audit Status		Current Audit Status	
Director Communications, Policy and Engagement	2	28-Feb-2022	28-Feb-2022	Partially implemented – not yet due		Partially implemented – Extension Requested	
Audit Finding Description							
We recommend that the Marketing Department on a periodic basis produce and review the analytical data available about website usage to ensure that any future developments of the website are reflective of the available data.							
Audit Finding Risk							
There is a risk that inappropriate decisions are taken on the development of the website due to the available analytical data not being used or monitored by the College's Marketing Department.							
Audit Recommendation							
We recommend that the Marketing Department on a periodic basis produce and review the analytical data available about website usage to ensure that any future developments of the website are reflective of the available data.							
Management Update Note							
<p>The Communications Directorate now has full access to the WCS website analytics. The first monthly update for SMT is due to be issued at the end of Feb 2022 and will be published in conjunction with comprehensive media monitoring analysis which is also being introduced into the College (via Cision).</p> <p>Additionally a full 'dump' of website content has been achieved, detailing 5000+ pages. Action now needs to be taken to investigate a content audit and subsequent deletion/keep policy.</p>							



Audit Action Code		Audit Action					
IA20-21(14)		Complaints Handling – Staff Wide Complaints Handling Training					
Assigned To	Grading	Original Due Date	Revised Due Date	Previous Audit Status		Current Audit Status	
Assistant Principal Performance and Skills	3	31-Jan-2022	25-Mar-2022	Partially implemented – not yet due		Partially implemented – not yet due	
Audit Finding Description							
We recommend that the College does provide training to all staff on the updated Complaints Handling Procedure to enable them to recognise what should be reported to the Quality Standards Co-ordinators as a complaint. Thereafter complaints handling refresher training should be provided to all staff, potentially utilising the standardised training resources through its Quality Networks, which should be available from August 2021							
Audit Finding Risk							
There is the risk that the College's staff members are not aware of how to manage complaints. There is also the risk that the staff at the College are not aware of changes to complaints handling guidance.							
Audit Recommendation							
We recommend that the College does provide training to all staff on the updated Complaints Handling Procedure to enable them to recognise what should be reported to the Quality Standards Co-ordinators as a complaint. Thereafter complaints handling refresher training should be provided to all staff, potentially utilising the standardised training resources through its Quality Networks, which should be available from August 2021							
Management Update Note							
The College has started to implement the agreed 2021-22 training plan which will update all staff on the revised Complaints Handling Procedure (April 2021). Training is subject to other demands of the College including enrollment and the processing of results which has meant a slower start to the overall training than anticipated.							





Audit Action Code		Audit Action					
IA20-21(16)		Complaints Handling – Complaints Handling Process Map					
Assigned To	Grading	Original Due Date	Revised Due Date	Previous Audit Status		Current Audit Status	
Assistant Principal Performance and Skills	3	01-Apr-2022	01-Apr-2022	Partially implemented – not yet due		Fully implemented – awaiting audit confirmation	
Audit Finding Description							
<p>We recommend that the College update their process map to include the following:</p> <ul style="list-style-type: none"> <li>• Procedures to be followed for both stage 1 and stage 2 complaints.</li> <li>• Timeframes to be followed for each section of the process.</li> </ul> <p>We also recommend that the College either integrate the reporting process and issuing of satisfaction surveys in a clearer format in their process map including everyone's responsibilities or develop another process map that separately identifies these processes</p>							
Audit Finding Risk							
There is the risk that the College's Process Map is not reflective of the Complaints Handling Procedure and outlines an alternative process.							
Audit Recommendation							
<p>We recommend that the College update their process map to include the following:</p> <ul style="list-style-type: none"> <li>• Procedures to be followed for both stage 1 and stage 2 complaints.</li> <li>• Timeframes to be followed for each section of the process.</li> </ul> <p>We also recommend that the College either integrate the reporting process and issuing of satisfaction surveys in a clearer format in their process map including everyone's responsibilities or develop another process map that separately identifies these processes</p>							
Management Update Note							
The updated College Complaints Handling Procedure (CHP) is based upon the SPSO Policy guidance and this has removed the need for the inclusion of a process map. The College Senior Management Team has approved the updated Procedure.							



The College will, as with all Policies and Procedures, take feedback from those who operate it and those who use it. This feedback will be collated over the 6 months to 31 January 2022 and subsequently used to inform any future update to the CHP.



Audit Action Code		Audit Action					
IA20-21(21)		External Communications – Reporting to SMT					
Assigned To	Grading	Original Due Date	Revised Due Date	Previous Audit Status		Current Audit Status	
Director Communications, Policy and Engagement	2	30-Apr-2022	30-Apr-2022	Partially implemented – not yet due		Partially implemented – not yet due	
Audit Finding Description							
We recommend that on a periodic basis the Marketing Department report on the usage of the website together with the outcome of any feedback surveys and focus groups							
Audit Finding Risk							
There is a risk that inappropriate decisions are taken regarding the College's website due to the lack of appropriate analytical data reporting, feedback from students and other users of the website. There is also a risk that any gaps in compliance with the EU Accessibility Regulations go unnoticed which could expose the College to future legal challenge and claims of discrimination.							
Audit Recommendation							
We recommend that on a periodic basis the Marketing Department report on the usage of the website together with the outcome of any feedback surveys and focus groups							
Management Update Note							
Reporting to SMT has been delayed by the prolonged onboarding/procurement of a media monitoring service and difficulty obtaining WCS website analytics. Both issues have now been resolved and reporting will begin at the end of Feb 22, including an annual report publication.							



Audit Action Code		Audit Action					
IA20-21(13)		Complaints Handling – Complaints Reporting					
Assigned To	Grading	Original Due Date	Revised Due Date	Previous Audit Status		Current Audit Status	
Assistant Principal Performance and Skills	3	31-Jan-2022	29-Jul-2022	Partially implemented – not yet due		Partially implemented – not yet due	
Audit Finding Description							
We recommend that the College Senior Management Team should on a quarterly basis receive a report on complaints received and resolved along with the type of complaints and lessons learned. This will enable any recurring complaints to be addressed with learning points disseminated across the whole College.							
Audit Finding Risk							
There is risk that due to complaints figures, targets and trends not being reported to management on a regular basis poor performance may not be addressed due to management not being aware of the situation.							
Audit Recommendation							
We recommend that the College Senior Management Team should on a quarterly basis receive a report on complaints received and resolved along with the type of complaints and lessons learned. This will enable any recurring complaints to be addressed with learning points disseminated across the whole College.							
Management Update Note							
Q1 report completed; Q2 will be available soon. Q4 report not due until end July so end date has been revised to reflect this. Target expected to be fully met.							



## External Audit Action Plan 2020-21

Audit Action Code	Audit Action						
EA20-21(01)	Ensure that incorrect coding for fee waiver courses is resolved						
Assigned To	Grading	Original Due Date	Revised Due Date	Previous Audit Status		Current Audit Status	
Director of Finance	2	31-Jul-2022	31-Jul-2022	Not yet started		Partially implemented – not yet due	
Audit Finding Description							
<p>The College should have procedures in place to ensure that students are recorded as eligible for fee waivers only where they are attending eligible programmes, and that fee waivers for these students are accurately recorded and categorised and are consistent with SFC policy.</p> <p>During our audit visit we were informed by the College that some courses which should have had their fees waived at a cost to the College were being showing on the FES 2 as being a category of fee waiver which is fundable by the SFC. The College reviewed their fee waiver for those courses which should have been treated as cost borne by the College to ensure that the fee waiver category for these were all manually amended to Fee Waiver code 26. We have been provided with evidence to confirm that the fee waiver code used for students on these courses has been appropriately amended. The reason for this issue was due to courses being incorrectly input when being set up.</p>							
Audit Finding Risk							
There is a risk that fee waiver funding could be overstated.							
Audit Recommendation							
We recommend that the College take steps to ensure that the issue with the incorrect coding of fee waiver courses has been resolved and that this does not happen in the future. We also recommend that a process is introduced to check all courses which should have their fees waived at a cost to the College are being appropriately recorded as such.							
Management Update Note							
An initial report on fee waiver categorisation has been generated and reviewed. This has lead to several corrections being made to fee waiver categorisations along with consideration of what courses are considered as cost borne by College.							



Audit Action Code	Audit Action						
EA20-21(02)	Reinforce through 'an audit lessons learned' communication to those members of staff who are responsible for setting up courses that they allocate the correct credit values.						
Assigned To	Grading	Original Due Date	Revised Due Date	Previous Audit Status		Current Audit Status	
Assistant Principal Student Life and Skills	3	31-Jul-2022	31-Jul-2022	Not yet started		Partially implemented - not yet due	
Audit Finding Description							
From our review of 10 students infilling into full time courses we found that for one unit on one of these courses, the wrong credits had been allocated. All other credits were correctly calculated. The College agreed to amend the credit value for that course. This resulted in a reduction in the credit count of 4 credits.							
Audit Finding Risk							
Audit Recommendation							
We recommendation that the College ensure that the units within a course are allocated with the correct credit values.							
Management Update Note							
The College has communicated the audit lessons learned to those members of staff who are responsible for setting up courses that they allocate the correct credit values. As part of this communication staff were requested to make use of the available reports within the Unit-E system to ensure the course set is correctly inputted and revisions are correctly made.							
The College has undertaken the first of several planned audit exercises to select a range of courses to ensure that these have been set up correctly and any revision to the course set up have been appropriately undertaken.							

Audit Action Code	Audit Action						
EA20-21(03)	Allocate credits only to students if they have attended beyond the required date and are actively participating in the course.						
Assigned To	Grading	Original Due Date	Revised Due Date	Previous Audit Status		Current Audit Status	
Assistant Principal Student Life and Skills	3	31-Jul-2022	31-Jul-2022	Not yet started		Partially implemented - not yet due	
Audit Finding Description							
Audit Finding Risk							
Audit Recommendation							
We reiterate our recommendation raised in 2019/20, that students should only be included in the credits count if the College can demonstrate that the student has actively participated in the course.							
Management Update Note							
The College has a 'Student and Attendance Engagement Procedure' with the content of the Procedure being reinforced to all staff as part of the return to campus activities.							
The College has undertaken the first of several planned audit exercises to test the application of the procedure and to correct any errors found.							

