

**West College Scotland  
AUDIT COMMITTEE**

**26 MAY 2022 at 4.00 p.m.  
By TEAMS**

**AGENDA**

**Audit Committee to meet with College staff only (4.00 pm)**

- |                                                        |         |    |
|--------------------------------------------------------|---------|----|
| 1. Annual Evaluation of Internal Auditors (restricted) | Paper 1 | SG |
|--------------------------------------------------------|---------|----|

**Audit Committee to meet with Internal Auditors only (4.15 pm)**

- |                                                 |        |       |
|-------------------------------------------------|--------|-------|
| 2. Closed session review with internal auditors | Verbal | Chair |
|-------------------------------------------------|--------|-------|

**General Business (4.30 pm)**

- |                                                                 |          |       |
|-----------------------------------------------------------------|----------|-------|
| 3. Welcome and Apologies                                        |          | Chair |
| 4. Declaration of Interests                                     |          | Chair |
| 5. Minutes / Actions of meeting                                 |          |       |
| .1 Minutes of meeting of Audit Committee 2 March 2022           | Enclosed | Chair |
| .2 Actions from Committee Minutes                               | Enclosed | Chair |
| 6. Matters arising from the minutes not otherwise on the agenda |          |       |
| .1 Cyber Essentials Framework                                   |          | AM    |

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

- |                                                    |         |    |
|----------------------------------------------------|---------|----|
| 7. Annual Review of Effectiveness of the Committee | Paper 7 | SG |
|----------------------------------------------------|---------|----|

***External Audit***

- |                                                          |         |    |
|----------------------------------------------------------|---------|----|
| 8. 2021-22 Audit Engagement Strategy including audit fee | Paper 8 | LN |
|----------------------------------------------------------|---------|----|

***Internal Audit***

- |                                                          |          |    |
|----------------------------------------------------------|----------|----|
| 9. Internal Audit Report – IT Systems Administration     | Paper 9  | SP |
| 10. Internal Audit Report – Business Continuity Planning | Paper 10 | SP |
| 11. Internal Audit report – Student Recruitment          | Paper 11 | SP |
| 12. 2021-22 Internal Audit Annual Plan                   | Paper 12 | SP |
| 13. Rolling Audit Action Plan                            | Paper 13 | AR |

***Other***

- |                                          |          |    |
|------------------------------------------|----------|----|
| 14. 2022-23 Internal Audit Plan          | Paper 14 | AR |
| 15. 2021-22 Governance Compliance Report | Paper 15 | VM |

16. Insurance Update (restricted) Paper 16 AR

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

17. 2021-22 Schedule of Business Paper 17 AR

18. 2022-23 Committee Dates Paper 18 SG

19. Any other business

Next meeting: 21 September 2022 (TBC) at 4.00 p.m. by TEAMS

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

## Restricted Item



### Agenda Item 1

<b>Meeting</b>	Audit Committee
<b>Date</b>	26 May 2022
<b>Location</b>	MS Teams
<b>Title of Paper</b>	Annual Review of The Effectiveness of the Internal Auditors.
<b>Presented By</b>	Shirley Gordon, Secretary to the Committee
<b>Recommendation to Members</b>	The Committee is asked to consider the attached report and note the main points that have emerged. If satisfied, the Committee is asked to approve the reports.
<b>Appendix Attached</b>	Yes Appendix 1 - Evaluation of the Internal Auditors.

<b>PURPOSE</b>  [Redacted] [Redacted] [Redacted]  [Redacted] [Redacted]  [Redacted] [Redacted]  [Redacted] [Redacted]  [Redacted] [Redacted]  [Redacted] [Redacted]  [Redacted] [Redacted]  [Redacted] [Redacted]
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**Restricted Item**

[REDACTED]

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[REDACTED]

[REDACTED]

[REDACTED]

**Restricted Item**

**RECOMMENDATION**

[REDACTED]

**Restricted Item**

**APPENDIX 1 - ANNUAL REVIEW OF EFFECTIVENESS OF THE INTERNAL AUDITORS**

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

## AUDIT COMMITTEE

**MINUTES:** Wednesday 2 March 2022.

**PRESENT:** Graeme Bold (in the Chair), Grant Lyall, Ronald Leitch.

**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), Brian Stobbs (Head of IT, Solutions and Development).

### ATTENDING

### BY

**INVITATION:** Stephen Pringle (Wylie & Bisset), Joanne Buchanan (Mazars).

**APOLOGIES:** None

### AM615 WELCOME AND APOLOGIES

The Chair welcomed everyone to the meeting. No apologies were received.

### AM616 DECLARATIONS OF INTERESTS

The standing declarations of interests of members, as available on the Register of Interests on the College website, were noted as current. There were no specific interests declared with regard to the items on the agenda for the meeting.

### AM617 MINUTES

The minutes of the meeting held on Wednesday 1 December 2021 **were approved**.

The Minutes of the Joint Audit and Corporate Development Committee meeting held on Tuesday 23 November 2021 **were approved**.

### AM618 ACTIONS FROM THE MINUTES

The Committee **noted** the actions taken and outstanding since the last meetings (both Audit and Joint) and **agreed** that the completed actions could now be removed.

### AM619 MATTERS ARISING FROM THE MINUTES (AND NOT OTHERWISE ON THE AGENDA)

No matters arising were raised that were not already covered on the agenda.

### AM620 INTERNAL AUDIT REPORT – SUSTAINABILITY AND CARBON MANAGEMENT

Stephen Pringle explained that, 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 that was within the College. They also considered the recording and collection of data and performance indicators in relation to this area.

Mr Pringle presented the scope of the review which concluded:

*'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.'*

The College had accepted all nine recommendations which covered several areas and Mr Pringle summarised these noting a couple of areas of good practice.

The Committee discussed the detail of the report, and the following points were clarified:

- The report would be presented to the Corporate Development Committee for consideration and the recommendations would be added to the Rolling Audit Action Plan. The College Assurance Map would be updated to show the outcome of the audit work.
- The report recommended that the College consider the level of resource which was currently dedicated towards addressing sustainability matters across the organisation. Ms McDonald added that such a review could result in an increase in the staff establishment or an increase in the budget allocated to addressing sustainability and climate change. Training would also be required in the implementation of the recommendations contained in the report especially around carbon management reporting.
- There were reputational implications of not addressing the challenge of climate change and sustainability although it was noted that the College currently complied with legislation. The College's sustainability and carbon management arrangements, however, had to be part of its overall strategic objectives and filtered down to all operational areas and work would be undertaken to embed that approach and commitment.
- There were several implications involving the College not being ready to address the Scottish Government requirement on public bodies to be net zero emitters by 2040. That requirement placed a significant burden on the College which required to be addressed now for future plans to be enacted to tackle this matter. Sector-wide discussions were also taking place with the Scottish Funding Council and Scottish Government in that regard.
- The Committee discussed the 9 recommendations, and some suggested amendments were made to proposed implementation dates. The management response (including responsible officer) to each recommendation was welcomed as was the suggestion of each objective having an associated financial plan to understand likely spend and determine overall priorities.
- A Board strategy session was being arranged to fully brief Board members on the College's environmental commitment and to give assurance and oversight on its plans.

**The Audit Committee considered and noted the contents of the report.**

**AM621 INTERNAL AUDIT REPORT – DIGITAL STRATEGY**

Stephen Pringle explained that, 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 were aligned with the Digital Strategy. The review also considered whether appropriate KPIs and key risk indicators were 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.

Mr Pringle presented the scope of the review which concluded:

*“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”.*

The College had accepted the one recommendation which related to the inclusion of measurable KPIs for each of the Digital Strategy objectives. Work was already underway to address the recommendation as part of the wider College Digital Strategy Group. Mr Pringle also highlighted seven areas of good practice which showed the work that had been done to date to embed the Digital Strategy into College operations.

The Committee discussed the detail of the report, and the following points were clarified:

- The report would be presented to the Learning, Teaching and Quality Committee for consideration and the recommendation would be added to the Rolling Audit Action Plan. The College Assurance Map would be updated to show the outcome of that audit work.
- The report highlighted the continued need to invest in the College IT infrastructure if the objectives of the Digital Strategy were to be delivered.
- The College recognised that the identification and measurement of KPIs going forward with the refreshed Strategy would be enhanced and would build on the College’s growing digital maturity. SMART KPIs would be set against each of the actions within the Strategy for years 1-3 and would be recorded and achievement monitored via the Pentana System.
- Ms McDonald confirmed that an overall College performance report was due to be presented to the March 2022 Board meeting summarising all data sources and looking at how targets, priorities, and actions (as well as financial plans) were then included to enable achievement to be clearly measured. Ms Connolly added that a Board strategy session was being arranged to fully brief all Board members on the College’s commitment and to give assurance and oversight on the plans.

**The Audit Committee considered and noted the contents of the report.**

**AM622 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 assignment.
- Dates that the Committee could expect to receive the internal audit reports.
- Agreed timings for the other audit work to be undertaken.

The Committee discussed the 11 agreed audit assignments noting that a detailed assignment plan was 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 Audit Committee noted the contents of this report.**

**AM623 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 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 plan noting that:

- No actions were to be removed as work was still to be undertaken to verify the status of the completed items.
- Eight actions had been completed and these would be reviewed by the auditors as part of their phase 3 work during March 2022.
- Two date extension requests had been made in relation to external communications as follows:
  - ❖ The content of the website was now up to date but required to be decluttered. That work would be undertaken in advance of the start of the new academic year, however, given the complexity and quantity of data requiring review, a further extension was requested to 31 July 2022.
  - ❖ The College had been able to obtain access to the College website analytics. A report on the usage of the College website would 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 was requested to allow the SMT to consider the content of the report and what other information / actions may be required thereafter.

**The Audit Committee:**

- **Approved the date extension of two recommendations.**
- **Considered and approved the updated Rolling Audit Action Plan.**

**AM624 ANNUAL REVIEW OF EFFECTIVENESS OF THE COMMITTEE AND INTERNAL AUDITORS**

The Secretary to the Committee explained that the Audit Committee's remit stated that it would '*review its own effectiveness at least annually and to report the results of that review to the Board*'. She outlined the process proposed for the 2021-22 review of the Audit Committee's effectiveness which followed that agreed in previous years. She reported that, 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. Given that the Committee had already undertaken a review of the External Audit Service, it would, therefore, only be issued with the two questionnaires relating to:

- Evaluation of the Audit Committee.
- Evaluation of the Internal Auditors.

It was proposed that completed questionnaires be returned by Monday 28 March 2022 so that a report could be provided to the May 2022 Audit Committee for consideration and action as appropriate. Thereafter, the Audit Committee would report to the Board on its findings at the meeting in June. It was agreed that the College auditors would be asked to complete an Audit Committee evaluation form to inform the process, and that Committee members and key College executive officers would complete the evaluation form relating to internal auditors.

**The Committee considered and approved the wording of the questionnaires, the approach to be taken and the timetable for this.**

**AM625 IT SECURITY / CYBER RESILIENCE REPORT Restricted Item**

[Redacted]

[Redacted]

[Redacted]

[Redacted]



**AM626 DRAFT INTERNAL AUDIT PLAN 2022-23**

The Director of Finance presented the draft internal audit plan for 2022-23 along with an updated Audit Needs Assessment and Assurance Map.

Mr Ritchie summarised the draft internal audit plan for 2022-23 which had been compiled following discussion with the College Senior Management Team alongside a detailed review of the strategic risk register, assurance map and other key College documents by the audit team.

Mr Ritchie led the Committee through the report highlighting the eight areas of work which the internal auditors proposed undertaking during 2022-23. The Committee discussed these areas of review for internal audit purposes going forward and recognised their importance in terms of linkages to the College Strategic Plan 2019-2025 and College Strategic Risk Register.

The Committee recognised that the internal audit plan was developed with the aim of focusing audit resources on the areas of most need and, therefore, not all potential audit areas could be reviewed within the resource available. Members considered, however, the assurance they got from other sources (such as external audit, regulatory reviews, management, etc) and in reviewing the cyclical nature of the areas listed in the Audit Needs Assessment, the following suggestions were made:

- The addition of whistleblowing and GDPR would be useful and the option to include those within the Corporate Governance audit assignment would be explored for 2022-23.
- The Financial Systems audit assignment should be moved to every 2 years rather than annually.
- The addition of a People audit assignment would be useful and should be included for 2022-23 looking at recruitment / retention / success planning.

**The Audit Committee:**

- Reviewed the Audit Needs Assessment and noted the content in light of the Committee's previous discussions.
- Considered the College Assurance Map and noted the proposed 2022-23 Internal Audit Plan.
- Considered what audit assignments may require to be undertaken in 2023-24.

**AM627 INSURANCE AND RISK MANAGEMENT Restricted Item**



[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

**AM628 RISK MANAGEMENT STRATEGY UPDATE Restricted Item**

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

**AM629 SCHEDULE OF BUSINESS 2021-22**

The Audit Committee noted the 2021-22 Schedule of Business.

**AM630 ANY OTHER BUSINESS**

- No other business items were raised.
- Date of Next meeting: Wednesday 18 May 2022 at 4.00 p.m. by TEAMS

## Audit Committee: Actions from the Minutes

Date of Meeting	Min Ref	Matter for Action	Responsible Person	Action Taken	Timescale (where applicable)
2 March 2022	AM625	<b>Cyber Essentials+</b> - Agreed to circulate the framework, report, and certificate to members.	A McDonald	Circulated by email to members on 9 March 2022.	<b>Complete.</b>
2 March 2022	AM625	<b>IT Security / Cyber Resilience Report</b> - members may wish to consider adding to the Committee remit a commitment to receive an annual report on IT security / controls and their application.	S Gordon	To be discussed at the May 2022 meeting under item Review of the Audit Committee's Effectiveness.	May 2022 meeting.
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		<b>Complete</b> 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.	<b>Complete</b> 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		<b>Complete</b> February 2022 Board meeting following consideration at Dec 2021 Board meeting.

<b>Meeting</b>	Audit Committee
<b>Date</b>	26 May 2022
<b>Location</b>	MS Teams
<b>Title of Paper</b>	Annual Review of The Effectiveness of the Audit Committee
<b>Presented By</b>	Shirley Gordon, Secretary to the Committee
<b>Recommendation to Members</b>	The Committee is asked to consider the attached report and note the main points that have emerged. If satisfied, the Committee is asked to approve the report.
<b>Appendix Attached</b>	Yes  Appendix 1 - Evaluation of the Audit Committee.

**PURPOSE**

The purpose of this report is to consider the attached reports and note the main points that have emerged. If satisfied, the Committee is asked to approve the reports.

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".*



## Public

### **1. BACKGROUND**

- 1.1 At the 2 March 2022 Audit Committee meeting it was agreed that the annual effectiveness review of the Committee and the Internal Auditors be conducted, and the feedback submitted to the Committee for consideration at its May 2022 meeting. The Committee agreed to use the questionnaires used in previous reviews and these were issued to Committee members, the Internal and External Auditors, the Principal, and the Vice Principal Operations on Thursday 3 March 2022 with a requested return date to the Secretary of Monday 28 March 2022.
- 1.2 The feedback obtained has been analysed and a summary of the main points emerging is provided in the attached report - Evaluation of the Audit Committee.
- 1.3 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.

### **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.

## Public

### **RECOMMENDATION**

The Committee is asked to consider the attached report and note the main points that have emerged. If satisfied, the Committee is asked to approve the report.

**APPENDIX 1 - ANNUAL REVIEW OF EFFECTIVENESS OF THE AUDIT COMMITTEE**

1.1 The annual review of the effectiveness of the Audit Committee for session 2021/2022 has been conducted and the feedback obtained has been analysed.