Audit Action Code	Audit Action						
EA20-21(04)	Staff are reminded that there should be sufficient support evidence available to provide a transparent audit trail for the students claiming a fee waiver.						
Assigned To	Grading	Original Due Date	Revised Due Date	Previous Audit Status		Current Audit Status	
Director of Finance	3	31-Jul-2022	31-Jul-2022	Not yet started		Partially implemented - not yet due	
Audit Finding Description							
Audit Finding Risk							
Audit Recommendation							
We reiterate our 2019/20 recommendation that there should be sufficient support evidence available to provide a transparent audit trail for the students claiming a fee waiver and for the College to claim the credits for these students.							
Management Update Note							
<p>The College has reviewed its fee categorisation procedures resulting from the work carried out to implement the College payment portal for the session 2021-22. This work resulted in a more robust course planner set up procedure.</p> <p>The College has carried out an initial audit exercise to ensure that all students categorised as fee waiver have the correct documentation to prove their status. Students where there is no proof available have been contacted by text and will be invoiced for their fees if no documentary evidence is provided.</p>							

Audit Action Code	Audit Action						
EA20-21(05)	Ensure all open/distance learning students have evidence of work completed and progression on their course before claiming credits.						
Assigned To	Grading	Original Due Date	Revised Due Date	Previous Audit Status		Current Audit Status	
Vice Principal Educational Leadership	3	31-Jul-2022	31-Jul-2022	Not yet started		Fully implemented – awaiting audit confirmation	
Audit Finding Description							
Audit Finding Risk							
Audit Recommendation							
We reiterate our 2019/20 recommendation that the College ensures all open/distance learning students have evidence of work completed and progression on their course before claiming credits.							
Management Update Note							
Staff reminded of this requirement and further checks will be undertaken to ensure compliance							



Audit Action Code	Audit Action						
EA20-21(06)	Undertake spot checks on its EMA applications and payments throughout the year.						
Assigned To	Grading	Original Due Date	Revised Due Date	Previous Audit Status		Current Audit Status	
Director of Finance	3	31-Jul-2022	31-Jul-2022	Not yet started		Partially implemented - not yet due	
Audit Finding Description							
Audit Finding Risk							
Audit Recommendation							
We recommend 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.							
Management Update Note							
The College has undertaken the first of the two required audits of EMA activity in advance of the year end audit.							

<b>Meeting</b>	Audit Committee
<b>Date</b>	2 March 2022
<b>Location</b>	MS Teams
<b>Title of Paper</b>	Annual Review of The Effectiveness of the Audit Committee and Internal Auditors.
<b>Presented By</b>	Shirley Gordon Secretary to the Committee
<b>Recommendation to Members</b>	Approval
<b>Appendix Attached</b>	Yes  Appendix 9(a) - Evaluation of the Audit Committee Questionnaire.  Appendix 9(b) - Evaluation of the Internal Auditors (includes a separate questionnaire for Audit Committee members, the Principal and Chief Executive and Vice Principal Operations).

## PURPOSE

The purpose of this report is to consider and approve the wording of the questionnaires, the approach to be taken and the timetable for this work.

The paper is presented in line with the following West College Scotland Audit Committee Terms of Reference:

- *"To review its own effectiveness at least annually and to report the results of that review to the Board".*
- *"To review the scope, efficiency and effectiveness of the work of the Internal Auditors and to advise the Board on these matters".*

## 1. BACKGROUND

- 1.1 This report outlines the process which it is proposed the Audit Committee adopts for the 2021-22 review of its effectiveness and that of the internal auditors. The procedure follows that agreed in previous years which is to issue two questionnaires covering:
- Evaluation of the Audit Committee.
  - Evaluation of the Internal Auditors.
- 1.2 In December 2021, the Audit Committee undertook a review of the *External Auditor* immediately following the completion of the external audit work. That was to ensure that the outcome from the audit was fresh in Committee members minds when undertaking the review. At the December 2021 Audit Committee meeting, members considered the outcome from the review of the external auditors.
- 1.3 The Audit Committee effectiveness questionnaire was extracted from the 2018 Scottish Government Audit Committee Handbook. Considering discussions held at the Audit Committee in March 2019 there was an adjustment to the wording of the final question under the heading of "Internal Control". The Audit Committee does not receive 'stewardship reports' but does receive feedback and assurances on the internal controls operated by the College through the various reports and feedback provided by both the Internal and External Auditors. It was, therefore, proposed that this question be re-worded as follows:

*Does the Audit Committee receive sufficient assurance on the operations in the key business areas such as Finance, HR, ICT?'*

- 1.4 No changes are proposed to the questionnaire evaluating the performance of the Internal Auditors.
- 1.5 The questionnaire evaluating the effectiveness of the Audit Committee has been partially completed to assist members (factual questions only). This approach has been used in previous years and the Committee was satisfied with this. However, members are free to change any of these answers if they wish to.

### Next Steps

- 1.6 If the Committee is satisfied with the proposed approach, the questionnaires will be issued to all members of the Committee, the Internal and External Auditors following the Committee meeting.
- 1.7 Completed questionnaires should be returned by **Monday 28 March 2022** so that a report can be provided to the May 2022 Audit Committee meeting for consideration and action as appropriate. Thereafter, the Audit Committee will report to the Board of Management on its findings at the meeting in June.

**2. FINANCIAL IMPLICATIONS**

2.1 There are no financial implications in this report.

**3. STUDENT EXPERIENCE**

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

**4. HUMAN RESOURCES IMPLICATIONS**

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

**5. LEGAL IMPLICATIONS**

5.1 There are no legal implications in this report.

**6. REPUTATIONAL IMPLICATIONS**

6.1 There are no reputational implications associated with this report.

**7. COMMUNITY/PARTNERSHIP IMPACT**

7.1 There are no community implications associated with this report.

**8. EQUALITIES IMPLICATIONS**

8.1 There are no equality implications associated with this report.

**9. ENVIRONMENT IMPLICATIONS**

9.1 There are no environmental implications associated with this report.

**RECOMMENDATION**

The Audit Committee is asked to consider and approve the wording of the questionnaires, the approach to be taken and the timetable for this.

## AUDIT COMMITTEE SELF-ASSESSMENT CHECKLIST

Role and Remit	YES/NO/NA Don't know	Comments/Action
Does the audit committee have written terms of reference?	Yes	
Do the terms of reference cover the core functions of an audit committee as identified in the <i>SG Audit and Assurance Committee Handbook</i> ?	Yes	
Are the terms of reference approved by the audit committee and reviewed periodically?	Yes	Reviewed at least annually
Has the audit committee been provided with sufficient membership, authority and resources to perform its role effectively and independently?		
Does the body's governance statement mention the audit committee's establishment and its broad purpose?	Yes	
Does the audit committee periodically assess its own effectiveness?	Yes	
Membership, induction and training	YES/NO/NA Don't know	Comments/Action
Has the membership of the audit committee been formally agreed by the management board and or Accountable Officer and a quorum set?	Yes	Agreed by Board
Are members appointed for a fixed term?	Yes	
Does at least one of the audit committee members have a financial background?	Yes	
Are all members, including the chair, independent of the executive function?	Yes	

Are new audit committee members provided with an appropriate induction?		
Has each member formally declared his or her business interests?	Yes	
Are members sufficiently independent of the other key committees of the Board?		
Has the audit committee considered the arrangements for assessing the attendance and performance of each member?		
<b>Meetings</b>	<b>YES/NO/NA Don't know</b>	<b>Comments/Action</b>
Does the audit committee meet regularly, at least four times a year?	Yes	
Do the terms of reference set out the frequency and broad timing of meetings?	Yes	
Does the audit committee calendar meet the body's business and governance needs, as well as the requirements of the financial reporting calendar?	Yes	
Are members attending meetings on a regular basis and if not, is appropriate action taken?	Yes	
Does the Accountable Officer attend all meetings and, if not, is he/she provided with a record of discussions?	Yes	
Does the audit committee have the benefit of attendance of appropriate officials at its meetings, including representatives from internal audit, external audit and finance?	Yes	

Internal control	YES/NO/NA Don't know	Comments/Action
Does the audit committee consider the findings of annual reviews by internal audit and others, on the effectiveness of the arrangements for risk management, control and governance?	Yes	
Does the audit committee consider the findings of reviews on the effectiveness of the system of internal control?	Yes	
Does the audit committee have responsibility for review of the draft governance statement and does it consider it separately from the accounts?	Yes	
Does the audit committee consider how accurate and meaningful the governance statement is?		
Does the audit committee satisfy itself that the arrangements for risk management, control and governance have operated effectively throughout the reporting period?		
Has the audit committee considered how it should coordinate with other committees that may have responsibility for risk management and corporate governance?		
Has the audit committee satisfied itself that the body has adopted appropriate arrangements to counter and deal with fraud?		
Has the audit committee been made aware of the role of risk management in the preparation of the internal audit plan?		
Does the audit committee's terms of reference include oversight of the risk management process?	Yes	

Does the audit committee consider assurances provided by senior staff?	Yes	
Does the audit committee receive sufficient assurance on the operations in the key business areas such as Finance, HR, ICT?		
<b>Financial reporting and regulatory matters</b>	<b>YES/NO/NA Don't know</b>	<b>Comments/Action</b>
Is the audit committee's role in the consideration of the annual accounts clearly defined?	Yes	
Does the audit committee consider, as appropriate:		
• the suitability of accounting policies and treatments	Yes	
• major judgements made	Yes	
• large write-offs	Yes	
• changes in accounting treatment	Yes	
• the reasonableness of accounting estimates	Yes	
• the narrative aspects of reporting?	Yes	
Is an audit committee meeting scheduled to receive the external auditor's report to those charged with governance including a discussion of proposed adjustments to the accounts and other issues arising from the audit?	Yes	
Does the audit committee review management's letter of representation?	Yes	
Does the audit committee gain an understanding of management's procedures for preparing the body's annual accounts?		