1.2 Two forms were returned. The main findings are presented below under the headings used in the Audit Committee Self-Assessment Checklist:

1. Role and Remit

The feedback confirmed satisfaction with the role and remit (these were reviewed at least annually as evidenced in Audit Committee meeting minutes) of the Committee which, it was considered, had sufficient members, authority, and resources to perform its role effectively and independently.

Two comments received in response to the question *"Has the Audit Committee been provided with sufficient membership, authority and resources to perform its role effectively and independently? were:*

- *"Yes - Evident from meetings attended. Note the inclusion of independent co-opted members which is good practice and provides good challenge to management, auditors and the committee".*
- *"Yes - An additional member is to join the Board in due course to ensure there is adequate resource to discharge the role".*

**Members will recall from discussion on the IT Security / Cyber Resilience Report at the 2 March 2022 Audit Committee meeting it was suggested that, when the outcome of the 2021-22 review of the Audit Committee's effectiveness was presented to the Audit Committee meeting scheduled for May 2022, members may wish to consider adding to the Committee's remit a commitment to receive an annual report on IT security / controls and their application.**

2. Membership, Induction and Training

The feedback confirmed satisfaction with the current membership noting that membership of the Audit Committee was formally agreed by the Board and a quorum set.

3. Meetings

The feedback confirmed satisfaction with the frequency and operation of the meetings, as well as the regular attendance of the auditors and officers.

One comment received in response to the question *"Does the Accountable Officer attend all meetings and, if not, is he/she provided with a record of discussions?"* was *"Yes - Principal attends meetings*

## Public

*where possible and attends the meeting for the presentation and approval of the financial statements”.*

### 4. Internal Control

The feedback confirmed satisfaction with the arrangements for internal control recording that the Audit Committee considered the findings of annual reviews by internal audit and others, on the effectiveness of the arrangements for risk management, control, and governance.

### 5. Financial Reporting and Regulatory Matters

The feedback confirmed that there were satisfactory arrangements in place for this area of activity including the Audit Committee's role in the consideration of the annual accounts being clearly defined.

Two comments received in response to the question *“Does the audit committee have a mechanism to keep it aware of topical legal and regulatory issues?”* were:

- *“Don’t know - External and Internal Audit will provide briefings on topical issues, but not aware that this is something the Committee have asked for, certainly something we do”.*
- *“Yes - Distribution of policy guidance notes as an example”.*

### 6. Internal Audit

The feedback confirmed that there were satisfactory arrangements in place for the role of Internal Audit. It also considered that there was appropriate co-operation between the internal and external auditors and the relationship was effective. If considered necessary, the Audit Committee Chair was able to hold private discussions with the Head of Internal Audit.

One comment received in response to the question *“If considered necessary, is the audit committee chair able to hold private discussions with the Head of Internal Audit?”* was *“Yes - As far as we are aware. Regular private meetings held with committee and IA”.*

### 7. External Audit

The feedback confirmed that there were satisfactory arrangements in place for the role of External Audit. The External Auditor attended all meetings where there were documents to be presented (normally 2 per annum) and attended other Committees’ meetings as required. It was noted that the external audit fee was set by Audit Scotland but considered by the Audit Committee as part of the Audit Strategy Memorandum each year.

One comment received in response to the question *“Does the external audit representative attend meetings of the audit committee?”* was *“Yes - Attend all meetings where there are documents to be presented, other Committees, external audit attend as required”.*

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One comment received in response to the question "*Does the audit committee chair hold periodic private discussions with the external auditor?*" was "Yes - Regular private meetings are held with the external auditor".

### 8. Administration

The feedback confirmed satisfaction with the current administration arrangements with agenda papers circulated in advance of meetings to allow adequate preparation by Audit Committee members.

### 9. Overall

The feedback was clear that the Audit Committee effectively contributed to the overall control environment of the College. There were no suggestions of any areas where the Audit Committee could improve upon its current level of effectiveness.

One comment received in response to the question "*Does the Audit Committee seek feedback on its performance from the Board and Accountable Officer?*" was "Yes - Via annual report to the Board from the Chair of the Audit Committee".

<b>Meeting</b>	Audit Committee
<b>Date</b>	26 May 2022
<b>Location</b>	MS Teams
<b>Title of Paper</b>	2021-22 Audit Engagement Strategy
<b>Presented By</b>	Lucy Nutley Director – Public Services Audit, Mazars
<b>Recommendation to Members</b>	For Approval
<b>Appendix Attached</b>	Yes 08(a) – 2021-22 External Audit Engagement Strategy

### **PURPOSE**

To present to the Audit Committee the external auditors 2021-22 Planning Memorandum for review and approval.

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

*'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.'*

The paper is submitted *For Approval*.

## **1. BACKGROUND**

- 1.1 The purpose of this report is to present the Mazar LLP (external auditor) Audit Strategy Memorandum and fee proposal for the review of the 2021-22 financial statements. The Audit Strategy Memorandum will also be presented to the Corporate Development Committee on 31 May 2022 given there is a joint responsibility along with the Audit Committee for approving the College Annual Financial Statements.
- 1.2 The Audit Strategy Memorandum provides the Audit Committee with an overview of the external auditor's preliminary audit planning and approach in relation to the financial statements of the College for the year ended 31 July 2022. The memorandum also provides an overview of significant risks and key judgement areas in section 4 (page 10).
- 1.3 In section 5 the memorandum notes the four wider scope areas upon which the auditors require to make a judgement:
- financial sustainability
  - financial management
  - governance and transparency
  - value for money
- 1.4 Mazars have set their fee for the audit at £34,000 (2020-21: £33,500). The proposed fee is within the range set by Audit Scotland.
- 1.5 Lucy Nutley, Director – Public Services Audit, from Mazars will present the contents of the Memorandum to the Committee for their consideration and approval.

## **2. FINANCIAL IMPLICATIONS**

- 2.1 There are no financial implications associated with this paper.

## **3. STUDENT EXPERIENCE IMPLICATIONS**

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

## **4. HUMAN RESOURCES IMPLICATIONS**

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

**5. LEGAL IMPLICATIONS**

5.1 There are legal implications associated with this paper as the memorandum requires to be approved by the College to ensure compliance with the SFC Financial Memorandum.

**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 approve the 2021-22 Audit Strategy Memorandum and the proposed audit fee.





West College Scotland

**Audit Strategy Memorandum  
year ending 31 July 2022**

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

The Board of Management  
West College Scotland  
Paisley Campus  
Renfrew Road  
Paisley  
PA3 4DR

26 May 2022

Dear Members,

### **Audit Strategy Memorandum – Year ending 31 July 2022**

We are pleased to present our Audit Strategy Memorandum for West College Scotland for the year ending 31 July 2022.

The purpose of this document is to summarise our audit approach, highlight significant audit risks and areas of key judgements and provide you with the details of our audit team. As it is a fundamental requirement that an auditor is, and is seen to be, independent of its clients, Section 7 of this document also summarises our considerations and conclusions on our independence as auditors.

We consider two-way communication with you to be key to a successful audit and important in:

- reaching a mutual understanding of the scope of the audit and the responsibilities of each of us;
- sharing information to assist each of us to fulfil our respective responsibilities;
- providing you with constructive observations arising from the audit process; and
- ensuring that we, as external auditors, gain an understanding of your attitude and views in respect of the internal and external operational, financial, compliance and other risks facing West College Scotland which may affect the audit, including the likelihood of those risks materialising and how they are monitored and managed.

This document, which has been prepared following our initial planning discussions with management, is the basis for discussion of our audit approach, and any questions or input you may have on our approach or role as auditor.

Client service is extremely important to us and we strive to continuously provide technical excellence with the highest level of service quality, together with continuous improvement to exceed your expectations so, if you have any concerns or comments about this document or audit approach, please contact me on 0738 724 2052.

Yours faithfully,  
Lucy Nutley

# 1. Engagement and responsibilities summary

**We are appointed by the Auditor General for Scotland to perform the external audit of West College Scotland for the year to 31 July 2022. This is our sixth and final year of appointment.**

## Responsibilities

Our responsibilities, principally derived from the Code of Audit Practice (the Code) issued by Audit Scotland, are outlined below.

<b>Audit opinion</b>	<p>We are responsible for forming and expressing an opinion on the financial statements.</p> <p>The Audit Committee is responsible for the assessment of the College's ability to continue as a going concern. As auditors, we are required to consider the appropriateness of the use of the going concern assumption in the preparation of the financial statements and the adequacy of the disclosures made.</p>
<b>Regularity opinion</b>	<p>We are required to form and express an opinion on whether the College has, in all material respects, incurred expenditure and income in accordance with any applicable enactments and guidance issued by the Scottish Ministers.</p>
<b>Opinion on other matters</b>	<p>We are required to express an opinion on whether the audited part of the Remuneration and Staff Report, and the Governance Report have been properly prepared in line with relevant legislation and directions. We also express an opinion on whether the Performance Report is consistent with the audited financial statements.</p>
<b>Wider scope work</b>	<p>The Code requires us to conclude and make a judgement on the four dimensions of wider scope work. The four dimensions are Financial Sustainability, Financial Management, Governance and Transparency, and Value for Money.</p>

Our audit does not relieve the Board of Management, as those charged with governance, or management of their responsibilities. The responsibility for safeguarding assets and for the prevention and detection of fraud, error and non-compliance with law or regulations rests with both those charged with governance and management. In accordance with International Standards on Auditing (UK), we plan and perform our audit so as to obtain reasonable assurance that the financial statements taken as a whole are free from material misstatement, whether caused

by fraud or error. However our audit should not be relied upon to identify all such misstatements.

As part of our audit procedures in relation to fraud we are required to enquire of those charged with governance as to their knowledge of instances of fraud, the risk of fraud and their views on management controls that mitigate the fraud risks.

## 2. Our audit engagement team

### A committed, accessible team



#### **Lucy Nutley**

Director

lucy.nutley@mazars.co.uk

0738 724 2052

Lucy is the Engagement Lead for the audit and will be the key point of contact for the Audit Committee. She will have overall responsibility for delivering a high quality audit to the College. Lucy will be responsible for the opinions given on the financial statements and will liaise with the Director of Finance and Head of Finance and Student Funding. She will attend Audit Committee meetings, and where appropriate, Board meetings.



#### **Joanne Buchanan**

Audit Senior Manager

joanne.buchanan@mazars.co.uk

0779 403 1384

Joanne will manage and coordinate the audit and be the key point of contact for the Head of Finance and Student Funding and Principal Accountant, as well as liaising with Internal Audit. Joanne will oversee completion of audit work to a high standard and attend Audit Committees as appropriate.



#### **Ross McInerney**

Audit Assistant Manager

ross.mcinerney@mazars.co.uk

0758 101 6255

Ross will be responsible for leading the onsite work, reviewing the work of more junior members of the team and performing the audit work in more specialised areas.

### 3. Audit approach, scope and timeline

**Our audit approach is designed to provide an audit that complies with all professional requirements**

#### **Audit Scope**

Our audit of the financial statements will be conducted in accordance with International Standards on Auditing (UK), relevant ethical and professional standards, our own audit approach and in accordance with the terms of our engagement. Our work is focused on those aspects of your business which we consider to have a higher risk of material misstatement, such as those affected by management judgement and estimation, application of new accounting standards, changes of accounting policy, changes to operations or areas which have been found to contain material errors in the past.

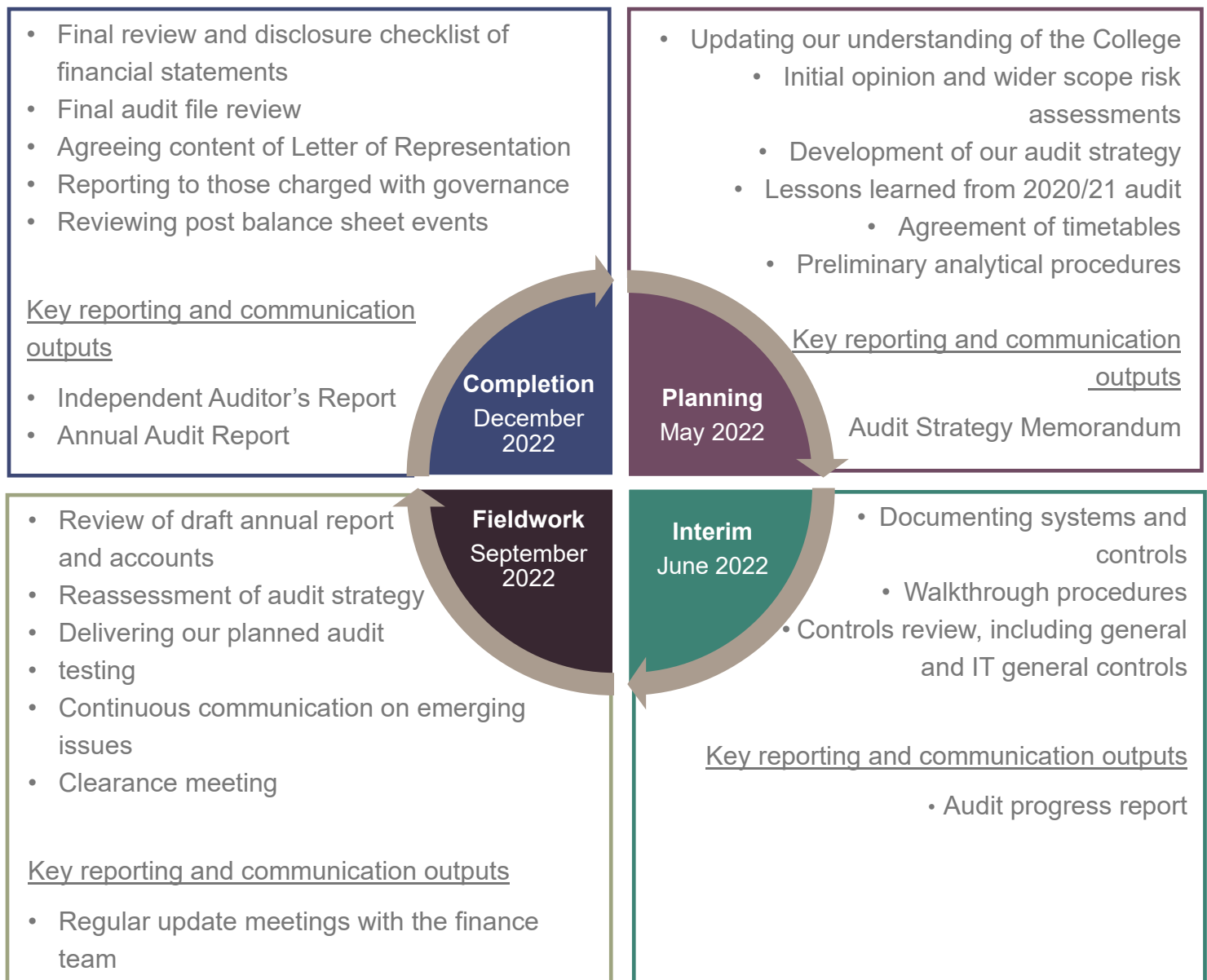
#### **Audit Approach**

Our audit approach is a risk-based approach primarily driven by the risks we consider to result in a higher risk of material misstatement of the financial statements. Once we have completed our risk assessment, we develop our audit strategy and design audit procedures in response to this assessment.

If we conclude that appropriately designed controls are in place then we may plan to test and rely upon these controls. If we decide controls are not appropriately designed, or we decide it would be more efficient to do so, we may take a wholly substantive approach to our audit testing. Substantive procedures are audit procedures designed to detect material misstatements at the assertion level and comprise tests of details (of classes of transactions, account balances, and disclosures) and substantive analytical procedures. Irrespective of the assessed risks of material misstatement, which take into account our evaluation of the operating effectiveness of controls, we are required to design and perform substantive procedures for each material class of transactions, account balance, and disclosure.