Does the audit committee have a mechanism to keep it aware of topical legal and regulatory issues?		
<b>Internal Audit</b>	<b>YES/NO/NA Don't know</b>	<b>Comments/Action</b>
Does the Head of Internal Audit attend meetings of the audit committee?	Yes	
Does the audit committee approve, annually and in detail, the internal audit plans including consideration of whether the scope of internal audit work addresses the body's significant risks?	Yes	
Does internal audit have a direct reporting line, if required, to the audit committee?	Yes	
As well as an annual report from the Head of Internal Audit, does the audit committee receive progress reports from the internal audit service?	Yes	
Are outputs from follow-up audits by internal audit monitored by the audit committee and does the committee consider the adequacy of implementation of recommendations?	Yes	
If considered necessary, is the audit committee chair able to hold private discussions with the Head of Internal Audit?	Yes	
Is there appropriate co-operation between the internal and external auditors?		
Does the audit committee review the adequacy of internal audit staffing and other resources?	Yes	
Are internal audit performance measures monitored by the audit committee?	Yes	

Has the audit committee considered the information it wishes to receive from internal audit?	Yes	
Do formal terms of reference exist defining internal audit's objectives, responsibilities, authority and reporting lines?	Yes	
<b>External Audit</b>	<b>YES/NO/NA Don't know</b>	<b>Comments/Action</b>
Does the external audit representative attend meetings of the audit committee?	Yes	Not all meetings – normally 2 per annum
Do the external auditors present and discuss their audit plans and strategy with the audit committee (recognising the statutory duties of external audit)?	Yes	
Does the audit committee chair hold periodic private discussions with the external auditor?		
Does the audit committee review the external auditor's annual report to those charged with governance?	Yes	
Does the audit committee ensure that officials are monitoring action taken to implement external audit recommendations?	Yes	
Are reports on the work of external audit presented to the audit committee?	Yes	
Does the audit committee assess the performance of external audit?	Yes	
Does the audit committee consider the external audit fee?	Yes	The fee is set by Audit Scotland

<b>Administration</b>	<b>YES/NO/NA Don't know</b>	<b>Comments/Action</b>
Does the audit committee have a designated secretariat?	Yes	
Are agenda papers circulated in advance of meetings to allow adequate preparation by audit committee members?	Yes	
Do reports to the audit committee communicate relevant information at the right frequency, time, and in a format that is effective?		
Does the audit committee issue guidelines and/or a pro forma concerning the format and content of the papers to be presented?		
Are minutes prepared and circulated promptly to the appropriate people, including all members of the Board?	Yes	
Is a report on matters arising presented or does the chair raise them at the audit committee's next meeting?	Yes	
Do action points indicate who is to perform what and by when?	Yes	
Does the audit committee provide an effective annual report on its own activities?	Yes	
<b>Overall</b>	<b>YES/NO/NA Don't know</b>	<b>Comments/Action</b>
Does the audit committee effectively contribute to the overall control environment of the organisation?		
Are there any areas where the audit committee could improve upon its current level of effectiveness?		

Does the audit committee seek feedback on its performance from the Board and Accountable Officer?		
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Extracted from the Scottish Government Audit and Assurance Committee Handbook 2018

Evaluation of the Internal Auditors	Yes	No	Not sure	Comments
<b>Questions for Audit Committee Members</b>				
1. Did the auditors meet with the Audit Committee when requested?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
2. Did the auditors adequately assess controls in place within the College?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
3. Did the auditors inform the Audit Committee of any risks of which the Committee was not previously aware?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
4. Did the auditors communicate issues freely with the Audit Committee, or did they seem protective of management?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
5. Does it appear that management exercises undue influence on the internal auditors?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
6. Does it appear that the internal auditors are reluctant or hesitant to raise issues that would reflect negatively on management?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
7. Is the Audit Committee satisfied with the planning and conduct of the audits?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
8. Is the Audit Committee satisfied with its relationship with the internal auditors? In making this determination, the Audit Committee should consider whether:  (a) the partner-in-charge of the audit participated in Audit Committee meetings;  (b) the auditors were frank and complete in the required discussions with the Audit Committee;  (c) the auditors were frank and complete during executive sessions with the Audit Committee;  (d) the auditors are on-time in their delivery of services to the College.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

Evaluation of the Internal Auditors	Yes	No	Not sure	Comments
<b>Questions for Audit Committee Members (continued)</b>				
<p>9. Is the Audit Committee satisfied that the internal auditors remain independent and objective both in fact and appearance? This response should consider:</p> <ul style="list-style-type: none"> <li>• Review all audit-related and nonaudit services conducted by the internal auditors in the prior year.</li> <li>• Review whether the firm, the office or the partner is dependent on the College for a material percentage of its fee income.</li> <li>• Review whether former members of the audit team are now employed by the College.</li> </ul> <p>If any of these conditions exist the Audit Committee should consider whether they impair the auditors' independence with respect to the College.</p>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
<p>10. Was the audit fee fair and reasonable in relation to what the Audit Committee knows about fees charged to other non-profit Colleges, and in line with fee benchmarking data the Audit Committee might have available to it?</p>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
<p>11. Did the internal auditors provide constructive observations, implications, and recommendations in areas needing improvement?</p>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
<p>12. Did the internal auditors demonstrate an ongoing understanding of the uniqueness of further education?</p>	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

**Signed:**

**Print Name:**

**Date:**

Evaluation of the Internal Auditors	Yes	No	Not sure	Comments
<b>Questions for the Principal and Chief Executive</b>				
1. From your perspective, in working with the internal auditors are you satisfied with the scope, nature, extent, and timing of testing performed by the internal auditors?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
2. Are you satisfied with the knowledge, skills, and abilities of the staff assigned to the audit work?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
3. Are you satisfied with the engagement leadership assigned, including the partner(s), manager(s), and fieldwork leaders?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
4. Did the internal auditors provide constructive observations, implications, and recommendations in areas needing improvement?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
5. <i>a.</i> If the choice were yours, would you hire the firm to conduct next year's internal audits?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
<i>b.</i> If yes, are there any changes you would make?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
6. Are you satisfied with the quality and quantity of information provided by the internal auditors relative to the general progress of the audits?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
7. Were identified problems or potential issues brought to your attention in sufficient time to be addressed without delaying or extending the completion of the audits?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

**Signed:**

**Print Name:**

**Date:**

Evaluation of the Internal Auditors	Yes	No	Not sure	Comments
<b>Questions for the Vice Principal Operations</b>				
1. From your perspective in working with the internal auditors, are you satisfied with the scope, nature, extent, and timing of testing performed by the internal auditors?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
2. Did the internal auditors work with you to ensure the co-ordination of audit efforts to assure the completeness of coverage, reduction of redundant efforts, and the effective use of audit resources?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
3. a. Are you satisfied with the knowledge, skills, and abilities of the staff assigned to do the audit work?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
b. Are you satisfied with the engagement leadership assigned, including the partner(s), manager(s) and fieldwork leaders?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
4. a. Did the internal auditors work in accordance with agreed audit parameters?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
b. Was co-operative work conducted in a professional manner?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
c. Are you satisfied with the quality and quantity of information provided by the internal auditors?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
5. Are you satisfied that the auditors remain independent of the College in spite of any additional audit-related, or non-audit services the auditors provide to the College?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
6. a. Are you aware of any other information that might impair the independence of the internal audit firm?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
b. Are you aware of any individuals on the internal audit team that might not be independent with respect to the College for whatever reason?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	



Evaluation of the Internal Auditors	Yes	No	Not sure	Comments
<b>Questions for the Vice Principal Operations (continued)</b>				
7. Were identified problems or potential issues brought to your attention in sufficient time to be addressed without delaying or extending the completion of the audit?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
8. <i>a.</i> If the choice were yours would you hire the firm to conduct next year's internal audits?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	
<i>b.</i> If yes, are there any changes you would make?	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	

**Signed:**

**Print Name:**

**Date:**



<b>Meeting</b>	<b>Audit Committee</b>
<b>Date</b>	<b>2 March 2022</b>
<b>Location</b>	<b>MS Teams</b>
<b>Title of Paper</b>	<b>Cyber Security</b>
<b>Presented By</b>	<b>Amy McDonald/Brian Stobbs</b>
<b>Recommendation to Members</b>	<b>Consultation</b>
<b>Appendix Attached</b>	<b>No</b>

[Redacted content]











<b>Meeting</b>	Audit Committee
<b>Date</b>	2 March 2022
<b>Location</b>	MS Teams
<b>Title of Paper</b>	Draft Internal Audit Plan 2022-23
<b>Presented By</b>	Alan Ritchie Director of Finance
<b>Recommendation to Members</b>	Consultation
<b>Appendix Attached</b>	Yes a) Audit Needs Assessment b) College Assurance Map

#### **PURPOSE**

This paper presents to the Audit Committee the draft internal audit plan for 2022-23 along with an updated Audit Needs Assessment and Assurance Map. The Committee are being asked to consider the content of the Audit Needs Assessment and Assurance Map and review the draft internal audit plan in light of the content of these two documents.

The paper is presented in line with West College Scotland Audit Committee Terms of Reference:

*'To agree the Internal Audit Plan and review the Internal Audit Annual Report'*

The paper is submitted for consultation.



## 1. Introduction

- 1.1 Wylie & Bisset LLP were appointed as Internal Auditors with effect from 1 August 2020 for a three-year period to 31 July 2023 with the option to extend the contract until 31 July 2025.
- 1.2 The prime responsibility of the Internal Audit Service (IAS) is to provide the Board of Management, via the Audit Committee, with an objective assessment of the adequacy and effectiveness of management's internal control systems.
- 1.3 The Internal Auditor objectively examines, evaluates and reports on the adequacy of internal control thus contributing to the economic, efficient and effective use of resources and to the reduction of the potential risks faced by the College. Also, the operation and conduct of the Internal Auditor must comply with the standards and guidelines set down by the Chartered Institute of Internal Auditors.
- 1.4 The draft Internal Audit Plan for 2022-23 was considered by the Audit Committee in May 2021 at the time when the 2021-22 Internal Audit Plan was approved. The Internal Audit Plan was compiled through:
  - consultation with the Senior Management Team.
  - a detailed review by the audit team of the College Strategic Risk Register and Assurance Map.
  - consideration of the objectives as stated in the Corporate Plan 2019-2025.
- 1.5 Following a review of the College Assurance Map, the May 2021 Audit Committee agreed in principle that the following audit assignments should be undertaken during 2022-23 with the reason being noted as follows:
  - Procurement and tendering  
Procurement is important to the College because it contributes to the efficient use of resources to support operational needs and the delivery of the objectives in the College Corporate Strategy. Work was previously undertaken in this area in 2017-18
  - Financial systems  
The operation of an effective and efficient financial system is critical to the success of the College. Work was previously undertaken in this area in 2019-20

## PUBLIC

- **Curriculum Strategy**  
During 2021-22 the Board of Management approved this key document. It was intended to allow the Strategy to become embedded into college operations and to review the implementation of the strategy during 2022-23. Work in this area has not been undertaken before.
- **Curriculum planning and timetabling**  
This area is critical not only for addressing the requirements of students but also to ensure the effective and efficient use of both the people and estate assets of the College. Work in this area was undertaken in 2016-17
- **Student Admissions / Enrolment**  
Student experience is a key risk for the College and as such work on a variety of areas has been undertaken each year. student recruitment is being covered during 2021-22 with admissions and enrolment work being undertaken in 2022-23.
- **IT Strategy**  
A revised College IT Strategy was approved in 2020-21 with the intention being that the Strategy be allowed to embed itself into college operations before being reviewed during 2022-23.
- **Corporate Governance**  
The area of corporate governance is critical to ensuring the reputation of the College is not damaged along with ensuring legislative requirements are complied with. The College Board of Management undertake an annual review. However, the area of corporate governance has not been subject to a review by internal audit.
- **Risk Management**  
During 2021-22 the College is undertaking a review of the risk management process. This review will most likely lead to a change in the overall risk management process which given the last internal audit review was undertaken in 2015-16, it was felt appropriate to include an internal audit review during 2022-23

1.6 During the discussion on the proposed 2022-23 plan, the Committee noted that the Assurance Map was a useful tool in assessing the assurance the College was able to provide against the risks faced by the College.