Our audit will be planned and performed so as to provide reasonable assurance that the financial statements are free from material misstatement and give a true and fair view. The concept of materiality and how we define a misstatement is explained in more detail in section 8.

The diagram below outlines the procedures we perform at the different stages of the audit.



### Reliance on internal audit

Where possible we will seek to utilise the work performed by internal audit to modify the nature, extent and timing of our audit procedures. We will meet with internal audit to discuss the progress and findings of their work prior to the commencement of our controls evaluation procedures.

Where we intend to rely on the work on internal audit, we will evaluate the work performed by your internal audit team and perform our own audit procedures to determine its adequacy for our audit.



## Management's and our experts

Management makes use of experts in specific areas when preparing the College's financial statements. We also use experts to assist us to obtain sufficient appropriate audit evidence on specific items of account.

Item of account	Management's expert	Planned audit approach
Defined benefit pension liability and associated accounting entries and disclosures required by FRS 102.	Actuary – Hymans Robertson	We will consider the reasonableness of the actuarial assumptions made, referring to our in-house pension scheme experts.

## Reporting to Audit Scotland

During the year we will continue to make returns to Audit Scotland as they collect data to establish the impact on the further education sector and feed into any national reporting as required.

## National Fraud Initiative

West College Scotland took part in the NFI exercise in 2021/22. All matches have been reviewed by the College with no identified instances of fraud detected and no issues noted. The work that the College has undertaken will be reviewed as part of the interim audit in June 2022.

## Adding value

We aim to add value to West College Scotland through our external audit work by being constructive and forward looking, by identifying areas for improvement and be recommending and encouraging good practice. In doing so, we intend to help the College promote improved standards of governance, more effective use of resources and better management and decision making.

The 2021/22 audit will be in line with the previous year and carried out remotely. The audit team and the College will build upon the experiences of the prior year to increase the effectiveness of the audit process.

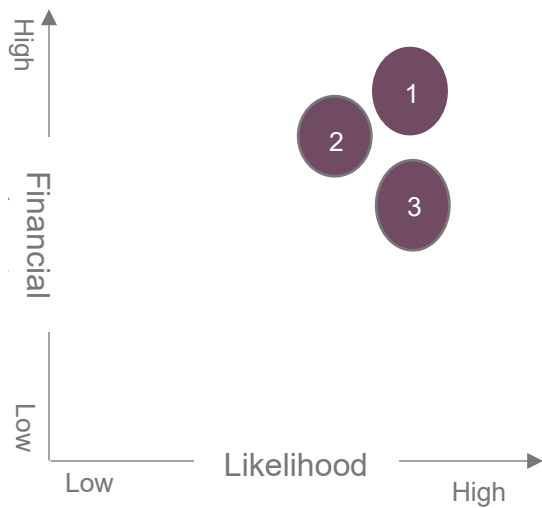
## 4. Significant risks and key judgement areas

**Following our risk assessment approach, we have identified relevant risks to the audit of the financial statements.**

The audit risks we identify are categorised as significant, enhanced or standard, as defined below :

Significant risk	A significant risk is an identified and assessed risk of material misstatement that, in the auditor's judgment, requires special audit consideration. For any significant risk, the auditor shall obtain an understanding of the entity's controls, including control activities relevant to that risk.
Enhanced risk	An enhanced risk is an area of higher assessed risk of material misstatement at audit assertion level other than a significant risk. Enhanced risks incorporate but may not be limited to: <ul style="list-style-type: none"><li>• key areas of management judgement, including accounting estimates which are material but are not considered to give rise to a significant risk of material misstatement; and</li><li>• other audit assertion risks arising from significant events or transactions that occurred during the period</li></ul>
Standard risk	This is related to relatively routine, non-complex transactions that tend to be subject to systematic processing and require little management judgement. Although it is considered that there is a risk of material misstatement, there are no elevated or special factors related to the nature, the likely magnitude of the potential misstatements or the likelihood of the risk occurring.

The summary risk assessment, illustrated in the audit risk continuum below, highlights those risks which we deem to be significant and other enhanced risks. We have summarised our audit response to these risks on the next page.



Risk	
1	Management override of control
2	Revenue recognition
3	Expenditure recognition

We provide more detail on the identified risks and our testing approach with respect to significant risks in the table below. An audit is a dynamic process, should we change our view of risk or approach to address the identified risks during the course of the Audit, we will report this to the Audit Committee.

## Significant risks

Description of risk	Planned response
<p><b>Management override of controls</b></p> <p>Management at various levels within an organisation are in a unique position to perpetrate fraud because of their ability to manipulate accounting records and prepare fraudulent financial statements by overriding controls that otherwise appear to be operating effectively. Due to the unpredictable way in which such override could occur there is a risk of material misstatement due to fraud on all audits.</p>	<p>We will address this risk through performing audit work over:</p> <ul style="list-style-type: none"> <li>• Accounting estimates impacting amounts included in the financial statements;</li> <li>• Consideration of identified significant transactions outside the normal course of business; and</li> <li>• Journals recorded in the general ledger and other adjustments made in preparation of the financial statements</li> </ul>
<p><b>Revenue recognition</b></p> <p>There is a presumption under International Standards on Auditing that there is a significant risk of fraud and error in the timing of revenue recognition leading to the material misstatement of revenue overall. This is because revenue is an area of particular focus by users of financial statements and can be subject to judgements as to when grant income should be recognised and if clawback conditions apply to the funding.</p> <p>The risk above applies only to the non-core grant income and other non-grant income generated by the College. The risk has been rebutted in relation to the core grant income received by the College, given the highly regulated nature of this income, and therefore the low inherent risk associated with it.</p>	<p>We will address this risk through performing audit work over:</p> <ul style="list-style-type: none"> <li>• the design and implementation of controls management has in place to ensure income is recognised in the correct period;</li> <li>• cash receipts around the year end to ensure they have been recognised in the right year;</li> <li>• the judgements made by management in determining when non-grant income is recognised;</li> <li>• for major grant income, obtaining counterparty confirmation; and</li> <li>• expected credit loss provisions applied to receivables at the year end, considering the appropriateness of judgements made by management.</li> </ul>

Description of risk	Planned response
<p><b>Expenditure recognition</b></p> <p>For public sector organisations, the same risk in relation to fraud and error in respect of the timing of recording of transactions can apply to the recognition of non-payroll related expenditure and contractual obligations. The pressure to manage expenditure to ensure that budgeted outcomes are achieved increases the risk surrounding fraudulent reporting of expenditure.</p>	<p>We will address the risk through performing audit work over:</p> <ul style="list-style-type: none"> <li>the design and implementation of controls management has in place;</li> <li>testing of non-payroll expenditure around the year end to ensure transactions are recognised in the correct year;</li> <li>testing material year end payables, accruals and provisions; and</li> <li>reviewing judgements about whether the criteria for recognising provisions are satisfied</li> </ul>

### Key areas of management judgement

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

Description of risk	Planned response
<p><b>Valuation of pension liabilities</b></p> <p>The College makes contributions to two pension schemes – the Scottish Teachers Superannuation Scheme (STSS) and the Strathclyde Pension Fund (SPF). While both are defined benefit schemes, it is not possible to identify the College’s share of the underlying assets and liabilities in the STSS scheme and it is therefore accounted for as a defined contribution scheme.</p> <p>The College’s share of the SPF’s underlying assets and liabilities is identifiable and a net liability is recognised in the accounts.</p> <p>Given the scale of the liability recognised in the accounts, a misstatement in the reported position could be material to the financial statements.</p>	<p>We will consider the College’s arrangements, including the existence of any relevant controls, for making estimates in relation to pension entries within the financial statements. We will also consider the reasonableness of the actuary’s assumptions used in providing the College with information in the financial statements through the use of our internal experts.</p>

Description of risk	Planned response
<p><b>Valuation of land and buildings</b></p> <p>The College holds land and buildings with a net book value of £111m as at 31 July 2021.</p> <p>In line with the requirements of the Government Financial Reporting Manual, the College has adopted a formal revaluation policy of an external valuation every five years, with a desktop, interim valuation performed during the five year period. As the external valuation was performed at 31 July 2021, no revaluation is planned in the current year.</p> <p>The College policy meets the requirement of the FE SORP that assets are valued sufficiently regularly so that the carrying value of the asset is not materially different from its fair value. The College is required to assess on an annual basis whether there are indicators of impairment to assets at the reporting date.</p> <p>Given the significance of the value of fixed assets held, a misstatement in the valuation could be material to the financial statements.</p>	<p>We will undertake a range of substantive procedures including:</p> <ul style="list-style-type: none"> <li>• review of management’s assessment as to whether the value still reflects the prior year valuation;</li> <li>• review of the reconciliation between the College’s asset register and general ledger; and</li> <li>• consider the College’s impairment review process for land and buildings.</li> </ul>
<p><b>Provisions for Voluntary Severance</b></p> <p>The College has operated two Voluntary Severance (VS) schemes during the year. We expect the College to recognise a provision for VS costs as at 31 July 2022.</p> <p>There is a risk that the provision recognised for these schemes is incorrectly classified or incorrectly calculated. As there have been two schemes in operation during the year, there is an additional risk that payments might not be in accordance with the appropriate scheme conditions.</p> <p>While we do not expect the VS amounts to be financially material, we do expect them to be significant.</p>	<p>We will consider the College’s arrangements, including the existence of any relevant controls, for the operation of the VS schemes and confirm appropriate approval from the SFC is obtained when required.</p> <p>We will also consider the reasonableness of the assumptions used in the calculation of the provision recognised in the financial statements.</p>

## 5. Wider scope work

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

- **Financial sustainability**
- **Financial management**
- **Governance and transparency**
- **Value for money**

We set out below the work that we intend to perform to reach these judgements:

Dimension	Description	Our planned approach
<b>Financial management</b>	Financial management is concerned with financial capacity, sound budgetary processes and whether the control environment and internal controls are operating effectively.	We intend to consider: <ul style="list-style-type: none"> <li>• the monitoring of the effectiveness of internal control arrangements;</li> <li>• Whether the College’s budgetary control system is timely and accurate; and</li> <li>• whether and how the College has assessed their financial capacity and skills</li> </ul>
<b>Financial sustainability</b>	Extending our work on the going concern assumption in the financial statements looking forward two to five years from the reporting date, reviewing and assessing the College’s arrangements for financial planning and affordable and sustainable service delivery.	We intend to consider: <ul style="list-style-type: none"> <li>• the financial planning system in place for short, medium and long term periods;</li> <li>• the adequacy and accuracy of financial reporting arrangements;</li> <li>• the reasonableness of affordability assumptions made in financial planning; and</li> <li>• the extent to which the financial planning assumptions have been updated and affected by the COVID-19 pandemic</li> </ul>

Dimension	Description	Our planned approach
<b>Governance and transparency</b>	The Governance Statement sets out the internal control arrangements and governance framework in place for the year under review.	<p>We intend to consider:</p> <ul style="list-style-type: none"> <li>• the effectiveness of internal control arrangements;</li> <li>• the appropriateness of disclosures made in the Governance Statement; and</li> <li>• whether the disclosure requirements of the Accounts Direction and the Code of Good Governance for Scotland's Colleges have been met</li> </ul>
<b>Value for money</b>	Value for money concerns using resources effectively and continually improving services.	<p>We intend to consider:</p> <ul style="list-style-type: none"> <li>• the College's evidence of providing value for money; and</li> <li>• the focus on improving value for money and the pace of change at the College.</li> </ul>



## Identified significant risks to our wider scope work

We have also considered, as part of our planning, whether there are significant risks that would impact on any of the four areas of our wider scope work that require special audit consideration. At the planning stage we have identified one significant risk, under the governance and transparency heading as detailed below. Should our assessment of risk, or our planned approach to address the risk change during the course of the audit, we will report this to the Audit Committee.

Description of significant risk	Planned response
<p><b>Financial sustainability</b></p> <p>The College has identified that significant efficiency savings are required over the next 3 years to deliver a balanced budget and there is a need for significant capital investment to bring the current estate up to condition B standards.</p> <p>The risk is therefore that efficiency savings targets are not met which impact the College's ability to balance the budget and that the required capital investment is not obtained which could lead to further deterioration of the estate, potentially impacting the ability to provide services to students which would lead to inability to maintain funding levels.</p>	<p>We intend to consider:</p> <ul style="list-style-type: none"> <li>• the forecast financial position in the three-year financial plans submitted to SFC;</li> <li>• the financial and resource implications of any voluntary severance scheme run by the College;</li> <li>• alternative plans being considered by the College to ensure a balanced budget is achieved;</li> <li>• the financial reporting arrangements in place at the College; and</li> <li>• progress made with plans to replace the Greenock and Paisley campuses, alongside the impact on finance performance</li> </ul>

## 6. Audit fees

### Fees for audit and other services

Our fees for the audit of the financial statements and for any other services are outlined in the tables below.

Service	2021/22 proposed fee £	2020/21 final fee £
Auditor remuneration	30,960	30,230
Pooled costs	1,600	1,600
Contribution to Audit Scotland costs	1,440	1,670
<b>Total Fee</b>	<b>34,000</b>	<b>33,500</b>

The fees outlined above are provided on the basis that we will receive a high-quality set of draft financial statements, supported by good working papers. Should we be required to perform significant levels of additional audit work, or face significant delay in our audit, we will discuss the impact of this on our proposed fee with management.

The prior year fee reflected an additional £1,000 auditor remuneration in respect of work performed on the audit of the land and building valuation as at 31 July 2021 to ensure that we were performing sufficient work to meet the expectations of our regulators. The current year proposed fee reflects the additional audit work we will require to perform due to the significant risk identified under the financial sustainability dimension of Wider Scope.

The proposed audit fee is in line with the scale fee set by Audit Scotland.

## 7. Our commitment to independence

**We are committed to independence and are required by the Financial Reporting Council to confirm to you at least annually, in writing, that we comply with the Financial Reporting Council's Ethical Standard**

In addition, we communicate any matters or relationship which we believe may have a bearing on our independence or the objectivity of the audit team.

Based on the information provided by you and our own internal procedures to safeguard our independence as auditors, we confirm that in our professional judgement there are no relationships between us and any of our related or subsidiary entities, and you and your related entities creating any unacceptable threats to our independence within the regulatory or professional requirements governing us as your auditors.

We have policies and procedures in place which are designed to ensure that we carry out our work with integrity, objectivity and independence. These policies include:

- all partners and staff are required to complete an annual independence declaration;
- all new partners and staff are required to complete an independence confirmation and also complete computer-based ethical training;
- rotation policies covering audit engagement partners and other key members of the audit team;
- use by managers and partners of our client and engagement acceptance system which requires all non-audit services to be approved in advance by the audit engagement partner.

We confirm, as at the date of this document, that the engagement team and others in the firm as appropriate, and Mazars LLP are independent and comply with relevant ethical requirements. However, if at any time you have concerns or questions about our integrity, objectivity or independence please discuss these with Lucy Nutley in the first instance.

Prior to the provision of any non-audit services, Lucy Nutley will undertake appropriate procedures to consider and fully assess the impact that providing the service may have on our auditor independence.

Any emerging independence threats and associated identified safeguards will be communicated in our Annual Audit Report.

## 8. Materiality and misstatements

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

### Summary of initial materiality thresholds

	Initial Threshold £'000
Overall materiality	1,250
Performance materiality	1,000
Trivial threshold for errors to be reported to the Audit Committee	37

### Overall materiality

Judgements on materiality are made in light of surrounding circumstances and are affected by the size and nature of a misstatement, or a combination of both.