- 1.7 However, the Committee noted that previously they had been able to refer to the Audit Needs Assessment (Audit Universe) which spanned several years.
- 1.8 As part of the planning process for consideration of the 2022-23 internal audit plan, the College in conjunction with the internal auditors, have compiled the attached Audit Needs Assessment (Appendix A).

## **2. Audit Needs Assessment**

- 2.1 Appendix A provides the College Audit Needs Assessment (ANA) and includes the 2022-23 draft internal audit plan.
- 2.2 The ANA shows how the available audit resource has been allocated to provide coverage of processes within the College.
- 2.3 The internal audit plan is developed with the aim of focusing audit resources on the areas of most need and therefore not all potential audit areas can be reviewed within the resource available. The Audit Committee should consider the assurance it gets from other sources (e.g. external audit, regulatory reviews, management, etc) when assessing whether there are gaps highlighted within the ANA which it wishes to address. This gap analysis is provided through the College Assurance Map which has been included at Appendix B for consideration.
- 2.4 The ANA includes:
- An overall area of coverage e.g. Financial, governance, people
  - The audit work which has been / is proposed to be undertaken.
  - An assessment of the regularity of the audit work. This is only a guide and should be read in conjunction with the risk register.
  - An indication if the area of work is also considered by the external auditors.
  - The actual / planned days of work for each assignment.

- 2.5 The ANA also includes areas where previous Audit Needs Assessments have indicated that work may be undertaken. The auditors may not have been directed to cover these areas due to considerations such as low risk or where other assurances are available.

### **Next Steps**

- 2.6 The Audit Committee is requested to:
- Review the Audit Needs Assessment (Appendix A) and comment upon the content in light of the Committees previous discussions.
  - Consider the College Assurance Map (Appendix B) and whether the Committee considers that there should be any amendments made to the proposed 2022-23 Internal Audit Plan.
  - Consider what audit assignments may require to be undertaken in 2023-24

## **3. FINANCIAL IMPLICATIONS**

- 3.1. There are no direct financial implications in this report.

## **4. STUDENT EXPERIENCE**

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

## **5. HUMAN RESOURCES IMPLICATIONS**

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

## **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 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**

The Audit Committee is requested to:

- Review the Audit Needs Assessment (Appendix A) and comment upon the content in light of the Committees previous discussions.
- Consider the College Assurance Map (Appendix B) and whether the Committee considers that there should be any amendments made to the proposed 2022-23 Internal Audit Plan.
- Consider what audit assignments may require to be undertaken in 2023-24

## Appendix A - Audit Needs Assessment

Area	Audit Work	Suggested Review Period	External Audit	15-16	16-17	17-18	18-19	19-20	20-21	21-22	22-23
				Actual	Actual	Actual	Actual	Actual	Actual	Plan	Draft
<b>Financial</b>	Financial systems healthcheck	Cyclical: 3-5 years		5				6			5
	Budget / Financial planning and monitoring	Cyclical: 3-5 years		5			6				
	Overall financial controls	Cyclical: 3-5 years							6		
	Financial Regulations – ONS compliance	Cyclical: 3-5 years		5							
	Review of Financial Regulations	Cyclical: 3-5 years								5	
	Alternative/non-SFC funding sources	Cyclical: 3-5 years			8						
	Treasury and Cash Management	Cyclical: 3-5 years	Yes							5	
	Procurement and tendering	Cyclical: 3-5 years				5					5
	Accounting Policies	At Committee request	Yes								
	Income		Yes								
	Debtors		Yes								
	Expenditure and payables		Yes								
<b>Statutory</b>	Student Support Funds	Annual	Yes	4	4	4	4	4	4	4	4

Area	Audit Work	Suggested Review Period	External Audit	15-16	16-17	17-18	18-19	19-20	20-21	21-22	22-23
				Actual	Actual	Actual	Actual	Actual	Actual	Plan	Draft
	Educational Maintenance Allowance	Annual	Yes	3	3	3	3	3	3	3	3
	SFC Student Activity (credits)	Annual	Yes	8	8	8	8	8	8	8	8
<b>Student</b>	<b>Student Experience</b>										
	Online Resources	Annually						8			
	Feedback			8			11				
	Student Association				8						
	Engagement					8					
	Student Recruitment			8						5	
	Study of effects of Covid-19								8		
	Student Admissions / Enrolments										5
	Safeguarding	Cyclical: 3-5 years					6				
	Internal Communication	Cyclical: 3-5 years					7				
	External Communications - Website	Cyclical: 3-5 years							6		
	Curriculum Planning & Timetabling	Cyclical: 3-5 years			8						5
	Student Records	Cyclical: 3-5 years	Yes								
<b>Strategy</b>	Digital Strategy	Cyclical: 3-5 years						8		6	

Area	Audit Work	Suggested Review Period	External Audit	15-16	16-17	17-18	18-19	19-20	20-21	21-22	22-23
				Actual	Actual	Actual	Actual	Actual	Actual	Plan	Draft
	Curriculum Strategy	Cyclical: 3-5 years									6
	Estates Strategy	Cyclical: 3-5 years								6	
	IT Strategy	Cyclical: 3-5 years		7							5
	College Corporate Plan	Cyclical: 3-5 years									
	Review of other strategies	Cyclical: 3-5 years									
<b>Governance</b>	Operational Planning	Cyclical: 3-5 years		7							
	Whistleblowing	At Committee request			5						
	GDPR Compliance	Cyclical: 3-5 years				8					
	Freedom of Information	Cyclical: 3-5 years					7				
	Regional Outcome Agreement	Cyclical: 3-5 years						7			
	Fraud Prevention / Awareness	Cyclical: 3-5 years					6		5		
	Complaints Handling	Cyclical: 3-5 years							5		
	Assurance Mapping	At Committee request							6		
	Sustainability and Carbon Management	Cyclical: 3-5 years								4	



Area	Audit Work	Suggested Review Period	External Audit	15-16	16-17	17-18	18-19	19-20	20-21	21-22	22-23
				Actual	Actual	Actual	Actual	Actual	Actual	Plan	Draft
	Business Continuity Planning	Cyclical: 3-5 years			7					5	
	Corporate Governance	Cyclical: 3-5 years	Yes								5
	Risk Management	Cyclical: 3-5 years	Yes	5							5
	Change Management	At Committee request									
<b>Estates</b>											
	Estates and Asset Management	Cyclical: 3-5 years			8						
	Capital Project Management	Cyclical: 3-5 years									
<b>IT</b>											
	IT Security Healthcheck	Cyclical: 3-5 years				9					
	IT Systems Administration / Network Management	Cyclical: 3-5 years								5	
	Response to IT Incident	At Committee request							3		
<b>People</b>											
	Health and Safety Arrangements	Cyclical: 3-5 years				7					
	Workforce Planning – Strategy	Cyclical: 3-5 years			6						
	Workforce Planning – Operational	Cyclical: 3-5 years				8					
	Payroll and expenses	Cyclical: 3-5 years	Yes			5					

Area	Audit Work	Suggested Review Period	External Audit	15-16	16-17	17-18	18-19	19-20	20-21	21-22	22-23
				Actual	Actual	Actual	Actual	Actual	Actual	Plan	Draft
	HR: Sickness and Absence Reporting	Cyclical: 3-5 years							5		
	Equality and Diversity	Cyclical: 3-5 years						6			
	Continuing Professional Development	Cyclical: 3-5 years						8			
	Travel and Subsistence	Cyclical: 3-5 years									
	Succession Planning	Cyclical: 3-5 years									
	Recruitment and retention	Cyclical: 3-5 years									
<b>Auditor</b>	Audit Management			10	10	10	12	12	9	9	9
<b>Total</b>				<b>75</b>	<b>75</b>	<b>75</b>	<b>70</b>	<b>70</b>	<b>68</b>	<b>65</b>	<b>65</b>



# Assurance Map

## **Definitions**

### **Assurance**

*An objective examination of evidence for the purpose of providing an independent assessment on governance, risk management, and control processes for the organisation.*

### **Assurance framework**

*A structured means of identifying and mapping the main sources of assurance in an organisation, and co-ordinating them to best effect.*

### **Assurance mapping**

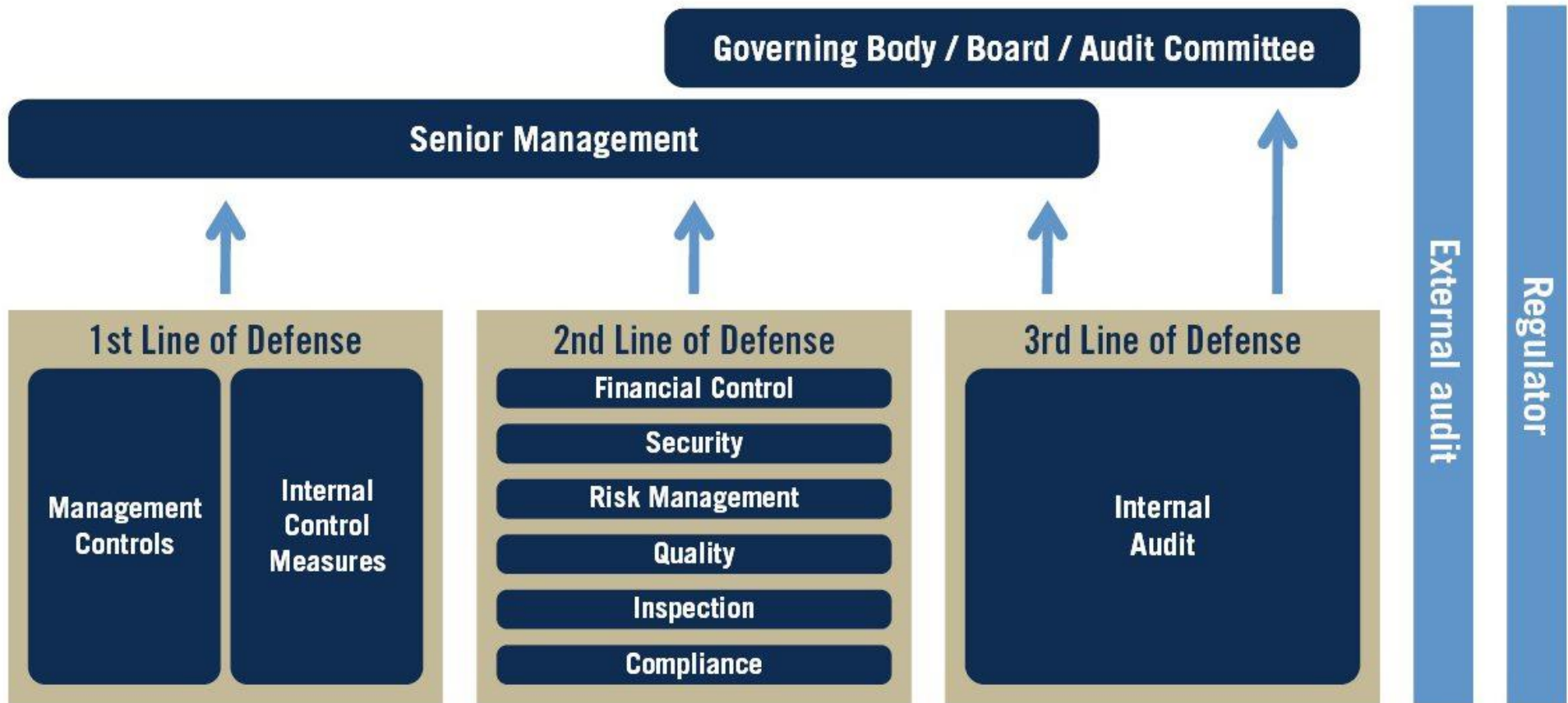
*A mechanism for linking assurances from various sources to the risks that threaten the achievement of an organisation's outcomes and objectives. They can be at various levels, dependent upon the scope of the mapping.*