Judgements about materiality are based on consideration of the common financial information needs of users as a group and not on specific individual users.

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

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

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

Whilst planning, we make judgements about the size of misstatements which we consider to be material and which provides a basis for determining the nature, timing and extent of risk assessment procedures, identifying and assessing the risk of

material misstatement and determining the nature, timing and extent of further audit procedures.

The materiality determined at the planning stage does not necessarily establish an amount below which uncorrected misstatements, either individually or in aggregate, will be considered as immaterial.

We revise materiality for the financial statements as our audit progresses should we become aware of information that would have caused us to determine a different amount had we been aware of that information at the planning stage.

We consider that gross expenditure remains the key focus of users of the financial statements and, as such, we base our materiality levels around this benchmark. We will identify a figure for materiality but identify separate levels for procedures design to detect individual errors, and also a level above which all identified errors will be reported to the Audit Committee.

We expect to set a materiality threshold at 2% of gross expenditure (£1,250,000).

After setting initial materiality, we continue to monitor materiality throughout the audit to ensure that it is set at an appropriate level.

### **Performance Materiality**

Our audit testing is based on a level of performance materiality, which is a percentage of overall materiality, but also dependent on the level of inherent risk assessed on the area being tested. It is the level we use to calculate our sample sizes, and is our acceptable difference in any substantive analytical procedures. It is lower than overall materiality as it helps to reduce the risk that the total of the uncorrected or undetected misstatements does not exceed materiality for the financial statements as a whole. It is based on between 50 – 80% of overall materiality depending on the risk level. Our initial assessment of performance materiality is based on low inherent risk, meaning that we have applied 80% of overall materiality as performance materiality.

### **Specific Materiality**

We assess specific materiality if there is one or more particular classes of transactions, account balances or disclosures for which misstatements of lesser amounts than materiality for the financial statements as a whole could reasonably be expected to influence the users of the financial statements. Specific materiality focuses on the qualitative nature, as well as the size, of an item. It recognises that, in some circumstances, it may take a much smaller misstatement to influence the user of the financial statements.

We are required to provide an opinion as to whether the audited part of the Remuneration and Staff Report has been properly prepared. Given the sensitivity of the disclosures made in the Remuneration and Staff Report, we have assessed a

specific materiality for this work at £500, being the level that would impact rounding for figures shown to the nearest £'000.

### **Misstatements**

We aggregate misstatements identified during the audit that are other than clearly trivial. We set a level of triviality for individual errors identified (a reporting threshold) for reporting to the Audit Committee that is consistent with the level of triviality that we consider would not need to be accumulated because we expect that the accumulation of such amounts would not have a material effect on the financial statements. Based on our preliminary assessment of overall materiality, our proposed triviality threshold is £37,000 based on 3% of overall materiality.

## Appendix 1 – Key communication points

ISA (UK) 260 ‘Communication with Those Charged with Governance’, ISA (UK) 265 ‘Communicating Deficiencies In Internal Control To Those Charged With Governance And Management’ and other ISAs (UK) specifically require us to communicate the following:

Required communication	Audit Strategy Memorandum	Annual Audit Report
Our responsibilities in relation to the audit of the financial statements and our wider responsibilities	✓	
Planned scope and timing of the audit	✓	
Significant audit risks and areas of management judgement	✓	
Our commitment to independence	✓	✓
Responsibilities for preventing and detecting errors	✓	
Materiality and misstatements	✓	✓
Fees for audit and other services	✓	
Significant deficiencies in internal control		✓
Significant findings from the audit		✓
Significant matters discussed with management		✓
Our conclusions on the significant audit risks and areas of management judgement		✓
Summary of misstatements		✓
Management representation letter		✓
Our proposed draft audit report		✓

# Contacts

## **Lucy Nutley**

Director, Mazars

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Mazars is an internationally integrated partnership, specialising in audit, accountancy, advisory, tax and legal services\*. Operating in over 90 countries and territories around the world, we draw on the expertise of 40,400 professionals – 24,400 in Mazars' integrated partnership and 16,000 via the Mazars North America Alliance – to assist clients of all sizes at every stage in their development.

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<b>Meeting</b>	Audit Committee
<b>Date</b>	26 May 2022
<b>Location</b>	MS Teams
<b>Title of Paper</b>	Internal Audit Report – IT Systems Administration
<b>Presented By</b>	Stephen Pringle Wylie & Bisset
<b>Recommendation to Members</b>	Consideration
<b>Appendix Attached</b>	Yes 09(a) – Internal Audit Report – IT Systems Administration

**PURPOSE**

[Redacted text block containing multiple lines of blacked-out content]































































<b>Meeting</b>	Audit Committee
<b>Date</b>	26 May 2022
<b>Location</b>	MS Teams
<b>Title of Paper</b>	Internal Audit Report – Business Continuity Planning
<b>Presented By</b>	Stephen Pringle Wylie & Bisset
<b>Recommendation to Members</b>	Consideration
<b>Appendix Attached</b>	Yes 10(a) – Internal Audit Report – Business Continuity Planning

#### **PURPOSE**

As part of the 2021-22 Internal Audit Plan, Wylie & Bisset conducted an assignment to review whether a formal Business Continuity Plan is in place and communicated to staff including an awareness plan. They reviewed the completeness of the plan and considered areas such as roles and responsibilities, business impact analysis, potential disasters, and their effects as well as the testing 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 an assignment to review the Business Continuity Planning in place within the College. They reviewed whether a formal Business Continuity Plan is in place and communicated to staff including an awareness plan. They also reviewed the completeness of the plan and considered areas such as roles and responsibilities, business impact analysis, potential disasters, and their effects as well as the testing 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 assurance surrounding the College's Business Continuity Arrangements. We have raised 1 medium grade and 2 low grade recommendations for improvement. We have also raised 11 good practice points.'*

- 2.3 The report highlights eleven areas of good practice (see pages 9-10 of the report).
- 2.4 The report makes three recommendations (one medium and two low recommendations). The College has accepted all three recommendations and is undertaking the required actions to address the recommendations made.

### **Next Steps**

- 2.5 The recommendations will be added to the Rolling Audit Action Plan for implementation and monitoring.

## **3. FINANCIAL IMPLICATIONS**

- 3.1 There are no financial implications associated with this paper.

**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 resource implications associated with this paper.

**6. LEGAL IMPLICATIONS**

6.1 There are no legal implications associated with 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.

**RECOMMENDATION**

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



# West College Scotland

## Internal Audit 2021-22

### Business Continuity Planning April 2022

**Overall Conclusion**

Substantial

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*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.*

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*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 whether a formal Business Continuity Plan is in place and communicated to staff including an awareness plan. We reviewed the completeness of the plan and considered areas such as roles and responsibilities, business impact analysis, potential disasters, and their effects as well as the testing arrangements in place.

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

### Scope of review

Our objectives for this review were to ensure:

- There are appropriate Business Continuity Plans and procedures in place at the College.
- There is appropriate testing and reporting of business continuity procedures at the College.
- Appropriate training for business continuity is being provided to all staff at the College.
- Roles for business continuity at the College are clearly defined and are appropriate.
- The College has a lessons learned process in place to continually improve its business contingency planning.

### Limitation of scope

There were no limitations of scope.

## Background

### Business Continuity Policy

The College's Business Continuity Policy was last updated in December 2021 and is reviewed on an annual basis. The Business Continuity Policy defines a broad framework for the implementation of the College's Business Continuity Management System (BCMS) to minimise the impact of business disruption. Full compliance with this Policy will ensure procedures exist for recording, assessing, and managing business continuity risk; identifying and prioritising essential activities; responding to business disruptions or incidents, regardless of cause and maintaining essential services or restoring services to a minimum acceptable level.

### Role and Responsibilities

The Principal has overall responsibility for Business Continuity Management within the College. The Principal delegates this Strategic responsibility to the Vice Principal Operations to ensure implementation of this Policy across the College.

The following groups/staff also have a responsibility for business continuity within the College:

- The Senior Management Team;
- Director of Finance;
- Local Continuity Management Team;
- Incident Management Team (IMT); and
- Duty Manager.

The individual roles and responsibilities of the above are detailed within the College's Business Continuity Plan.

## **Benchmarking**

During our review we benchmarked the College's Business Continuity arrangements against our other clients of a similar size and nature. We found that the Business Continuity Policy and Business Continuity Plan are of a high standard and covers everything that we would expect. The College provides added value in the form of Department Business Continuity Recovery Plans and Business Impact Assessments. We found that lessons learned can be an area of improvement within the current arrangements, as there is no formal procedure for recording and reporting these. We have raised a recommendation, please see Section 3: Detailed Recommendations for further details.

## **Business Continuity Plan**

The College wide Business Continuity Plan (BCP) was last updated in January 2022 and the BCP sets out how the College will respond to incidents causing significant disruptions to normal operations. It establishes clear roles and responsibilities that will allow the management of the College to respond quickly and effectively to significant disruptions. The BCP is not intended to cover day to day operational disruptions that managers deal with regularly. It is to be used when there could be significant effect on operations, students, staff, the environment, and the reputation of the College, and to address potential risks identified during the risk analysis stage.

## **Testing**

The Business Continuity Plan is tested on an annual basis, and this is carried out by conducting a walkthrough test to ensure all information is accurate and contact details are correct. The College have desktop training exercises scheduled in 2022 which involves reacting to 4 different scenarios. The exercises are facilitated by Zurich and a representative will be an impartial observer.

## **Department Business Recovery Plans**

Each faculty/department will formulate their own Business Continuity Plan (BCP), taking into account the College wide Business Continuity Policy and associated guidance. Department plans are subject to approval by the appropriate Senior Management Team (SMT) member. The information contained in this document is designed to assist if the department is involved in a business continuity incident. This will enable the department to continue delivery to at least a pre-determined minimum level during and beyond a disruption/major incident. During our review of the 23 individual plans, we found that 14 have not been fully completed. We have raised a recommendation for each department to ensure that their BCP is updated and contains accurate information, please see section 3: Detailed Recommendations for further details.

## **Live scenarios: Covid-19/Closure of campus building**

### Covid-19 Pandemic

During our review we discussed with the Head of Organisational Development & Human Resources (HR) and the Director of HR the steps taken by the College in response to the Covid-19 pandemic. At the start of the pandemic, it was made clear that remote learning and remote working would be in place and as part of the College's Covid-19 response it established a Covid-19 Executive Group which was responsible for making strategic decisions. The Executive Group received weekly verbal updates from the Convenor of the Mobilisation Group, which was set up to deal with the practical arrangements on campus. In terms of communication platforms, it was established very early on that Microsoft Teams was the software that College staff would use to communicate remotely. In terms of updates to students this was achieved using a variety of methods including SMS which was very effective during the pandemic. The College followed the guidelines set out by the Scottish Government in respect of when students/staff could be back on site and the restrictions in place for re-opening the College. As this was an unprecedented global event, the BCP did not cover the contingency plans needed for a global disease outbreak of this scale. However, with that being said, the College reacted quickly and set up the appropriate communication channels to set up remote working and remote learning arrangements and set up a safe environment for a staged return to campus for staff and students. From our review of the updated BCP, it now includes a section on what steps the College will take if another outbreak of a disease occurs and the College has used what they have experienced and methods/strategies they have put in place during the Covid-19 pandemic to formulate this.

### YMCA Campus Closure

We discussed with the Head of the Creative Industries Sector, the 2019 closure of the YMCA campus building at 48-hours' notice and what business continuity arrangements were put in place. The decision was made by the SMT that the entire drama curriculum would be moved to another site. The Head of Sector along with CQL's looked at the arrangements to be put in place for short term, medium term, and long term. A key advantage of the Business Continuity Plan is that key partners had already been established and set up. In terms of the short-term arrangements, all practical elements of the curriculum could be moved to a partner site on the first week as a result of contact details being in place within the BCP. Some elements shifted to online learning where applicable. When looking at long term arrangements the Head of Sector along with the Director of Finance had arranged for classes to move into the partnering University of the West of Scotland (UWS). Within 2 weeks of moving into UWS, IT arrangements had been set up and student experience was back to normal within a month of the campus closure. The Head of Sector mentioned that the BCP was invaluable during this real-life scenario.

## Work Undertaken

In line with each objective, we undertook the following:

### Objective 1: There are appropriate Business Continuity plans and procedures in place at the College.

- We reviewed the Business Continuity Policy to ensure this was up-to-date and covered everything that we would expect.
- We reviewed the Business Continuity Plan to ensure this was robust and is tested on a regular basis.
- We reviewed the departmental Business Continuity Recovery Plans and Business Impact Assessments to ensure these are up-to-date and provide value.
- We reviewed whether appropriate support is in place for the College's business continuity arrangements.
- We reviewed the systems in use at the College to ensure all appropriate staff members are aware and have knowledge of business continuity arrangements.

### Objective 2: There is appropriate testing and reporting of business continuity procedures at the College.

- We reviewed the business continuity testing arrangements in place for 2022 to ensure these are appropriate.

### Objective 3: Appropriate training for business continuity is being provided to all staff at the College.

- We reviewed whether formal training has been provided to relevant staff to enable them to carry out their duties detailed in the business continuity recovery plans.
- We reviewed the Duty Manager's guide to ensure this provides sufficient information and guidance.

### Objective 4: Roles for business continuity at the College are clearly defined and are appropriate.

- We reviewed the roles and responsibilities in respect of business continuity to ensure there is adequate management of the identified areas.

- We reviewed the communication channels that the College use when invoking business continuity plans to ensure these are robust.
- We reviewed the reporting arrangements in place for business continuity incidents to ensure this is robust.

**Objective 5: The College has a lessons learned process in place to continually improve its business contingency planning.**

- We reviewed whether lessons learned exercises take place.
- We reviewed the contingency planning in place from the Covid-19 Pandemic to ensure the College has planned steps to take in the event of another global pandemic.



## Conclusion

### Overall conclusion

**Overall Conclusion: Substantial**

We can provide a substantial assurance surrounding the College's Business Continuity Arrangements. We have raised 1 medium grade and 2 low grade recommendations for improvement. We have also raised 11 good practice points.

### Summary of recommendations

#### Grading of recommendations

	High	Medium	Low	Total
Business Continuity Planning	0	1	2	3

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 Covid-19 pandemic was an unprecedented event which tested the College's Business Continuity Plan to the limit. The College were able to adapt quickly by setting up a Covid-19 Executive Group and a Covid-19 Mobilisation Group. The BCP has since been updated and now includes contingency steps for College staff to take in the event of another infectious disease.
2.	In anticipation of industrial action taking place in the coming months, the College has put contingency plans in place in the form of a Strike Action Plan and a Strike Action Response Group, in order to minimise business disruption.
3.	The College has appropriate arrangements in place for dealing with security threats including bomb threats, suspicious mail, and unattended items.
4.	<p>The Roles and Responsibilities for individuals and teams surrounding Business Continuity Arrangements are clearly defined and presented within the Business Continuity Policy.</p> <p>The contact information for key members of the Business Continuity Team is also clearly shown with their name, number, and position.</p>
5.	The College has appropriate communication procedures in place during the coordination of an emergency response. We reviewed the communication channels that the College implemented during the Covid-19 Pandemic and found this to be effective and robust.
6.	The College has recently set up a new Teams site for Business Continuity which contains all documents/information pertaining to BCP in one place. The Teams site is accessible by all members of the SMT, Department Heads and the Incident Response Team. From our review of the Teams site, this is well structured and contains easy to access files to ensure staff are aware of business continuity procedures.