### **Assurance Activity**

*Is any activity undertaken by, or on behalf of, the College which provides evidence to support continuous assessment of the management of risk and internal control. Essentially, an activity can be considered an assurance activity if an individual or group within the College relies upon it to determine whether risks are being adequately managed, and whether that activity contributes towards the achievement of the College's objectives.*

### Three Lines of Defence

Assurance Maps frequently refer to Lines of Defence. In a well-designed Assurance Map, the lines of defence complement each other, such that each line contributes to the effective management of risk. Providers of assurance, and the activities they undertake, will necessarily fit within one of the lines of defence as shown in the diagram below:



## **First Line of Defence – Operational Management**

Operational Managers as the first line of defence, own and manage risks. They also are responsible for implementing corrective actions to address process and control deficiencies. Operational Managers are responsible for maintaining effective internal controls and for executing risk and control procedures on a day-to-day basis. Operational Managers identify, assess, control and mitigate risks, guiding the development and implementation of internal policies and procedures and ensuring that activities are consistent with goals and objectives.

Operational Managers serve as the first line of defence because controls are designed into systems and processes under their guidance of operational management. There should be adequate managerial and supervisory controls in place to ensure compliance and to highlight control breakdown, inadequate processes and unexpected events.

Examples may include:

- Development and review of policies and procedures
- Managerial review and authorisation processes
- Performance and exception reporting.

## **Second Line of Defence – Risk Management and Compliance Functions**

The Senior Management Team has an established risk management and compliance function which assists in building and/or monitor the first line-of-defence controls. The Senior Management Team operates several functions in this second line of defence including:

- A risk management function that facilitates and monitors the implementation of effective risk management practices by operational management and assists risk owners in defining the risk exposure and reporting adequate risk-related information throughout the College.
- A compliance function which monitors various specific risks such as noncompliance with applicable laws and regulations and specific types of compliance monitoring, such as health and safety, procurement, environmental and quality monitoring.
- A finance function that monitors financial risks and financial reporting issues.

The Senior Management Team has established these functions to ensure the first line of defence is properly designed, in place, and operating as intended. Each of these functions has some degree of independence from the first line of defence, but they are by nature management functions. As management functions, they

may intervene directly in modifying and developing the internal control and risk systems. Therefore, the second line of defence serves a vital purpose but cannot offer truly independent analyses to the Board of Management regarding risk management and internal controls.

These assurance activities may include:

- Compliance reviews
- Review processes that take place outside local management structures
- Policies which may require referral to specialists in specific instances
- Risk reviews and the compilation of the strategic risk register

### **Third Line of Defence – Internal Audit**

Internal auditors provide the Board of Management and Senior Management Team with comprehensive assurance based on the highest level of independence and objectivity within the College. This high level of independence is not available in the second line of defence. Internal audit provides assurance on the effectiveness of governance, risk management, and internal controls, including the way the first and second lines of defence achieve risk management and control objectives. The scope of this assurance, which is reported to Senior Management Team and to the Board of Management, usually covers:

- A broad range of objectives, including efficiency and effectiveness of operations; safeguarding of assets; reliability and integrity of reporting processes; and compliance with laws, regulations, policies, procedures, and contracts.
- All elements of the risk management and internal control framework, which includes internal control environment; all elements of the College's risk management framework (i.e., risk identification, risk assessment and response); information and communication; and monitoring.
- The overall College operating units and functions — including teaching and learning, sales, marketing, safety, student functions and operations — as well as supporting functions – finance, human resources, procurement, payroll, infrastructure and asset management and information technology.

### **External Auditors, Regulators and Other External Bodies**

External auditors, regulators, and other external bodies reside outside the College's structure, but they have an important role in the College's overall governance and control structure. Regulators set requirements intended to strengthen the controls in the College and on other occasions perform an independent and objective function to assess the whole or some part of the first, second, or third line of defence with regard to those requirements. When coordinated effectively, external auditors, regulators, and other groups outside the College can be considered as supporting the third line of defence, providing assurance to the Board of Management and Senior Management Team.

### Co-ordinating the Three Lines of Defence

When considering overall assurance process the following diagram shows the underlying role of each group in the risk management process:

FIRST LINE OF DEFENCE	SECOND LINE OF DEFENCE	THIRD LINE OF DEFENCE
<b>Risk Owners / Managers</b>	<b>Risk Control and Compliance</b>	<b>Risk Assurance</b>
<ul style="list-style-type: none"><li>Operational Managers</li></ul>	<ul style="list-style-type: none"><li>Limited independence</li><li>Reports primarily to management</li></ul>	<ul style="list-style-type: none"><li>Internal audit</li><li>Greater independence</li><li>Reports to the Board of Management</li></ul>



# **COLLEGE ASSURANCE MAP**

## Key to Assurance Map

QUALITY OF ASSURANCE	
	Unlikely that further assurance activity is required in principle
	Assurance activity not sufficient but planned new assurance activity is moving this to a level of assurance that is reasonable
	Limited assurance and therefore potentially requires further assurance work to be undertaken
	No assurance activity understood to be in place
	Assurance activities require confirmation required from management

The above assessment of quality of assurance was based upon the following attributes:

**Breath of scope** - How much of the element is being covered by the activity? Is it assessing all aspects of the element or specifically focussing on one small part of the overall picture.

**Competence of assurance provider** - The person performing the activity should be knowledgeable of both the element being assured and have the skills to provide the assurance required

**Frequency of review** - Some activities will be repeated every year, or every month, whilst others will take place on a three-yearly cycle, or just as an ad hoc review. The more recent and timelier the activity, the more relevant and reliable the information and assurance will be.

Risk No.	Risk Title and Description	Net Risk Score	Type of Assurance			Comments / Gaps in Assurance / Risk Exposure
			Operational and Management (First Line of Defence)	Risk and Compliance (Second Line of Defence)	External / Independent (Third Line of Defence)	
1	<p><u>SFC Funding and Funding Methodology (WCS01)</u></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>	24	<ul style="list-style-type: none"> <li>Board approved 3 Year Financial Plan</li> <li>Monthly management accounts prepared and reviewed by SMT.</li> <li>SMT receive reports on Commercial and Credit activity</li> <li><a href="#">Estate Strategy</a></li> <li><a href="#">IT Strategy</a></li> <li>Update reports on key developments to each Corporate Development Committee</li> <li>Supporting implementation of the performance and management tool, Pentana</li> <li>College senior staff leading / involved in external groups – Finance, HR and Business Development</li> </ul>	<ul style="list-style-type: none"> <li>Management accounts presented to Corporate Development Committee / Board quarterly</li> </ul>	<ul style="list-style-type: none"> <li><a href="#">2020-21 unqualified SFC Credits Audit</a></li> <li><a href="#">2020-21 unqualified Student Funding audits</a></li> <li><a href="#">2020-21 unqualified Financial Statements audit</a></li> <li><a href="#">2020-21 Internal Audit Annual Report</a> – Satisfactory controls</li> <li><a href="#">Internal Audit Report 2020-21 - Overall Financial Controls (strong assurance)</a></li> <li><a href="#">Internal Audit Report 2021-22 - Review of Financial Regulations (strong assurance)</a></li> <li><a href="#">Internal Audit Report 2021-22 – Review of Cash Management (strong assurance)</a></li> <li>Internal Audit Report 2016-17: Workforce Planning (reasonable assurance)</li> </ul>	<p>Internal Audit Plan 2021-22:</p> <ul style="list-style-type: none"> <li>Review of Student Recruitment</li> <li>Review of Estate Strategy</li> </ul> <p>Internal Audit Plan 2022-23:</p> <ul style="list-style-type: none"> <li>Financial Systems Healthcheck</li> <li>Procurement and tendering</li> </ul>

Risk No.	Risk Title and Description	Net Risk Score	Type of Assurance			Comments / Gaps in Assurance / Risk Exposure
			Operational and Management (First Line of Defence)	Risk and Compliance (Second Line of Defence)	External / Independent (Third Line of Defence)	
2	<p><b>Estate Strategy (WCS03)</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 and retain staff.</p>	20	<ul style="list-style-type: none"> <li>Board of Management approved <a href="#">Estate Strategy 2016-2025</a></li> <li>Update reports to Corporate Development Committee on estate related matters.</li> <li>Regular reporting to <a href="#">Corporate Development Committee</a> on estate condition, building utilisation and health &amp; safety issues.</li> <li>As required reporting to CDC on other specific topics, i.e., National Infrastructure Mission 2021-26</li> </ul>	<ul style="list-style-type: none"> <li>Annual update reports to Committee and Board on Estate Strategy progress</li> <li>Engagement with SFC and SFT on outline Business Cases for Paisley and Greenock campus developments</li> <li>Campus Health &amp; safety Committees including staff and union representation</li> </ul>	<ul style="list-style-type: none"> <li>Review of Estate Condition Survey undertaken by Ryden with action plan being drawn up to address critical issues</li> <li>Independent evaluation of Estate Condition Survey 2019</li> <li>Internal Audit Report 2021-22: Sustainability (weak assurance)</li> <li>Internal Audit Report 2016-17: Estates and Asset Management (reasonable assurance)</li> <li>Internal Audit Report 2016-17: Timetabling and Curriculum Planning (reasonable assurance)</li> </ul>	<p>Internal Audit Plan 2021-22:</p> <ul style="list-style-type: none"> <li>Review of Estate Strategy</li> </ul> <p>Internal Audit Plan 2022-23:</p> <ul style="list-style-type: none"> <li>Review of Curriculum Strategy</li> <li>Curriculum Planning &amp; Timetabling</li> </ul>