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

7.	The BCP is tested on an annual basis, and this is carried out through a walkthrough test to ensure all details are correct including contact details. The College have also scheduled 4 tabletop exercises to take place in 2022 which involves planning different scenarios. The exercises will include 3 generic scenarios and 1 specific IT related scenario, and these exercises will be facilitated by Zurich.
8.	The Business Continuity Policy is tested and updated on an annual basis to ensure all contact details are accurate. From our review, the BCP is an overarching document for each of the College's faculty/department in the event of an incident and contains everything we would expect in a high level of detail.
9.	Zurich Municipal is a leading provider of insurance and risk management solutions for the public and voluntary sectors. Zurich Municipal supported West College Scotland with the development of the Business Continuity Plan, in addition to the annual update to the Plan. A member of staff from Zurich also observes the annual desktop testing of the BCP as an impartial observer.
10.	During our review, we found that the Departments Heads have carried out a Business Impact Analysis (BIA) based on worst-case scenario that assumes that the physical infrastructure for each department has been destroyed and all records and equipment are not accessible for 30 days. The BIA estimates the operational impacts for the department and identifies the College's department processes and the estimated recovery timeframe.
11.	Knowledge of Business Continuity Arrangements are spread between the Head of Departments and SMT and when plans are invoked, information is filtered down to all staff using appropriate communication channels. Information is held electronically on a secure Teams site, and this was set up so that all documentation and information pertaining to BCP is in one central location and allows staff members to have direct access.

We include for your reference comparative benchmarking data of the number and ranking of recommendations made for audits of a similar nature in the most recently finished internal audit year.

### Business Continuity Planning

Benchmarking				
	High	Medium	Low	Total
Average number of recommendations in similar audits	0	2	1	3
Number of recommendations at West College Scotland	0	1	2	3

From the table above it can be seen that the College has a similar number of recommendations compared to those colleges it has been benchmarked against.

### 3 DETAILED RECOMMENDATIONS

Lessons Learned			
Ref.	Finding and Risk	Grade	Recommendation
1.	<p>It is good practice for the College to document lessons learned after an unexpected event has taken place, in order to evaluate what can be improved to be better prepared for the possibility of another unexpected scenario occurring in the future.</p> <p>During our review, we highlighted that lessons learned exercises can be an area for improvement within the College. When we discussed the business continuity arrangements with the Head of Sector, we found that there were no lessons learned documented after the event of a closure of a College campus.</p> <p>There is a risk that the College are not evaluating the key steps taken during an unexpected event and therefore not reporting on lessons learned.</p>	<b>Medium</b>	<p>We recommend that the College undertake lessons learned exercises after a significant event or crisis. This event should be documented, and a formal report taken through the College’s most appropriate governance route dependent on the event being reported</p>

### 3 DETAILED RECOMMENDATIONS

Management response	Responsibility and implementation date
<p>The College does undertake a verbal lesson learned exercise after major events but will now document these reviews within a formal report.</p>	<p><i>Responsible Officer:</i> Director of Finance</p> <p><i>Implementation Date:</i> 1 June 2022</p>

### 3 DETAILED RECOMMENDATIONS

Training Assessment			
Ref.	Finding and Risk	Grade	Recommendation
2.	<p>Training should be provided to the relevant members of staff to enable them to carry out their duties when the Business Continuity Plan is invoked. It is critical that response and recovery team members understand their responsibilities, as well as the objectives and assumptions that drive the development of business continuity strategies.</p> <p>During the review, the Director of Finance within the College explained that no formal training dedicated to Business Continuity Plan had been provided to members of staff. It was highlighted that it would be beneficial for reception staff to receive formal training surrounding bomb threat security. It should be noted that desktop exercises on scenario-based testing doubles up as training to SMT and Department Heads.</p> <p>The risk is if members of staff do not understand their roles and responsibilities during an incident, they will not be able to implement and carry out their tasks efficiently and effectively.</p>	<b>Low</b>	<p>We recommend the College assess training needs in respect of business continuity and disaster recovery. This can be gathered via staff feedback and questionnaires and presented in a skills matrix. Once training needs are identified, the College should look at delivering formal training to the appropriate staff members.</p>

### 3 DETAILED RECOMMENDATIONS

Management response	Responsibility and implementation date
<p>The College will assess the training needs of those staff involved in the business continuity arrangements via staff feedback. A training programme will be created, and formal training undertaken to the appropriate staff members.</p> <p>The College has also re-started a programme of desktop exercises as appropriate for various scenario planning to take place acting as additional training for staff members. Such exercises would also support the skills development training and knowledge needs for staff.</p>	<p><i>Responsible Officer:</i> Director of Finance</p> <p><i>Implementation Date:</i> 31 January 2023</p>



### 3 DETAILED RECOMMENDATIONS

Departmental Business Continuity Recovery Plan			
Ref.	Finding and Risk	Grade	Recommendation
3.	<p>Departmental Business Continuity Recovery Plans are valuable documents which contain department information and responsible persons contact details.</p> <p>During our review we found that the College did have Business Recovery Plans and Business Impact Analysis (BIA) reports for each of its departments, although these were in various stages of completion. We also found that some of the BIAs had not been reviewed since 2018. During our review we found that the College was in the process of updating these Departmental Plans.</p> <p>There is a risk the Departmental Business Continuity Recovery Plans are out of date and do not include all the necessary information that they require.</p>	<b>Low</b>	<p>We recommend that the College ensures all Department Heads review and update their Plans so that they can be better prepared in the event of an unexpected incident. An audit trail should also be established by including the date the document was last updated to ensure all contact details are up to date.</p>

### 3 DETAILED RECOMMENDATIONS

Management response	Responsibility and implementation date
The College will ensure that all Department Heads review and update their plans so that they can be better prepared in the event of an unexpected incident.	<i>Responsible Officer:</i> Director of Finance  <i>Implementation Date:</i> 31 January 2023

## 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	21 March 2022
Closing meeting	31 March 2022
Draft report issued	14 April 2022
Receipt of management responses	28 April 2022
Final report issued	4 May 2022
Audit Committee	18 May 2022
Number of audit days	5

# 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
Senior	Audrey Cowan	Internal Audit Supervisor	audrey.cowan@wyliebisset.com
Auditor	Cameron Dyer	Internal Auditor	cameron.dyer@wyliebisset.com

<b>West College Scotland</b>			
Key Contact	Alan Ritchie	Director of Finance	Alan.Ritchie@wcs.ac.uk
	Paul McLaughlin	Head of Sector	Paul.Mclaughlin@wcs.ac.uk
	Joe Rafferty	Director of HR & Organisational Development	Joe.Rafferty@wcs.ac.uk
	Natalie Smith	HR Manager	Natalie.Smith@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

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.

# A 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 whether a formal Business Continuity Plan is in place and communicated to staff including an awareness plan. We will review the completeness of the plan and consider areas such as roles and responsibilities, business impact analysis, potential disasters, and their effects as well as the testing arrangements in place.

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

### **Scope of review**

Our objectives for this review are to ensure:

- There are appropriate Business Continuity plans and procedures in place at the College.
- There is appropriate testing and reporting of business continuity procedures at the College.
- Appropriate training for business continuity is being provided to all staff at the College.
- Roles for business continuity at the College are clearly defined and are appropriate.
- The College has a lessons learned process in place to continually improve its business contingency planning.

### **Limitation of scope**

There are no limitations of scope.



## Audit approach

Our approach to the review will be:

- A review of the current processes in place for business continuity planning at the College.
- A review of the business continuity cycle with Senior Management who are involved with the cycle.
- Assessing the Quality Procedures that are currently in place at the College for business continuity.
- A review of the management reporting in respect of business continuity planning.
- A review of the steps taken by the College to assess its implementation and any lessons learned.
- Review the communication provided to stakeholders to ensure they were well informed in terms of the College's business continuity arrangements.
- Review of business continuity planning, testing, documentation, and processes including business impact analysis.
- A review of training in place in respect of business continuity planning and execution.
- We shall compare the arrangement at the College with those at other organisations.

## Potential key risks

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

- There are no Business Continuity procedures and plans in place at the College.
- There is no formal testing being carried out for business continuity procedures.
- No training has been provided to staff for business continuity procedures and what to do if an event materialises.
- Roles and responsibilities for business continuity are not defined or appropriate.
- The College does not have a robust lessons learned process in place which could result in the business continuity planning process not taking cognisance of past weaknesses.

<b>Meeting</b>	Audit Committee
<b>Date</b>	26 May 2022
<b>Location</b>	MS Teams
<b>Title of Paper</b>	Internal Audit Report – Student Recruitment
<b>Presented By</b>	Stephen Pringle Wylie & Bisset
<b>Recommendation to Members</b>	Consideration
<b>Appendix Attached</b>	Yes 09(a) – Internal Audit Report – Student Recruitment

#### **PURPOSE**

As part of the 2021-22 Internal Audit Plan, Wylie & Bisset conducted an assignment to review of the arrangements in place surrounding student recruitment. The review considered the suitability of the arrangements for gaining information in relation to courses, access to support, and course enrolment, to ensure that the student experience is effective. The work also reviewed the suitability of the policies and procedures in place surrounding student recruitment

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 an assignment to review of the arrangements in place surrounding student recruitment. The review considered the suitability of the arrangements for gaining information in relation to courses, access to support, and course enrolment, to ensure that the student experience is effective. It also reviewed the suitability of the policies and procedures in place surrounding student recruitment
- 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 student recruitment process. We acknowledge that this is an area that the College are reviewing and in the process of improving at present. We have raised 5 recommendations, 3 of which have been graded as medium and 2 as low grade. It should be noted that the main themes of our findings were:*

- *Overarching policies and procedures;*
- *Communications with applicants/students;*
- *System capabilities and functionality; and*
- *Standard practices across both sectors and campuses.*

*We have also raised 4 good practice points.'*

- 2.3 The report does highlight several areas of good practice (see page 11 of the report).
- 2.4 The report makes five recommendations, which the College has accepted, with three being medium and two being categorised as low. As the report noted the number of recommendations is slightly lower than the number recommended at similar institutions.

## **Next Steps**

- 2.5 The report will be presented to the Learning, Teaching and Quality Committee for consideration and the recommendations will be added to the Rolling Audit Action Plan for monitoring purposes.

### **3. FINANCIAL IMPLICATIONS**

- 3.1 There are no financial implications associated with this paper.

### **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 resource implications associated with this paper.

### **6. LEGAL IMPLICATIONS**

- 6.1 There are no legal implications associated with 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.

**RECOMMENDATION**

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

# West College Scotland

**Internal Audit 2021-22**

Student Recruitment  
April 2022

**Overall Conclusion**

Substantial

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## Overview

### Purpose of review

We undertook a review of the arrangements in place surrounding student recruitment. Our review considered the suitability of the arrangements for gaining information in relation to courses, access to support, and course enrolment, to ensure that the student experience is effective. We also reviewed the suitability of the policies and procedures in place surrounding student recruitment.

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

### Scope of review

Our objectives for this review were to ensure:

- The College has robust policies and procedures in place surrounding student recruitment.
- The College has robust mechanisms in place with clear links between application, interview, acceptance, and enrolment to ensure it manages student recruitment and enrolment in an efficient and effective manner.
- Responsibility for student recruitment is clearly defined throughout the College.
- The arrangements in place for gaining information in relation to courses, and access to support is well communicated and easily accessible by potential students.
- The College has sufficient, generic as well as targeted marketing campaigns to raise the awareness of its courses, support, and facilities to potential students.
- Methods of feedback (for both staff and students) are in place at the College regarding the recruitment process which contribute to the evaluation process.



## Limitation of scope

There are no limitations of scope.

## Background Information

### *Policies and Procedures*

The following personnel within the College are involved with the recruitment process (from application to enrolment):

- Marketing and Communications staff;
- Student Advisory Services;
- Faculty Administration;
- Curriculum and Quality Leaders (CQLs); and
- Management Information staff.

During our audit work we were provided with limited overarching documented policies and procedures. We found that there was no overarching framework or policy and procedures relating to the recruitment process from the application stage through to the enrolment stage. As a result of this we found that the practices used by staff varied from sector to sector and from campus to campus. **We have raised a recommendation around the development of an overarching policy and procedure – see section 3, recommendation 2 for further details.**

### *Current Arrangements*

An on-line UNIT-e application form is completed by the applicant. Staff within the Student Advisory Services are available to assist the applicant complete the form should this be required. The application is put on hold for 2 days to allow EU residency checks to be carried out by the Student Advisory Services staff.

The curriculum administration staff receive a daily application report, which details the applications to be actioned. There are a variety of ways the daily report is actioned depending on the sector and campus, these are:

## a) Curriculum Administration Staff Review and Make an Offer

The curriculum administration staff will review the application and check that the applicant meets the entry requirement criteria for the course and have uploaded a personal statement (where required). If all criteria have been met and the Sector permits this, the curriculum administration staff can make an offer to the applicant. This will generally be a conditional offer.

## b) Curriculum Administration Staff Review and Short List for Interview

The curriculum administration staff will review the application and pass those that meet the entry requirements and have provided a personal statement (where applicable) to the sector Curriculum Quality Leader (CQL) for them to review and decide whether the applicant should be invited for an interview.

The interviews should be scheduled and recorded via the UNIT-e system. We found that not all sectors are using the UNIT-e system for this purpose. Spreadsheets tend to be used to schedule interviews, with these being passed to the CQLs to update when the interview has taken place and the outcome is known. The curriculum administration staff will manually enter the outcomes from the spreadsheets into the UNIT-e system.

## c) CQL Review and Make the Offer

The CQL is passed all applications received for their courses. The CQL will review and decide who meets the entry criteria and who should therefore either be offered a place or be invited in for an interview. The same spreadsheet process as that noted at (b) above is used for scheduling and recording the outcome of the interviews.

**We have raised a recommendation around the standardisation of practices across all sectors and campuses – see section 3, recommendation 1 for further details.**

## ***Recruitment Process System***

The College uses the following system to administer its recruitment process:

- Courses are available on the College's website which is hosted by an external partner (Frame Ltd).
- Applications are made through the College's website which links directly to the Online Services section of the UNIT-e system.
- Both the College website and Online Services systems have been "skinned" to make them look the same.

From our review of the status codes used in the recruitment process, we found that the College originally had over 100 codes. These were reduced to 66, however from review of these we are of the opinion that these can be reduced further. From our work at our other college clients, we have found that they tend to have between 15 to 20 recruitment status codes in use to move the status of the application through the recruitment process. **We have raised a recommendation in relation to this – see section 3, recommendation 4 for further details.**

From our review of the recording of interview outcomes, we found that these were manually input to the UNIT-e system by the curriculum administration staff. When questioned, the curriculum administration staff did not think it was possible to upload the information on the spreadsheet to the UNIT-e system. From our work at other college clients, we found that either the Tutor/Curriculum Leader would input the outcome of their interviews directly into the UNIT-e system or there would be an upload of the outcomes to the UNIT-e system. **We have raised a recommendation around this – see section 3, recommendation 3 for further details.**

## **Reporting**

As part of our audit, we asked for a report to show the following:

- time taken to process applications;
- time taken from interview to issuing an offer;
- time taken to accept an offer once made; and
- the number of enrolments who have accepted an offer and enrolled on the course.

We were informed that the system does not have an audit trail of the recruitment journey.

From our review we found that there was not one report which captures the full journey, i.e., from enquiry through to starting a course. At present there is no report which can be run to show the enquiries which have turned into an application. There are reports which can be run to show enquires and expression of interest but none to show whether these have been transferred to an application. The College does monitor application numbers; however, this tends to be by total numbers processed which could include duplicate applications from the same applicant. **(We have raised a recommendation around this – see section 3, recommendation 3 for details).**

## ***Communication with Applicant***

The main methods for the College to keep in contact with the applicant is via email and will in certain circumstances issue offer letters via the post.

The College also keeps in contact with the applicant in the following ways:

- Acknowledgement of application email.
- Interview time and date email.
- Keep warm email – these are normally issued towards the end of June each year.
- Offer made email – these include a link to accept the offer. This also has a link to an induction session, which the potential students must attend. This is normally done from mid-way through July.
- Information sessions at each campus – these take place at the start of August.
- Induction days – these take place mid-way through mid-August to the second last week in August.
- Enrolment – a link to the enrolment process is provided at induction.

From the above it can be seen that the most contact with the potential student takes place between the end of June and the start of their course in August.

From our work at our other college clients, we found that they also include the following contact with potential students:

- Open days/evenings. These are generally done in person, however due to the Covid-19 restrictions these had to be done virtually.
- Information, Advice and Guidance events. These are generally done in person but due to Covid-19 restrictions these have been done remotely.
- Contact centre events – These involve representatives from the curriculum, school liaison, marketing, student services, MIS, and finance. There is also a duty manager who is either a Head of School or a Vice Principal in attendance for these events. The purpose of these is to provide advice and information on the courses, support available and facilities at the College. The students are also provided with start of term information, i.e., start date, timetable, and induction etc.
- Enrolment days/evenings. These are to enrol students onto their course. During the Covid-19 restrictions this face-to-face option was still offered, albeit in a reduced and socially distanced format.
- Live chat facility on organisation website. This enables potential students and/or students to speak to a member of staff as they browse the website or complete an application or enrolment form etc.

Some Sectors of the College invite the applicants who have accepted an offer into the College to get more information on the course and to complete the necessary paperwork for any PPE required and to start the process for any disclosures required as part of their course. This does not happen in every Sector and for every course.

**Within recommendation 2 we have included a comment around the communication with applicants/potential students and the methods employed for this.**

We also reviewed the College's website as part of our audit and found that although some amendments have been made to this since our External Communications audit in April 2021, the website is still not as dynamic as what we have seen at other colleges. **We have raised an observation around this point.**

### ***Feedback***

In September 2021 the College ran sessions with all the CQLs to obtain their view on the student recruitment process and to highlight issues and potential improvements. From these sessions feedback was gathered with the College working through this to assess where potential improvements could be made.

For the winter start courses, the College set up a pilot to carry out the application process in a different way from how this it was previously carried out. This involved the applicant being given the option to search through a 'thematic grouping' as an alternative to searching for a specific course or campus. The aim of this pilot was to ensure that the College is able to capture all applicants in a timely way and to have all applicants given a college offer on to a course, even if this is not the course they originally showed interest in. This would be done by the staff matching the applicant's qualifications and interests with curriculum areas and courses.

At the time of our audit visit, the feedback from this pilot process had not been fully considered prior to the August 2022 application process commencing. The College are still considering the outcome from the pilot to assess whether amendment to the recruitment process can be made going forward.

The College also undertakes a student survey of the recruitment process each year with any issues being highlighted and work done to mitigate issues raised.

From our review we noted that the College does not routinely contact those applicants who have accepted an offer but who do not enrol. **We have raised a recommendation around this – see section 3, recommendation 5 for further details.**

From our discussion with the Student Union President, we found that she had no issues with the recruitment and application process at the College. Her own experience was good. She also confirmed that no students had complained to her about the process. Overall, she thought the process was straightforward and easy to follow.

## Work Undertaken

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

### **Objective 1: The College has robust policies and procedures in place surrounding student recruitment.**

- We obtained and reviewed any policies and procedures in respect of the recruitment process at the College.
- We evaluated these to ensure that these are robust and fit for purpose. **We have raised a recommendation in relation to this – see section 3, recommendation 2 for further details.**
- We established whether the College has a process map detailing the student's recruitment journey.

### **Objective 2: The College has robust mechanisms in place with clear links between application, interview, acceptance, and enrolment to ensure it manages student recruitment and enrolment in an efficient and effective manner.**

- We discussed, with key personnel, the current recruitment process from application stage to enrolment. **We have raised 3 recommendations in relation to this – see section 3, recommendations 1, 3 and 4 for further details.**
- We assessed whether this was robust and fit for purpose with sufficient contact between the College and the potential student during the period. **See section 3, recommendations 2 for further details.**
- We considered whether this is in line with what we have seen at our other college clients.

**Objective 3: Responsibility for student recruitment is clearly defined throughout the College.**

- We established those involved and responsible for the student recruitment process.
- We established whether the roles and responsibilities are clearly defined and understood by staff and potential students.

**Objective 4: The arrangements in place for gaining information in relation to courses, and access to support is well communicated and easily accessible by potential students.**

- We discussed the arrangements in place for gaining information in relation to courses and access to support.
- We assessed this to ascertain whether this is well communicated and easily accessible by potential students.
- We reviewed the website and other mediums to ensure that the information contained within these in relation to course information and support is accurate and well communicated to potential students.

**Objective 5: The College has sufficient, generic as well as targeted marketing campaigns to raise the awareness of its courses, support, and facilities to potential students.**

- We discussed the marketing campaigns the College runs to advertise and raise awareness of its courses.
- We evaluated these to assess whether these are having the desired impact on student recruitment.
- We also assessed how the College monitors the success of these campaigns.

**Objective 6: Methods of feedback (for both staff and students) are in place at the College regarding the recruitment process which contribute to the evaluation process.**

- We discussed the methods of feedback used by the College to assess its recruitment process. **We have raised a recommendation in relation to this – see section 3, recommendation 5 for further details.**
- We obtained and assessed the available feedback.
- We established and assessed how this feedback shapes the future recruitment process.
- We assessed whether the College has a recruitment debrief prior to the start of the new recruitment year to ensure that it is learning from lessons learnt from the previous year's recruitment process.

## Conclusion

### Overall conclusion

#### Overall Conclusion: Substantial

We can provide a substantial level of assurance over the College's student recruitment process. We acknowledge that this is an area that the College are reviewing and in the process of improving at present. We have raised 5 recommendations, 3 of which have been graded as medium and 2 as low grade. It should be noted that the main themes of our findings were:

- Overarching policies and procedures;
- Communications with applicants/students;
- System capabilities and functionality; and
- Standard practices across both sectors and campuses.

We have also raised 4 good practice points.

### Summary of recommendations

#### Grading of recommendations

	High	Medium	Low	Total
Student Recruitment	0	3	2	5

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 College undertakes a survey each year on the recruitment and enrolment process, with the findings from this informing the next year's recruitment and enrolment.
2.	The Marketing Department have a programme of recruitment campaigns which takes place between February and August each year. This employs a variety of mediums to advertise and promote the College.
3.	The Marketing and Communications Department evaluate their campaigns via a question included in the application form to ascertain how the applicant heard of the College. They also undertake a student communications survey to assess the main methods of communication the students use.
4.	The Senior Management Team have been given media training to enable them to speak about education to the media, i.e., to be interviewed or give a statement on camera. It is hoped that by giving the SMT the tools and training to enable them to speak on camera, the profile of the College will be raised.

We include for your reference comparative benchmarking data of the number and ranking of recommendations made for audits of a similar nature in the most recently finished internal audit year.

### Student Recruitment

Benchmarking				
	High	Medium	Low	Total
Average number of recommendations in similar audits	0	4	2	6
Number of recommendations at West College Scotland	0	3	2	5

From the table above it can be seen that the College has a lower number of recommendations compared to those colleges it has been benchmarked against.

Standard Practice Across Sectors and Campuses			
Ref.	Finding and Risk	Grade	Recommendation
1.	<p>There should be a standard process across the Sectors and campuses for short listing of applications and the recording of the interview process.</p> <p>From our review we found that at present the Curriculum Administration seems to be done by campus rather than sector. Some of the sectors have different ways of operating depending on the campus they are based. As a result of this an applicant could be offered an interview or place on the same course but located at the different campuses. The Curriculum Administration staff within each campus do not always know what courses are full at the different campuses.</p> <p>We also found that there was no standard process across the Sectors and campuses for processing applications. In some sectors/campuses the Curriculum Administration review all applications to ensure these meet the entrance criteria, with the Curriculum Administration able to make an offer to the applicant if they meet the criteria (this is for</p>	Medium	<p>We recommend that a standard practice is put in place across all Sectors and campuses. This should include a standard process for short listing applications as well as all Sectors using the UNIT-e system to record interviews.</p> <p>We also recommend that the Curriculum Administration is done on a Sector basis irrespective of which campus the course is being offered. This would allow the applicant to be offered the most appropriate location for them. It would also enable one interview to be undertaken for the same course in the different campuses.</p>

### 3 DETAILED RECOMMENDATIONS

<p>those applications which do not require an interview). For other Sectors/campuses it is the Curriculum Quality Leaders (CQLs) who do this task.</p> <p>There is a risk that the application process is not the most efficient and effective due to the different ways of doing things between sectors and campuses. There is also a risk that some sectors may be in competition with the same sector in different campuses.</p>		
<p>Management response</p>		<p>Responsibility and implementation date</p>
<p>The College accepts the recommendation and is currently reviewing the shortlisting and recording of interview process. The aim of the review is to ensure a standard practice is adopted across all Sectors irrespective of which campus undertakes the work.</p>		<p><i>Responsible Officer:</i> Vice Principal Educational Leadership</p> <p><i>Implementation Date:</i> 31 October 2022</p>

Overarching Policy and Procedure			
Ref.	Finding and Risk	Grade	Recommendation
2.	<p>There should be an overarching procedure which captures the process from application to enrolment. This will ensure that all the staff involved in the process will be aware of their role and how these fit into the process. This will also help identify any issues with the process in place and how this will impact on other departments and staff within the process.</p> <p>From our review we found that there were some documented procedures/guidance in respect of certain aspects of the application to enrolment process. We found that there was not an overarching set of procedures which documented the whole process from application to enrolment. There is a potential for staff not to fully realise how their part of the process impacts on another part of the process. We also found that there are no documented timescales for each part of the process to be completed. This could result in inefficient processes being put in place.</p>	<b>Medium</b>	<p>We recommend that the College produce an overarching set of procedures which encompass the whole applications to enrolment process. In this way everyone involved in the process will be made aware of their role and how it fits into the overall process. These should also include:</p> <ul style="list-style-type: none"> <li>• documented timeframes for each step of the process;</li> <li>• the medium by which the College corresponds with the applicants/students (SMS messaging, MyDays etc); and</li> <li>• the frequency of communications with applicants/students.</li> </ul> <p>We also recommend that the College consider preparing a process map for the whole recruitment process from application to enrolment.</p>

### 3 DETAILED RECOMMENDATIONS

	<p>There is a risk that the College's applications and enrolment arrangements are not efficient or effective which could result in a loss of students. There is also a risk that staff are not aware of how their actions will impact on other parts of the applications and enrolment process.</p>		
<p>Management response</p>		<p>Responsibility and implementation date</p>	
<p>Based upon the output from the current review, the College will produce a Recruitment Procedure. The procedure will include a recruitment process map which will show indicative timeframes for each step of the process.</p>		<p><i>Responsible Officer:</i> Vice Principal Educational Leadership</p> <p><i>Implementation Date:</i> 31 October 2022</p>	

### 3 DETAILED RECOMMENDATIONS

Capability, Functionality and Use of the System			
Ref.	Finding and Risk	Grade	Recommendation
3.	<p>There should be a way for the College to monitor the time taken for the applicant to complete the application journey through to enrolment to assess where the backlog and pressure points are, if any.</p> <p>We requested a report to show time taken from application to complete the recruitment journey but were informed that the system does not have an audit trail of the journey of each step as this would require to be taken each time an applicant's status is changed. We were provided with a report showing the date the application was received and the date of the last update to the status.</p> <p>We were also informed that there is not a College wide standard practice for interviews and that not all Sectors use the UNIT-e system to record the interviews. Thus, the information for interviews to issuing an offer could not be provided. The College was also unable to provide a report on the time taken to accept an offer. When the interview has been completed and the outcome requires to be recorded this is manually entered into the UNIT-e system by the Curriculum Administration staff.</p>	Medium	<p>We recommend that the College review the capability and functionality of the system used to establish whether it would be able to provide an audit trail and reports on the time taken from the application being received through to interview, acceptance of an offer and enrolment.</p> <p>We also recommend that the College investigate whether the outcomes from the interviews can be uploaded directly to the UNIT-e system via the interview spreadsheet.</p>

### 3 DETAILED RECOMMENDATIONS

	<p>There is a risk that long time lags are not being noticed or addressed due to the lack of reporting on these. There is also an increased risk of errors due to the way in which the interview outcomes are recorded in the UNIT-e system.</p>		
Management response		Responsibility and implementation date	
<p>The College will review the UNIT-e system capabilities to assess whether:</p> <ul style="list-style-type: none"> <li>a) It can provide a time stamped audit trail and reports on the time taken from the application being received through to interview, acceptance of an offer and enrolment.</li> <li>b) The interview outcomes can be uploaded directly to the UNIT-e system via the interview spreadsheet or amend the input process to be done at source.</li> </ul> <p>The College has developed a PowerBI Management Information report which tracks the student progress from application to enrolment. This is a new report and will assist in monitoring and taking forward the implementation of this recommendation. The information is time stamped and holds data which can subsequently be built into the management reporting.</p>		<p><i>Responsible Officer:</i> Vice Principal Educational Leadership</p> <p><i>Implementation Date:</i> 31 October 2022</p>	



Number of Status Codes Used in the Application to Enrolment Process			
Ref.	Finding and Risk	Grade	Recommendation
4.	<p>The status allocated to the stages of the application journey from application to enrolment should be sufficient for staff to know exactly at what stage the application is in the process. The number of statuses available for this purpose should be sufficient and succinct to ensure that staff are using the correct status code in a consistent manner.</p> <p>From our review of the status codes available for use in the process we found that the College had originally around 102 but these had been reduced to 66 as part of the January enrolment pilot. From our work at other colleges, we found that they tend to have a much lower number of status codes in use for each stage of the process. These range from between 15 to 20 codes, which is a more manageable number for staff to ensure that they are consistently using the same code.</p> <p>There is a risk that staff from across the College are not consistently using the same and/or code for the individual stages of the application journey.</p>	Low	We recommend that the College consider reducing the number of status available for staff to use from the current level of 66 to a lower more manageable number.