Risk No.	Risk Title and Description	Net Risk Score	Type of Assurance			Comments / Gaps in Assurance / Risk Exposure
			Operational and Management (First Line of Defence)	Risk and Compliance (Second Line of Defence)	External / Independent (Third Line of Defence)	
3	<p><b><u>Estates and IT Investment (WCS02)</u></b></p> <p>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.</p>	20	<ul style="list-style-type: none"> <li>Update report to Committee on estate and IT developments</li> <li>Report to Committee on expenditure of SFC maintenance funding using condition survey work as basis</li> <li>Annual budget setting process and determination of Estates and IT investment priorities</li> </ul>	<ul style="list-style-type: none"> <li>Board of Management approved Estate Strategy 2016-2025</li> <li>Board of Management Committee update reports and annual progress review</li> <li>Involvement in SFC Capital Working Group</li> <li>Planned and cyclical inspections and investment undertaken by College</li> <li>Update report on reactive repairs and investment considered by SMT</li> </ul>	<ul style="list-style-type: none"> <li>Internal Audit Report 2021-22: Digital Strategy (Substantial assurance)</li> <li>Internal Audit Report 2016-17: Estates and Asset Management (reasonable assurance)</li> <li>Review of Estate Condition Survey undertaken by Ryden with action plan being drawn up to address critical issues.</li> <li>Independent evaluation of Estate Condition Survey 2019</li> <li>Internal Audit Report 2017-18: Procurement and Tendering (reasonable assurance)</li> </ul>	<p>Internal Audit Plan 2021-22:</p> <ul style="list-style-type: none"> <li>Review of Estate Strategy</li> </ul> <p>Internal Audit Plan 2022-23:</p> <ul style="list-style-type: none"> <li>Review of Curriculum Strategy</li> <li>Curriculum Planning &amp; Timetabling</li> <li>Review of IT Strategy</li> </ul>

Risk No.	Risk Title and Description	Net Risk Score	Type of Assurance			Comments / Gaps in Assurance / Risk Exposure
			Operational and Management (First Line of Defence)	Risk and Compliance (Second Line of Defence)	External / Independent (Third Line of Defence)	
4	<p><b><u>Alternative Income Growth (WCS11)</u></b></p> <p>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.</p>	12	<ul style="list-style-type: none"> <li>Departmental operational plans reviewed for delivery of other income</li> <li>Established curriculum planning tools and processes</li> <li>Credit and Commercial Development Group minutes</li> </ul>	<ul style="list-style-type: none"> <li>Corporate Development Committee minutes and reports</li> <li>Financial planning and budgets</li> <li>Management accounts reviewed quarterly</li> </ul>	<ul style="list-style-type: none"> <li>Internal Audit Report 2019-20: Online Resources (reasonable assurance)</li> <li>Internal Audit Report 2019-20: Digital Strategy (reasonable assurance)</li> <li>Internal Audit Report 2016-17: Alternative / non SFC funding sources (reasonable assurance)</li> <li>Unqualified external audit annual credits / funding reports and audits</li> </ul>	<p>Internal Audit Plan 2022-23:</p> <ul style="list-style-type: none"> <li>Review of Curriculum Strategy</li> </ul>
5	<p><b><u>SFC Regional Outcome Agreement (WCS04)</u></b></p> <p>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.</p>	12	<ul style="list-style-type: none"> <li>Approved Regional Outcome Agreement 2021-22</li> <li>College Commercial and Credit Review Group undertake review of credit delivery</li> <li>Online student data available to all staff including detailed activity reports</li> <li><a href="#">Student Health and wellbeing Strategy</a></li> </ul>	<ul style="list-style-type: none"> <li>Evaluation Report and Enhancement Plan in December 2017, followed by a three-year Evaluation Report and Enhancement Plan 2017-18 to 2019-20</li> <li><a href="#">Member of the Developing the Young Workforce Group</a></li> </ul>	<ul style="list-style-type: none"> <li>Internal Audit Report 2021-22: Sustainability (weak assurance)</li> <li>Internal Audit Review 2020-21: Covid 19 (Phase 1) (strong assurance)</li> <li>Internal Audit Review 2020-21: Covid 19 (Phase 2) (strong assurance)</li> </ul>	<p>Internal Audit Plan 2021-22:</p> <ul style="list-style-type: none"> <li>Review of Student Recruitment</li> </ul> <p>Internal Audit Plan 2022-23:</p> <ul style="list-style-type: none"> <li>Review of Curriculum Strategy</li> <li>Review of IT Strategy</li> </ul>

Risk No.	Risk Title and Description	Net Risk Score	Type of Assurance			Comments / Gaps in Assurance / Risk Exposure
			Operational and Management (First Line of Defence)	Risk and Compliance (Second Line of Defence)	External / Independent (Third Line of Defence)	
			<ul style="list-style-type: none"> <li><a href="#">Access and Inclusion Strategy and Action Plan</a></li> <li><a href="#">Corporate Parenting Action Plan</a></li> <li><a href="#">STEM Manifesto</a></li> <li><a href="#">IT Strategy</a></li> <li>Dedicated <a href="#">Sustainability College Intranet Page</a></li> <li><a href="#">Supporting Student Carers Policy</a></li> <li><a href="#">Gender Based Violence (GBV) Student Policy</a></li> <li></li> </ul>	<ul style="list-style-type: none"> <li>School/College Partnership Agreement</li> <li>Learning, Teaching and Quality Committee reports and minutes</li> <li>Board Committees undertake annual review of elements of ROA under their remits</li> <li>Annual report to Board of Management on ROA progress</li> <li>Curriculum Sectors review their own ROA Measurement Table data within the Annual Curriculum Planning and Review process.</li> </ul>	<ul style="list-style-type: none"> <li>Internal Audit Review 2020-21: Complaints Handling (substantial assurance)</li> <li>Internal Audit Report 2019-20: Regional Outcome Agreement process (strong assurance)</li> <li>Internal Audit Report 2019-20: Digital Strategy (reasonable assurance)</li> <li>Internal Audit Review 2018-19: Safeguarding (reasonable assurance)</li> <li>Internal Audit Report 2018-19: Student Experience (reasonable assurance)</li> <li>Internal Audit Report 2017-18: Student Experience (schools programme) (reasonable assurance)</li> <li>Internal Audit Report 2017-18: Curriculum Planning process (CMAP) (reasonable assurance)</li> </ul>	<ul style="list-style-type: none"> <li>Curriculum Planning &amp; Timetabling</li> </ul>

Risk No.	Risk Title and Description	Net Risk Score	Type of Assurance			Comments / Gaps in Assurance / Risk Exposure
			Operational and Management (First Line of Defence)	Risk and Compliance (Second Line of Defence)	External / Independent (Third Line of Defence)	
				<ul style="list-style-type: none"> <li>• <a href="#">Published Performance Indicators</a></li> <li>• <a href="#">Annual Complaints Handling report</a></li> </ul>	<ul style="list-style-type: none"> <li>• Internal Audit Report 2016-17: Student Association (reasonable assurance)</li> <li>• Internal Audit Report 2016-17: Timetabling and Curriculum Planning (reasonable assurance)</li> <li>• External action plan for Student Carers support verification by Carers Federation (UK) and The Carers Trust</li> <li>• Active partnership working across the CDN Access and Inclusion and Safeguarding Forums to share best practice and implement national policy changes.</li> <li>• Annual reporting to SFC on progress for Corporate Parenting and Counselling support</li> </ul>	



Risk No.	Risk Title and Description	Net Risk Score	Type of Assurance			Comments / Gaps in Assurance / Risk Exposure
			Operational and Management (First Line of Defence)	Risk and Compliance (Second Line of Defence)	External / Independent (Third Line of Defence)	
6	<p><b><u>National Pay Bargaining (WCS07)</u></b></p> <p>Impact and outcome of National Pay Bargaining for both teaching and support staff has an adverse effect on either efficiency of delivery or budget.</p>	12	<ul style="list-style-type: none"> <li>Local Trade Union Consultation and Negotiating Committee minutes made available to staff</li> <li>Minutes of NJNC meetings</li> <li>Local workforce planning</li> <li>College representatives on both teaching and support staff national committees</li> </ul>	<ul style="list-style-type: none"> <li>Detailed <a href="#">Business Continuity Plan</a> including testing regime validated by Zurich Municipal</li> <li>Financial scenario planning – financial modelling based on SFC FFR assumptions</li> </ul>	<ul style="list-style-type: none"> <li>Internal Audit Review 2020-21: Complaints Handling (substantial assurance)</li> <li>Internal Audit Report 2017-18: Workforce Planning (reasonable assurance)</li> </ul>	
7	<p><b><u>College Budget Action Plan (WCS15)</u></b></p> <p>Failure to deliver the financial and/or non-</p>	12	<ul style="list-style-type: none"> <li>Monthly Management Accounts amended to increase level of detail provided to both SMT and</li> </ul>	<ul style="list-style-type: none"> <li>Corporate Development Committee ongoing review and monitoring of</li> </ul>	<ul style="list-style-type: none"> <li>Internal Audit Report 2018-19: Budget Monitoring and Financial Planning (Strong Assurance)</li> </ul>	<p>Internal Audit Plan 2022-23:</p> <ul style="list-style-type: none"> <li>Review of Finance System</li> </ul>

Risk No.	Risk Title and Description	Net Risk Score	Type of Assurance			Comments / Gaps in Assurance / Risk Exposure
			Operational and Management (First Line of Defence)	Risk and Compliance (Second Line of Defence)	External / Independent (Third Line of Defence)	
	financial objectives outlined in the College Budget Action Plan.		<ul style="list-style-type: none"> <li>Board on efficiencies generated</li> <li>Update reports to Board of Management</li> <li>Operational plan reviewed to ensure alignment to Budget Action objectives</li> <li>Student data and credit reports to SMT</li> </ul>	<ul style="list-style-type: none"> <li>financial aspects of the College</li> <li>Corporate Development Committee reports and minutes</li> <li>Financial planning (budget and 3-year forecast)</li> </ul>	<ul style="list-style-type: none"> <li>Internal Audit Report 2020-21: Overall Financial Controls (Strong assurance)</li> <li>Internal Audit Report 2021-22: Treasury Management (Strong Assurance)</li> </ul>	<ul style="list-style-type: none"> <li>Review of Procurement and Tendering procedures</li> <li>Curriculum Planning &amp; Timetabling</li> <li>Risk Management</li> </ul>
8	<p><b>Cyber Resilience (WCS16)</b></p> <p>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.</p>	12	<ul style="list-style-type: none"> <li>Incident Management Planning and proven live event management</li> <li><a href="#">Digital Strategy</a> Group to address wider College digital requirements</li> <li>IT Strategy incorporating Cyber Resiliency and Security</li> <li>Cyber Incident Response Plan based upon Scottish Government guidance</li> </ul>	<ul style="list-style-type: none"> <li>Detailed <a href="#">Business Continuity Plan</a> including testing regime validated by Zurich Municipal</li> <li>Cyber Incident Response Plan</li> </ul>	<ul style="list-style-type: none"> <li><a href="#">Member of Joint Information Systems Committee (JISC) and JANET</a></li> <li><a href="#">Cyber Essentials Plus</a> accreditation 2021</li> <li>Progressing activities in response to the requirements of the Scottish Government's <a href="#">Public Sector Cyber Resiliency Framework</a></li> </ul>	<p>Internal Audit Plan 2021-22:</p> <ul style="list-style-type: none"> <li>Review of IT Systems Administration</li> <li>Review of Business Continuity Planning</li> </ul>

Risk No.	Risk Title and Description	Net Risk Score	Type of Assurance			Comments / Gaps in Assurance / Risk Exposure
			Operational and Management (First Line of Defence)	Risk and Compliance (Second Line of Defence)	External / Independent (Third Line of Defence)	
					<ul style="list-style-type: none"> <li>Internal Audit Report 2017-18: IT Security Healthcheck (reasonable assurance)</li> <li>Internal Audit Report 2016-17: Business Continuity Planning (reasonable assurance)</li> <li>Internal Audit Report 2020-21: Response to IT Incident (strong assurance)</li> <li>Internal Audit Report 2021-22: Digital Strategy (Substantial assurance)</li> </ul>	
9	<p><b><u>Staff Relations (WCS09)</u></b></p> <p>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.</p>	12	<ul style="list-style-type: none"> <li>Detailed workforce planning undertaken at departmental level</li> <li><a href="#">Employee Health and Wellbeing Strategy</a></li> <li><a href="#">Gender Action Plan</a></li> <li>PAM Assist services available to all staff</li> </ul>	<ul style="list-style-type: none"> <li>Updates of workforce plan action plan provided to Corporate Development Committee</li> <li>People Strategy</li> <li><a href="#">Board of Management Development Plan</a></li> </ul>	<ul style="list-style-type: none"> <li><a href="#">Internal Audit Report 2020-21: Sickness and Absence reporting (strong assurance)</a></li> <li>Internal Audit Report 2020-21: External Communications (Website) (weak assurance)</li> <li>Internal Audit Report 2019-20: Equality and Diversity (strong assurance)</li> </ul>	

Risk No.	Risk Title and Description	Net Risk Score	Type of Assurance			Comments / Gaps in Assurance / Risk Exposure
			Operational and Management (First Line of Defence)	Risk and Compliance (Second Line of Defence)	External / Independent (Third Line of Defence)	
			<ul style="list-style-type: none"> <li>Equality and Diversity Committee</li> <li><a href="#">WCS Equality Report</a></li> <li>Staff survey outcomes and action planning</li> <li>Annual Modern Slavery Statement</li> <li>Staff Development Group minutes</li> <li>Healthy Working Lives Group minutes</li> <li>Local Trade Union Consultation and Negotiating Committee minutes made available to staff</li> </ul>	<ul style="list-style-type: none"> <li>College has 'Disability Confident' status</li> <li></li> </ul>	<ul style="list-style-type: none"> <li>Internal Audit Report 2019-20: Continuing Professional Development (strong assurance)</li> <li>Internal Audit Report 2018-19: Internal Communications (reasonable assurance)</li> <li>Internal Audit Report 2017-18: Health and Safety (reasonable assurance)</li> <li>Internal Audit Report 2016-17: Whistleblowing Policy (reasonable assurance)</li> <li>Internal Audit Report 2016-17: Workforce Planning (reasonable assurance)</li> <li>Living Wage accredited employer</li> </ul>	
10	<p><b><u>Digital Ambitions and IT Systems (WCS06)</u></b></p> <p>Failure to adequately maintain or acquire and use IT systems and infrastructure effectively</p>	9	<ul style="list-style-type: none"> <li><a href="#">IT Strategy</a></li> <li>Staff survey outcomes and action plan</li> </ul>	<ul style="list-style-type: none"> <li>Cyber Incident Response Plan</li> <li>Corporate Development</li> </ul>	<ul style="list-style-type: none"> <li>Internal Audit Report 2021-22: Digital Strategy (Substantial assurance)</li> <li>Cyber Essential Plus accreditation 2021</li> </ul>	<p>Internal Audit Plan 2021-22:</p> <ul style="list-style-type: none"> <li>Review of IT Systems Administration</li> </ul>

Risk No.	Risk Title and Description	Net Risk Score	Type of Assurance			Comments / Gaps in Assurance / Risk Exposure
			Operational and Management (First Line of Defence)	Risk and Compliance (Second Line of Defence)	External / Independent (Third Line of Defence)	
	results in a failure to deliver / support the digital ambitions of the College.		<ul style="list-style-type: none"> <li>Mandatory SFC student experience surveys</li> <li><a href="#">College Digital Strategy</a></li> </ul>	<ul style="list-style-type: none"> <li>Committee reports and minutes</li> <li>Minutes of monthly Digital Strategy Core Group Meetings</li> <li>Minutes of SMT monthly Digital Strategy Core Group Update papers</li> <li>Minutes of LTQ Committee</li> <li>Implementation and management of progress via Pentana Action Plan tracking system completed monthly</li> <li>Monitoring of Digital Workstreams Progress at Monthly Digital Strategy Group meetings.</li> <li>Member of Jisc Digital Community of Practice and National Digital Group</li> </ul>	<ul style="list-style-type: none"> <li>Internal Audit Report 2019-20: Digital Strategy (reasonable assurance)</li> <li>Education Scotland Evaluation Report 2020</li> <li>Internal Audit Report 2017-18: IT Security Healthcheck (reasonable assurance)</li> </ul>	<p>Internal Audit Plan 2022-23:</p> <ul style="list-style-type: none"> <li>Review of Curriculum Strategy</li> <li>Curriculum Planning &amp; Timetabling</li> </ul>

Risk No.	Risk Title and Description	Net Risk Score	Type of Assurance			Comments / Gaps in Assurance / Risk Exposure
			Operational and Management (First Line of Defence)	Risk and Compliance (Second Line of Defence)	External / Independent (Third Line of Defence)	
11	<p><u>Impact upon Business Continuity Planning of Covid-19 pandemic (WCS07)</u></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>	8	<ul style="list-style-type: none"> <li>Incident Management Planning and proven live event management</li> <li>Covid-19 Mobilisation Group involving staff, students and Unions</li> <li><a href="#">Digital Strategy</a> Group to address wider College digital requirements</li> <li>IT Strategy 2021-26 incorporating Cyber Resiliency and Security</li> </ul>	<ul style="list-style-type: none"> <li>Detailed <a href="#">Business Continuity Plan</a> including testing regime validated by Zurich Municipal</li> <li>IT Business Continuity Plan currently under review with assistance from Zurich Municipal</li> </ul>	<ul style="list-style-type: none"> <li>Internal Audit Review 2020-21: Covid 19 (Phase 1) (strong assurance)</li> <li>Internal Audit Review 2020-21: Covid 19 (Phase 2) (strong assurance)</li> <li>Internal Audit Report 2020-21: Response to IT Incident (strong assurance)</li> <li><a href="#">Member of Joint Information Systems Committee (JISC)</a></li> <li><a href="#">Cyber Essentials Plus</a> accreditation 2021</li> <li>Progressing activities in response to the requirements of the Scottish Government's <a href="#">Public Sector Cyber Resilience Framework</a></li> <li>Internal Audit Review 2018-19: Fraud Prevention (reasonable assurance)</li> </ul>	<p>Internal Audit Plan 2021-22:</p> <ul style="list-style-type: none"> <li>Review of Business Continuity Planning</li> <li>Review of IT Systems Administration</li> </ul>

Risk No.	Risk Title and Description	Net Risk Score	Type of Assurance			Comments / Gaps in Assurance / Risk Exposure
			Operational and Management (First Line of Defence)	Risk and Compliance (Second Line of Defence)	External / Independent (Third Line of Defence)	
					<ul style="list-style-type: none"> <li>Internal Audit Report 2017-18: IT Security Healthcheck (reasonable assurance)</li> <li>Internal Audit Report 2016-17: Business Continuity Planning (reasonable assurance)</li> </ul>	
12	<p><b>Workforce Planning (WCS10)</b></p> <p>Failure to embed Workforce Plan resulting in lack of appropriate resources and skills being developed to achieve College strategic objectives and outcomes.</p>	6	<ul style="list-style-type: none"> <li><a href="#">People Strategy</a></li> <li>Detailed departmental workforce plans</li> <li>Payroll and HR systems integration including provision of establishment report</li> <li>Staff skills survey undertaken to inform future CPD</li> <li>Operational planning has HR implications included</li> <li>Leadership Development Programme</li> <li>Annual Modern Slavery Statement</li> <li>Good wider staff Communications</li> </ul>	<ul style="list-style-type: none"> <li>Annual HR report considered by Board of Management</li> <li>Professional Development Policy</li> <li>CPD Policy and Procedure agreed with Unions</li> <li>Corporate Development Committee reports and minutes</li> </ul>	<ul style="list-style-type: none"> <li><a href="#">Internal Audit Report 2020-21: Sickness and Absence reporting (strong assurance)</a></li> <li>Internal Audit Report 2016-17: Workforce Planning (reasonable assurance)</li> <li>Living wage accredited employer</li> </ul>	



<b>Meeting</b>	Audit Committee
<b>Date</b>	2 March 2022
<b>Location</b>	MS Teams
<b>Title of Paper</b>	Insurance and Risk Management
<b>Presented By</b>	Alan Ritchie Director of Finance
<b>Recommendation to Members</b>	Approval
<b>Appendix Attached</b>	

[Redacted content]







































<b>Meeting</b>	<b>Audit Committee</b>
<b>Date</b>	<b>2 March 2022</b>
<b>Location</b>	<b>MS Teams</b>
<b>Title of Paper</b>	<b>Strategic Risk Management</b>
<b>Presented By</b>	<b>Amy McDonald</b>
<b>Recommendation to Members</b>	<b>Consultation</b>
<b>Appendix Attached</b>	<b>No</b>

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*Paper marked confidential restricted until strategic risk is agreed.*



























































<b>Meeting</b>	Audit Committee
<b>Date</b>	1 December 2021
<b>Location</b>	MS Teams
<b>Title of Paper</b>	Schedule of Business 2021-22
<b>Presented By</b>	Alan Ritchie
<b>Recommendation to Members</b>	Consideration
<b>Appendix Attached</b>	No

#### **PURPOSE**

The purpose of this report is to provide a summary of the work of the Audit Committee during 2021-22.