### 3 DETAILED RECOMMENDATIONS

Management response	Responsibility and implementation date
<p>The College will review the recruitment status indicators with the aim to reduce the number from the current level of 66 to a lower more manageable number. The application tracking report referred to in recommendation (3) has indicated that the number of statuses can be reduced to five. The steps / statuses remain in the system but there is a project underway to consolidate these steps for greater efficiency and student experience.</p>	<p><i>Responsible Officer:</i> Assistant Principal Student Life &amp; Skills</p> <p><i>Implementation Date:</i> 31 October 2022</p>

### 3 DETAILED RECOMMENDATIONS

Feedback			
Ref.	Finding and Risk	Grade	Recommendation
5.	<p>There should be follow up exercises undertaken with those students who have applied but not enrolled at the College and those students who have enrolled but did not attend the College. This will help identify any issues in the process and help to alert the College to any potential trends in relation to students enrolling.</p> <p>From review and discussion with the Vice Principal and Assistant Principal we were informed that the College does not routinely contact those students who have accepted an offer but not enrolled or those who have enrolled but not attended the College. The College does undertake surveys of the students attending the College to obtain their feedback on their experience of the recruitment and enrolment process.</p> <p>From our review we found that for 2021/22 the Marketing Team undertook a survey of students who did not attend or who attended the College only briefly. Included in this was some students who had applied but did not enrol and those who</p>	Low	<p>We recommend that as part of the annual review of the recruitment, application and enrolment process, the College continues to undertake a follow up on any applicants who have applied but have not completed their application, did not enrol or who enrolled but did not attend. The results of this exercise should be used to inform any improvements to the current practices.</p>

### 3 DETAILED RECOMMENDATIONS

	<p>enrolled but did not attend. This was a one-off exercise and is not routinely undertaken by the Marketing Team every year.</p> <p>There is a risk that there is insufficient follow up procedures for applicants that have not ultimately enrolled or started their course, with no process in place to determine lessons learnt from this to rectify in future years.</p>		
<p>Management response</p>		<p>Responsibility and implementation date</p>	
<p>The College will undertake a review of the 2022-23 recruitment, application and enrolment process which will include the creation of an action plan.</p> <p>As part of the review a specific piece of work will be undertaken to get feedback from applicants who have applied but have not completed their application, did not enrol or who enrolled but did not attend. A report will be presented to the Senior Management Team along with the action plan.</p> <p>There are also withdrawal reasons being built into the new management information system reports which will allow staff to effectively review and analysis the data.</p>		<p><i>Responsible Officer:</i> Vice Principal Educational Leadership</p> <p><i>Implementation Date:</i> 31 January 2023</p>	

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

1. The public facing website is one of the main sources of information for potential students to the College, thus it should be easy to navigate and find the necessary information as well as containing sufficient information on the various courses and facilities to enable the applicant to make an informed decision. From our review of the public facing website, we found that some improvements had been made to this since our External Communications audit in April 2021. However, we found that this contains basic information about the course. From our work at other colleges, we have seen that their websites contain case studies and testimonials from past and present students about the courses and facilities at these colleges. This is a good way to provide additional information to potential applicants. As we have already raised a recommendation regarding the College's public facing website in our External Communications Report (April 2021), and that the College are still working on implementing this, we have not raised another recommendation in this report.

## 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	21 March 2022
Closing meeting	31 March 2022
Draft report issued	14 April 2022
Receipt of management responses	28 April 2022
Final report issued	5 May 2022
Audit Committee	18 May 2022
Number of audit days	5 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
Auditor	Cameron Dyer	Internal Auditor	cameron.dyer@wyliebisset.com

<b>West College Scotland</b>			
Key Contacts	Stephanie Graham	Vice Principal	stephanie.graham@wcs.ac.uk
	Iain Forster-Smith	Assistant Principal Student Life and Skills	iain.forster-smith@wcs.ac.uk
	Nathan Tyler	Director of Communications and Marketing	Nathan.tyler@wcs.ac.uk
	Fiona McLaren	Marketing and Publications Manager	fiona.mclaren@wcs.ac.uk
	We spoke to members of the Curriculum Administration Teams and Student Advisory Services.		

## 5 KEY PERSONNEL

We spoke to 2 CQLs and 2 Head of sector to get their input to the process.

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.

# A 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 shall undertake a review of the arrangements in place surrounding student recruitment. Our review will consider the suitability of the arrangements for gaining information in relation to courses, access to support, and course enrolment to ensure that the student experience is effective. We will also review the suitability of the policies and procedures in place surrounding student recruitment.

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

### **Scope of review**

Our objectives for this review are to ensure:

- The College has robust policies and procedures in place surrounding student recruitment.
- The College has robust mechanisms in place with clear links between application, interview, acceptance, and enrolment to ensure it manages student recruitment and enrolment in an efficient and effective manner.
- Responsibility for student recruitment is clearly defined throughout the College.
- The arrangements in place for gaining information in relation to courses, and access to support is well communicated and easily accessible by potential students.
- The College has sufficient, generic as well as targeted marketing campaigns to raise the awareness of its courses, support, and facilities to potential students.
- Methods of feedback (for both staff and students) are in place at the College regarding the recruitment process which contribute to the evaluation process.

### Limitation of scope

There are no limitations of scope.

### Audit approach

Our approach to the review will be:

- Obtain and review any policies and procedures in respect of the recruitment process at the College. We shall evaluate these to ensure that these are robust and fit for purpose. We shall establish where the College has a process map detailing the student's recruitment journey.
- Discussion with key personnel the current recruitment process from application stage to enrolment. Assess whether this is robust and fit for purpose with sufficient contact between the College and the potential student during the period. We shall consider whether this is in line with what we have seen at our other college clients.
- Discussion with key personnel to establish those involved and responsible for the student recruitment process. We shall establish whether the roles and responsibilities are clearly defined and understood by staff and potential students.
- Discussion with key personnel to establish the arrangements in place for gaining information in relation to courses, and access to support. We shall assess this to ascertain whether this is well communicated and easily accessible by potential students. We shall sample test a sample of course information held on the website with that recorded in the course plans to make sure that the information on the website is accurate. We shall also review the website and other mediums to ensure that the information contained within these in relation to support is accurate and well communicated to potential students.
- We shall discuss the marketing campaigns the College runs to advertise and raise awareness of its courses. We shall evaluate these to assess whether these are having the desired impact on student recruitment. We shall also assess how the College monitors the success of these campaigns.
- We shall discuss the methods of feedback used by the College to assess its recruitment process. We shall obtain and assess the available feedback. We shall establish and assess how this feedback shapes the future recruitment process. We shall assess whether the College has a

recruitment debrief prior to the start of the new recruitment year to ensure that it is learning from lessons learnt from the previous year's recruitment process.

### Potential key risks

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

- The College may have poor arrangements in place which can result in negative feedback, impacting future applications.
- The College does not have robust mechanisms in place with clear links between application, interview, acceptance, and enrolment which could result in the recruitment process not being managed in an efficient and effective manner. This could have an impact on the number of students recruited.
- There are no clear lines of accountability for student recruitment and responsibilities are not clearly defined which could result in staff being unclear in their roles and responsibilities which could have a negative impact of the student experience.
- The arrangements in place for gaining information in relation to courses, and access to support is not well communicated and is not easily accessible by potential students, which could result in the College losing potential students.
- The College's marketing campaigns are ineffective and do not raise the awareness of its courses, support, and facilities to potential students, which could result in poor recruitment figures.
- The College has ineffective measures in place for obtaining feedback from staff, students, and student representatives. This therefore reduces the opportunity to improve the service provided by the College.

<b>Meeting</b>	Audit Committee
<b>Date</b>	26 May 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>	Approval
<b>Appendix Attached</b>	Yes 012(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, 2, 3 and three out of the four assignments in phase 4 have now been completed. The agenda of this Committee meeting includes the three remaining Internal Audit Reports.
- 2.2 The work on the College Estate Strategy was initially delayed due to staff changes and the ongoing work to complete the review of the base data needed to update the Strategy. The collation of the base data work remains ongoing and combined with the movement in the potential development opportunities, which the Board of Management will be updated on in due course, the College is looking to delay this audit assignment until 2022-23.
- 2.3 The assignment to review the Estate Strategy is still seen as a critical assignment given the significant part the College estate has in delivering the objectives of the Corporate Plan. The revised timetable for the completion of the updated Estate Strategy is as follows:
- Draft Estate Strategy to be considered by the Corporate Development Committee in September 2022
  - Estate Strategy to be considered and approved by the Board of Management in October 2022
  - This will enable the audit assignment to be undertaken in January 2023 with the audit report being received by the March 2023 Audit Committee.
- 2.4 The Audit Committee is asked to approve the proposed change to the timing of the Estate Strategy audit assignment.

### **Next Steps**

- 2.5 The auditor will present their 2021-22 Internal Audit Annual Report to the September 2022 Committee meeting for approval.
- 2.6 Item 14 of the Committee agenda presents the updated Draft 2022-23 Internal Audit Plan for the Committee to consider and approve.



**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:

- a) Approve the revised timing of the Estate Strategy audit assignment.
- b) Consider and note the contents of the report.



# West College Scotland

Internal Audit Plan

2021 - 2022

May 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	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	Completed	18 May 2022
	Estates Strategy	6	Amy McDonald	21 March 2022			
	Review of Business Continuity Planning	5	Alan Ritchie			Completed	
	Student Recruitment	5	Stephanie Graham			Completed	

<b>Meeting</b>	Audit Committee
<b>Date</b>	26 May 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 13(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 March 2022 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 – Carbon Management	9	0	9
Internal Audit – Digital strategy	1	0	1
Follow Up Work			
Proposed for removal (see section 2.2)	(8)	0	(8)
<b>Total recommendations</b>	<b>17</b>	<b>6</b>	<b>23</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	22	4	26
<u>Partially Implemented</u> Due for completion – extension requested	3	0	3
<u>Complete</u> Pending auditor review	0	2	2
<u>Complete</u> Pending Committee approval to removal	(8)	0	(8)
<b>Total</b>	<b>17</b>	<b>6</b>	<b>23</b>

## Internal Audit

### Request to Remove Actions from the Plan

2.2 The auditors as part of their phase 3 work have reviewed the Rolling Audit Action Plan and are content to recommend to the Audit Committee that the following eight recommendations are removed:

1. IA19-20(05) – CPD – Alignment of Staff Training
2. IA19-20(06) – CPD – Completion of CPD Review
3. IA20-21(16) – Complaint Handling – Process Map
4. IA20-21(09) – Complaint Handling Responding to complaints
5. IA20-21(10) – Complaint Handling Lessons Learned...
6. IA20-21(17) – Complaint Handling – Student Feedback
7. IA20-21(18) – Ext Comms – M&C Strategy
8. IA20-21(19) – Ext Comms – Student ... Feedback

### Extension Requested

2.3 The College considers that the due date for the following three recommendations requires to be extended for the reasons noted:

- **IA19-20(07) – CPD – Alignment of CPDR Development Plans**
  - 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.
  - Due date: 31 March 2022
  - Extension requested to: 31 October 2022
  - Reason:

The recommendation requires the new CPD scheme to be launched along with the guidance notes. As the new CPD scheme is not due to be launched until August

2022, the recommendation cannot be actioned and evidenced until after that date.

- **IA20-21(11) – Complaints Handling – Complaints Log**

- Recommendation:

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.

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.

- Due date: 31 January 2022

- Extension requested to: 31 July 2022

- Reason:

This work was due to be completed as part of the transfer to the Pentana system. Due to the software provider being unable to support the transfer of data until later in the year this work will now require to be undertaken manually. The extension will allow the analysis work to be undertaken and the current database to be updated.

- **IA20-21(21) – Ext Comms – Reporting to SMT**

- 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.

- Due date: 30 April 2022

- Extension requested to: 31 July 2022

- Reason:

Reporting to SMT has been delayed by the prolonged onboarding/procurement of a media monitoring service and difficulty obtaining College website analytics. Both issues have now been resolved and reporting will begin at the end of Feb 22, including an annual report publication.

The extension is to enable a full briefing on External Communications to be given to the SMT in May with monthly summary reports being received by AMT since April.

**Recommendation Status**

2.4 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.

2.5 The table below summarises the gradings of the outstanding recommendations:

Audit Grading	Low (3)	Medium (2)	High (1)
This report	9	13	1

2.6 The one high recommendation relates to the creation and approval of a Sustainability Strategy IA21-22(01) with a due date of 31 October 2022. A draft Sustainability Strategy was considered by the 3 May 2022 Senior Management Team. The Strategy contains several significant commitments and a detailed action plan. The SMT were requested to review the Strategy and consider any further amendments in advance of the SMT planned for the end of May. The revised strategy encapsulated the output from the internal audit report. After approval by the SMT the Strategy will be presented the Board for approval.

2.7 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 to the Sustainability Strategy.



### **Next Steps**

- 2.8 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 removal of ten recommendations.
- Consider and approve the Rolling Audit Action Plan.





## **Committee Report**

## **Rolling Audit Action Plan**

## **Progress Review**

## Summary of Audit Actions Graded High (IAA)

### Audit Grading Description High

Audit Action	Audit Recommendation	Due Date	Grading		Current Audit Status	
IA21-22(01) Update and finalise the college Sustainability Strategy	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.	31-Dec-2022	High			Partially implemented – not yet due

# 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	Medium		31-Mar-2021	31-Mar-2022	Partially implemented – not yet due		Fully implemented – awaiting audit confirmation	
Audit Finding Description								
<p>The College’s annual training planning process includes:</p> <ul style="list-style-type: none"> <li>As part of the College Operational Planning process the development of an annual operational Organisational Development and HR (ODHR) Plan. We reviewed the plan and noted that the plan sets out training targets and outcomes for the period from February 2019 to January 2020, and each training area identified is linked to the appropriate College strategy such as the Workforce Plan, People Strategy, Efficiency Savings, etc.</li> <li>The development of an annual Staff Development Programme. We reviewed this programme and noted that the plan lists the training sessions that have been agreed for the period from August 2019 to June 2020, however the proposed training areas are not linked to the College’s Corporate Strategy 2019–2025 or other supporting strategies such as the People Strategy, Workforce Strategy, etc.</li> </ul>								
Audit Finding Risk								
<p>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</p>								

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**

Paul Ferguson 19-Apr-2022 The pilot of My Conversations has gone extremely well meaning that the full Implementation is on schedule for August 2022. The following recommendations have been made and agreed:

- Awareness Session will continue to be offered and made available to all staff.
- Learn to Lead Workshops will be extended by 15 minutes to allow for it to feel less rushed and more time for discussion.
- Guides will be separated into the different conversations but with the option to have them all together remaining.
- A short bitesize exemplar conversation will be filmed and made available.
- A review of the functionality will take place with improvements to layout, notifications and the ability to format the text in the text boxes implemented. The feasibility of 'uploads' will also be discussed.
- Managers will be offered a one-day virtual workshop on 'Coaching Conversations'.




The full pilot report can be found here:

[https://livetestclydebankac-my.sharepoint.com/:w:/g/personal/paul\\_ferguson\\_wcs\\_ac\\_uk/ET7nxiKNJVVHrDZ-oLw8vmABXrKzess4A1ht-HGM8BTKdg?e=IM9Knp](https://livetestclydebankac-my.sharepoint.com/:w:/g/personal/paul_ferguson_wcs_ac_uk/ET7nxiKNJVVHrDZ-oLw8vmABXrKzess4A1ht-HGM8BTKdg?e=IM9Knp)

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	Medium		31-Mar-2021	31-Mar-2022	Partially implemented – not yet due		Fully implemented – awaiting audit confirmation	
Audit Finding Description								
From our review of the College’s CPDR records and our discussion with management, we noted that there is no quality review process undertaken for completed CPDR forms to ensure they are being appropriately completed and are fully compliant with the CPDR Procedure. A robust quality assurance process would better enable the College to ensure forms are completed consistently, and that interim reviews are completed on a timely basis.								
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								
Alan Ritchie 09-May-2022 Draft procedure attached which has as yet to be fully considered by the Unions and SMT. Note that the pilot involved Union colleagues and it is anticipated that there will be no material change to the draft procedure. The new procedure remains on track to be launched at the start of the new academic year in August 2022.								











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	Medium		31-Mar-2021	30-Jun-2022	Partially implemented – not yet due		Partially implemented – extension required	
Audit Finding Description								
The College CPDR Procedure requires staff to complete the standard CPDR electronic template which is accessible to all managers and staff. The Procedure requires staff and line managers to link individual CPD objectives to job description, Department/Sector Operational Plan and College Strategic Objectives. We reviewed a sample of 15 completed CPD forms and noted 8 instances where the forms failed to demonstrate an appropriate connection between an individual’s objectives and the College’s strategic objectives and/or Sector operational plans. All objectives were linked with the staff members job description and self-evaluation only.								
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 strategy 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								
Alan Ritchie 09-May-2022 An extension to 31 October 2022 will be requested to allow the new procedure to be announced and embedded. The draft procedure does make clear links between personal objectives and the wider College strategic objectives. Time will be required to ensure that the first batch of staff undertaking the process can reflect on the procedure and to ensure they understand the overall requirements.								