The paper is presented in line with West College Scotland Audit Committee Terms of Reference:

*'To review its own effectiveness at least annually and to report the results of that review to the Board.'*

The paper is submitted *To Consider*.

## **1. BACKGROUND**

- 1.1 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.
- 1.2 This report provides a summary of the items which the Committee has considered during 2021-22 in fulfilling the above requirement.

### **Next Steps**

- 1.3 The Audit Committee are requested to consider the content of the report and whether it requires any further assurances to be provided.

## **2. FINANCIAL IMPLICATIONS**

- 2.1 There are no financial implications in this report.

## **3. STUDENT EXPERIENCE**

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

## **4. HUMAN RESOURCES IMPLICATIONS**

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

## **5. LEGAL IMPLICATIONS**

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

## **6. REPUTATIONAL IMPLICATIONS**

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

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

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

## **8. EQUALITIES IMPLICATIONS**

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

## **9. ENVIRONMENT IMPLICATIONS**

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

**RECOMMENDATION**

The Audit Committee is requested to consider the content of the report and whether there are any further assurances required.

REMIT	DELIVERABLES				
	08-09-2021	23-11-2021 (Joint Meeting)	01-12-2021	2-03-2022	18-05-2022
<b>1) General</b>					
<b>To provide advice to the Board on the strategic processes for risk, control and governance</b>					
<ul style="list-style-type: none"> <li>• Risk Management Strategy Update</li> <li>• Review of Strategic Risk Register</li> <li>• Corporate Governance Statement - Financial Statements</li> <li>• Internal audit reports (see section 2)</li> <li>• External audit report (see section 3)</li> <li>• Remit of Committee reviewed against best practice and governance requirements</li> <li>• Assurance Map Update</li> </ul>	Y	Y	Y	Y	
<b>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)</b>					
<ul style="list-style-type: none"> <li>• Internal Audit Annual Report 2020-21</li> <li>• External Audit Management Letter as of 31 July</li> <li>• Internal and external audit reports as received</li> <li>• Update / Report on National Fraud Initiative (next review October 2022)</li> <li>• Report / Update on Value for Money</li> <li>• Procurement and Commercial Improvement Programme – every 2 years next due late 2022</li> <li>• Anti-Fraud and Corruption Policy update (review date October 2021)</li> <li>• Anti-Bribery and Corruption Policy (review date July 2022)</li> </ul>	Y	Y Y	Y	Y	Y  Y

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REMIT	DELIVERABLES				
	08-09-2021	23-11-2021 (Joint Meeting)	01-12-2021	2-03-2022	18-05-2022
<b>To advise the Board on the adequacy of the whistle blowing process and to receive an annual report on any matters raised through this process</b>					
<ul style="list-style-type: none"> <li>Annual Report on Whistleblowing</li> <li>Committee to be made aware of any issues arising during the year (ongoing as required)</li> </ul>	Y				
<b>To consider and advise the Board accordingly on any arrangements for special investigations and the outcomes of such investigations</b>					
<ul style="list-style-type: none"> <li>Reports to be received as requested (ongoing as required)</li> </ul>					
<b>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</b>					
<ul style="list-style-type: none"> <li>Review of Audit Committee effectiveness</li> <li>Internal Audit Annual Report 2020-21</li> <li>External Audit management letter as of 31 July 2021</li> <li>Report on compliance with SFC FM and SPFM</li> <li>Assurance Map Update</li> </ul>		Y Y		Y  Y	Y  Y
<b>To consider the College's Annual Financial Statements at a joint meeting with the Finance and General Purposes Committee, and to recommend to the Board for approval</b>					
<u>2020-21</u> <ul style="list-style-type: none"> <li>External Audit Management Letter / Letter of representation</li> <li>Audit report on student activity</li> <li>Audit report on student funding activity</li> <li>Audit report on Educational Maintenance Allowances</li> <li>Governance Statement</li> <li>Financial Statements as of 31 July 2021</li> </ul> <u>2021-22</u> <ul style="list-style-type: none"> <li>External Audit Engagement Strategy 2021-22 including audit fee</li> </ul>	Y	Y Y Y Y Y			Y



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REMIT	DELIVERABLES				
	08-09-2021	23-11-2021 (Joint Meeting)	01-12-2021	2-03-2022	18-05-2022
<b>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</b>					
<ul style="list-style-type: none"> <li>Annual report to Board of Management from the Audit Committee</li> </ul>	Y	Y			
<b>To report to the Board after each meeting</b>					
<ul style="list-style-type: none"> <li>Minutes and verbal update to each Board Meeting</li> <li>Draft Committee Dates 2021-22</li> </ul>	Y Y	Y	Y	Y	Y Y
<b>To review its own effectiveness at least annually and to report the results of that review to the Board</b>					
<ul style="list-style-type: none"> <li>Review of Committee remit</li> <li>Annual report to Board of Management from the Audit Committee</li> <li>Annual review of effectiveness of the Committee</li> </ul>	Y Y	Y			Y
<b>2) Internal Audit</b>					
<b>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 Audit Committee</b>					
<ul style="list-style-type: none"> <li>Review of effectiveness of internal audit function</li> </ul>				Y	Y
<b>To advise the Board on the terms of reference for the Internal Auditors</b>					
<ul style="list-style-type: none"> <li>Internal Audit Plan Update 2021-22</li> <li>Internal Audit Plan 2022-23</li> </ul>			Y	Y Y	Y Y
<b>To review the scope, efficiency and effectiveness of the work of the Internal Auditors and to advise the Board on these matters</b>					
<ul style="list-style-type: none"> <li>Annual Report to Board of Management from the Audit Committee</li> <li>Review of effectiveness of internal audit function</li> </ul>	Y	Y			Y

REMIT	DELIVERABLES				
	08-09-2021	23-11-2021 (Joint Meeting)	01-12-2021	2-03-2022	18-05-2022
<b>To agree the Internal Audit Plan and review the Internal Audit Annual Report</b>					
<ul style="list-style-type: none"> <li>Internal Audit Annual Report 2020-21</li> <li>Internal Audit Update Report 2021-22</li> <li>Assurance Map Update</li> <li>Internal Audit Plan 2022-23</li> </ul>	Y	Y	Y	Y Y Y	Y  Y
<b>To review the Internal Audit reports, the management response to them and to review implementation of the actions required</b>					
<u>2021-22</u> <ul style="list-style-type: none"> <li>Review of Financial Regulations</li> <li>Cash Management</li> <li>IT System Administration</li> <li>Digital Strategy Review</li> <li>Sustainability &amp; Carbon Management</li> <li>Estates Strategy Review</li> <li>Review of Business Continuity Planning</li> <li>Student Recruitment</li> </ul>			Y Y	Y Y	Y  Y Y Y
<b>To review the Rolling Audit Action Plan at each meeting</b>					
<ul style="list-style-type: none"> <li>Report on Rolling Audit Action Plan</li> </ul>	Y		Y	Y	Y
<b>To encourage appropriate liaison and co-ordination between internal and external audit</b>					
<ul style="list-style-type: none"> <li>Invite / attendance at all Committee meeting by both internal and external auditors</li> </ul>	Y	Y	Y	Y	Y
<b>To establish appropriate performance measures and indicators to monitor the effectiveness of the Internal Auditors</b>					
<ul style="list-style-type: none"> <li>Annual review of internal audit function</li> <li>Annual meeting with internal auditor excluding College staff</li> </ul>				Y	Y Y

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REMIT	DELIVERABLES				
	08-09-2021	23-11-2021 (Joint Meeting)	01-12-2021	2-03-2022	18-05-2022
<b>3) External Audit</b>					
<b>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</b>					
<ul style="list-style-type: none"> <li>Annual year end audit update by external auditors</li> <li>Annual external audit appointment terms and conditions</li> <li>Approval of External Auditors Audit Planning Memorandum</li> </ul>	Y				Y Y
<b>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</b>					
<ul style="list-style-type: none"> <li>External Auditors report on the Financial Statements 2020-21</li> </ul>		Y			
<b>To review the Statement of Corporate Governance</b>					
<ul style="list-style-type: none"> <li>Review the statement of Corporate Governance</li> </ul>		Y			
<b>To review the External Audit strategy and plan</b>					
<ul style="list-style-type: none"> <li>SFC Accounts Direction for Scotland's colleges</li> <li>External Audit 2021-22 Engagement Strategy</li> </ul>	Y				Y
<b>To establish appropriate performance measures and indicators to monitor the effectiveness of the External Auditors;</b>					
<ul style="list-style-type: none"> <li>Annual review of effectiveness of external audit function</li> <li>Annual meeting with external auditor excluding College staff</li> </ul>		Y	Y		
<b>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.</b>					
<ul style="list-style-type: none"> <li>As required</li> </ul>					

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REMIT	DELIVERABLES				
	08-09-2021	23-11-2021 (Joint Meeting)	01-12-2021	2-03-2022	18-05-2022
<b>4) Risk</b>					
<b>To review the Risk Management Strategy and recommend to the Board for approval</b>					
• Review of College Risk Management Strategy			Y	Y	
<b>To consider the Strategic Risk Register and to advise the Board accordingly</b>					
• Review of Strategic Risk Register • Assurance Map	Y	Y		Y Y	Y
<b>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.</b>					
• Review of Strategic Risk Register	Y	Y	Y	Y	Y
<b>5) Other</b>					
<b>To receive annual reports on Freedom of Information and Data Protection Acts requests; Register of Interests; and Hospitality/Gifts Registers</b>					
a. Freedom of Information and Data Protection Acts requests	Y				
b. Register of Interests			Y		
c. Hospitality / Gift Register	Y				
<b>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</b>					
• As required					
<b>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</b>					
• As required					