## 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	Medium		30-Nov-2021	30-Nov-2021	Partially implemented – not yet due		Fully implemented – awaiting audit confirmation	
Audit Finding Description								
<p>It is imperative that the College respond to all complaints within the timeframes dictated by the SPSO. All complaints highlighted to the College are treated as stage 2 and are therefore required to be completed within 20 days.</p> <p>During our review we found that 9 out of the 20 complaints sampled were not resolved within the 20-day guideline with only 4 complainants being notified of the delay (sent a holding letter) prior to the decision being emailed. In all 4 cases the holding letter was sent after the 20 days.</p> <p>We also found a trend that a significant amount internal follow up emails requesting an information update from investigators by the Quality Team were sent after the 20-day limit.</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								
<p>John Redman 21-Apr-2022 Complaints log allows us to monitor time lapse since complaint submission. we have procedures in place to send out reminder to Investigating Manager and to advise complainant of any extension beyond 20 working days.</p>								






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	Medium		30-Nov-2021	30-Nov-2021	Partially implemented – not yet due		Fully implemented – awaiting audit confirmation	
Audit Finding Description								
<p>The purpose of a robust complaints process is to allow for the College to identify any areas that may require improvement and ensure that their students and other stakeholders expectations are met with regards to the standards of service provided.</p> <p>During our discussions with key personnel, we found that there is little emphasis placed on the lessons learnt after complaint resolution letters have been issued. This was further emphasised during our sample testing where we found 2 complaints that were not upheld which did not record lessons learnt. On review of the complaints, we believe there was improvements which could have been made in the operations.</p>								
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								
John Redman 21-Apr-2022 Annual CHP discussed at Quality Standards Committee meetings.								

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	Low		30-Nov-2021	30-Nov-2021	Partially implemented – not yet due		Fully implemented – awaiting audit confirmation	
Audit Finding Description								
<p>Staff, students, and other stakeholders should be kept up to date with any changes to the complaints handling process. The College should also gather student feedback on their complaints handling process.</p> <p>From our review we found that staff are informed of any changes to the process, but students and wider stakeholders are not.</p> <p>We also found that the College will verbally relay information to the Student Association. There are no other avenues for the students to provide feedback.</p> <p>As stated previously the College publish its Annual Complaints Handling Report on its website.</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.</p> <p>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>John Redman 21-Apr-2022 Students are provided access to our Complaints Handling Procedure via their MyDay application. Evidence has been uploaded to illustrate how this process works.</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	Medium		31-Jan-2022	31-Jan-2022	Not yet started		Fully implemented – awaiting audit confirmation	
Audit Finding Description								
<p>When complaints are initially logged they should be split into either stage 1 or stage 2 complaints. The SPSO Complaints Handling Governance guidance states that the following should be recorded about complaints received (amongst other things):</p> <ul style="list-style-type: none"> <li>Action taken and outcome at frontline response stage.</li> <li>Date the complaint was closed at the frontline response stage</li> <li>Date the investigation stage was initiated (if applicable).</li> </ul> <p>From our review we found that the College’s complaints log does not record whether the complaint is a Stage 1 or Stage 2 complaint. As a result of this, the College's complaints log does not record the points noted above.</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>John Redman 21-Apr-2022 Development of training materials is a sector wide activity. We are developing our own in-house materials, which are in the final stages of development. Completion date has been extended to allow time for completion.</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	Low		28-Feb-2022	28-Feb-2022	Partially implemented – not yet due		Fully implemented – awaiting audit confirmation	
Audit Finding Description								
There should be a Marketing & Communications Strategy in place, which covers the website design and content. The Strategy should be complimented by a comprehensive action plan that will detail how the strategy objectives will be achieved. The action plan should include how the College intends to refresh and improve its website. From our review we found that the College does not have a Marketing & Communications Strategy nor an action plan to implement the Strategy.								
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								
Alan Ritchie 22-Feb-2022 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	Medium		28-Feb-2022	28-Feb-2022	Partially implemented – not yet due		Fully implemented – awaiting audit confirmation	
Audit Finding Description								
<p>The College should seek feedback from its students and other stakeholders of its website on a regular basis to ensure that the website is still fit for purpose, user friendly and engaging for the user.</p> <p>We were informed that the College have not obtained feedback from the students and other stakeholders (business partners/employers) in respect of the content, features, and layout of the website for several years.</p>								
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>Alan Ritchie 22-Feb-2022 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>								

**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)]**

**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(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	Low	■	01-Apr-2022	01-Apr-2022	Not yet started	✘	Fully implemented – awaiting audit confirmation	■
Audit Finding Description								
<p>As an appendix to their Complaints Handling Procedure, the College has a Complaints Handling Process Map that effectively illustrates the process to follow when reporting a complaint. This is also included in the Colleges 2021 draft Procedure where the map has been updated alongside the current process to include data protection permission, where complaints are to be logged, SPSO right to appeal etc.</p> <p>During our review of each process map we found that the College does not separately identify the processes to be followed for stage 1 and stage 2 complaints where the only determinant that the map outlines alternative paths for is whether issue reported is classified as a complaint. The map only outlines a single process to be followed when processing complaints.</p> <p>We also found that the process map does not include the time frames that require to be followed at each stage for the complaint to be handled compliantly.</p> <p>Finally, we found that the process map also includes processes to be followed regarding satisfaction surveys and the quarterly reporting. These sections are hard to follow and do not seamlessly tie in with the rest of the complaint handling 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: Procedures to be followed for both stage 1 and stage 2 complaints. Timeframes to be followed for each section of the process.</p> <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								
John Redman 21-Apr-2022 New model CHP introduced last April [i.e. 2021]. Now using process map as developed by SPSO – see page 11 of student guide.								






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	Medium		30-Apr-2022	30-Apr-2022	Partially implemented – not yet due		Fully implemented – awaiting audit confirmation	
Audit Finding Description								
The Senior Management Team (SMT) should be kept up to date with website usage and feedback as well as its compliance with the Accessibility Regulations. From our review we found that the SMT are not provided with analytical data on the website usage, feedback, or its compliance with the Accessibility Regulations.								
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								
Nathan Tyler 01-Apr-2022 A full briefing on External Communications will be given to SMT in May, however in advance monthly reports are already going to SMT members.								

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	Low		31-Jan-2022	01-Jul-2022	Partially implemented – not yet due		Partially implemented – not yet due	
Audit Finding Description								
<p>The College should ensure that all staff members are aware of the process for managing complaints. During our review, we found that the College has provided their Quality Assurance Staff and the Complaints Handling Investigators with complaints handling training provided by SPSO. However, the remaining staff at the College have yet to receive any training surrounding complaints handling. We acknowledge that the College will be providing training to all staff as part of the new revised Complaints Handling Procedure which came into effect on 1 April 2021. The College’s Staff Development Group have scheduled the roll out of training for all staff in their operational plan.</p>								
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								
<p>John Redman 13-May-2022 The College is now finalising updates on all training materials, converted them to an interactive and online versions, available in the VLE as a resource for all staff.</p> <p>The course will become mandatory for all staff from June 2022 with a target roll out coverage date of the end of September 2022.</p> <p>As per our previous updates we work as part of a national consortium and all materials and advice on processes are shared across the college sector, including reporting cycles and benchmarking of performance data.</p>								

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	Low		31-Jan-2022	29-Jul-2022	Partially implemented – not yet due		Partially implemented – not yet due	
Audit Finding Description								
<p>There should be adequate reporting of complaints to ensure that the same issues are not recurring. From our review and discussion with those involved with the complaints handling process we found that the only reporting on complaints received done by the College is in its Annual Complaints Handling Report.</p> <p>From our review and discussion with those involved with the complaints handling process we found that the College produces an Annual Complaints Handling Report, which is included on its website. The College also use the statistics in the annual report to inform discussion at the Learning, Teaching &amp; Quality Board Committee, Quality Standards Committee, Executive Leadership Team and the Heads of Curriculum and Support.</p>								
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								
Alan Ritchie 08-May-2022 Q1 report completed and considered by SMT; Q2 report presented to SMT on 5 April 2022. Q4 report not due until end July so end date has been revised to reflect this. Target expected to be fully met.								




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	Medium		28-Feb-2022	31-Jul-2022	Partially implemented – not yet due		Partially implemented – not yet due	
Audit Finding Description								
The College should use the analytical reports it can produce on its website to assess the most popular pages and those which are not being used. From our review we found that the Marketing Department do not use the analytical reports which can be produced from the website to monitor usage of the website.								
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>Nathan Tyler 01-Apr-2022 Website analysis is now in place and has resulted in a number of actions:</p> <p>A cleanse of outdated and problematic content is being carried out.</p> <p>Development work is being scoped to address a number of issues acting as barriers to website users.</p> <p>Monthly and yearly analysis reports are being created to allow for the tracking of problems, progress in rectifying them and traffic.</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	Low		31-Oct-2021	31-Jul-2022	Partially implemented – extension required		Partially implemented – not yet due	
Audit Finding Description								
<p>The public facing website is one of the sources of information for potential students, the public, and other stakeholders thus this should contain the most up to date information and documents about the College.</p> <p>From our review of some of the pages of the public facing website, namely the Publications &amp; Policies and the Board of Management pages within the 'About the College' section of the website, we found that these did not contain the most up to date information. The Publications &amp; Policies section contained several older documents (pre-2019) and not as much current 2020 and 2021 documents. We also found that the minutes and papers of the various committees were not the most up to date.</p>								
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								
Nathan Tyler 01-Apr-2022 Development work has been scoped and is set to proceed in April to rectify issues with the WCS website – improving the UX experience, clarity of offering and removal of outdated information and content areas.								




## Internal Audit Action Plan 2021-22




Audit Action Code	Audit Action							
IA21-22(05)	Introduce new committee structure to oversee the implementation of the Sustainability Strategy							
Assigned To	Grading		Original Due Date	Revised Due Date	Previous Audit Status		Current Audit Status	
Chief Executive and Principal	Medium	■	31-Oct-2022	31-Oct-2022	Not yet started	✘	Partially implemented – not yet due	■
Audit Finding Description								
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.								
Audit Finding Risk								
There is a risk that strategies and plans are not taken forward due to lack of direction and oversight from the responsible Group/Committee.								
Audit Recommendation								
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.								
Management Update Note								
Alan Ritchie 08-May-2022 The Sustainability Strategy includes the creation of a Sustainability Oversight Group which the Principal has agreed to chair in order to provide the Strategy with the exposure it requires. The Oversight Group will be composed of staff, student and where necessary external representatives. It is anticipated that the Group will be set up during the first quarter of 2022-23.								




Audit Action Code	Audit Action							
IA21-22(06)	Review and amend the reporting lines and resources for sustainability and carbon management							
Assigned To	Grading		Original Due Date	Revised Due Date	Previous Audit Status		Current Audit Status	
Chief Executive and Principal	Medium		31-Oct-2022	31-Oct-2022	Not yet started		Partially implemented – not yet due	
Audit Finding Description								
<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 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>								
Audit Finding Risk								
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.								
Audit Recommendation								
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.								
Management Update Note								
Alan Ritchie 08-May-2022 The Sustainability Strategy includes the requirement for a separate quarterly report to be presented to the Corporate Development Committee. This report will utilise the progress made to implementing the sustainability action plan as the basis of the report and also look to supplement this with more detail regarding carbon emissions.								






Audit Action Code	Audit Action							
IA21-22(07)	Introduce a process for the collection and recording of data on sustainability and carbon management emissions within the college							
Assigned To	Grading		Original Due Date	Revised Due Date	Previous Audit Status		Current Audit Status	
Chief Executive and Principal	Medium		31-Oct-2022	31-Oct-2022	Not yet started		Partially implemented - not yet due	
Audit Finding Description								
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.								
Audit Finding Risk								
There is a risk that the data is not being collected and recorded in an efficient manner.								
Audit Recommendation								
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 Update Note								
Alan Ritchie 08-May-2022 The College has investigated the opportunity to utilise Pentana to present the carbon management data in the form of a set of KPIs. Work in progressing in this area with the system developers.								




Audit Action Code	Audit Action							
IA21-22(01)	Update and finalise the college Sustainability Strategy							
Assigned To	Grading		Original Due Date	Revised Due Date	Previous Audit Status		Current Audit Status	
Director of Finance	High		31-Dec-2022	31-Dec-2022	Not yet started		Partially implemented – not yet due	
Audit Finding Description								
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.								
Audit Finding Risk								
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.								
Audit Recommendation								
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.								
Management Update Note								
<p>Alan Ritchie 08-May-2022 A draft Sustainability Strategy was considered by the 3 May 2022 Senior Management Team. The strategy contains several significant commitments and a detailed action plan. The SMT were requested to review the Strategy and consider any further amendments in advance of the SMT planned for the end of May. The revised strategy encapsulated the output from the internal audit report. After approval by the SMT the Strategy will be presented the Board for approval.</p> <p>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 to the Sustainability Strategy.</p>								




Audit Action Code	Audit Action							
IA21-22(02)	Update Corporate Strategy to include aims in relation to sustainability and carbon management							
Assigned To	Grading		Original Due Date	Revised Due Date	Previous Audit Status		Current Audit Status	
Chief Executive and Principal	Medium		31-Dec-2022	31-Dec-2022	Not yet started		Partially implemented - not yet due	
Audit Finding Description								
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.								
Audit Finding Risk								
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.								
Audit Recommendation								
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.								
Management Update Note								
<p>Alan Ritchie 08-May-2022 The College in conjunction with the Board of Management plans to review the Corporate Strategy early in the 2022-23 academic year. This review will ensure that there is a specific reference to sustainability objectives consistent with the requirements set out by Scottish Government.</p> <p>The College recognise the importance of ensuring the College Corporate 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 by 2040.</p>								

Audit Action Code	Audit Action							
IA21-22(03)	Introduce new Performance Indicators to Sustainability Strategy and ensure that these are SMART							
Assigned To	Grading		Original Due Date	Revised Due Date	Previous Audit Status		Current Audit Status	
Director of Finance	Medium		31-Dec-2022	31-Dec-2022	Not yet started		Partially implemented - not yet due	
Audit Finding Description								
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.								
Audit Finding Risk								
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.								
Audit Recommendation								
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 Update Note								
Alan Ritchie 08-May-2022 The Sustainability Strategy includes a detailed action plan which includes SMART objectives and outcomes.  Once the Strategy has been approved a detailed set of KPIs will be generated 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.								






Audit Action Code	Audit Action							
IA21-22(10)	Devise KPIs which are SMART and have definitive outcomes that can be used to measure the achievement of Digital Strategy objectives							
Assigned To	Grading		Original Due Date	Revised Due Date	Previous Audit Status		Current Audit Status	
Assistant Principal Creativity and Skills	Medium		31-Dec-2022	31-Dec-2022	Not yet started		Partially implemented - not yet due	
Audit Finding Description								
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.								
Audit Finding Risk								
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.								
Audit Recommendation								
We recommend that the College devise KPIs which are SMART and have definitive outcomes which can be measured.								
Management Update Note								
Alan Ritchie 08-May-2022 Work has commenced on establishing a set of 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.								

Audit Action Code	Audit Action							
IA21-22(09)	Assess and report on the impact of college activities on the climate							
Assigned To	Grading		Original Due Date	Revised Due Date	Previous Audit Status		Current Audit Status	
Vice Principal Operations	Low		31-Mar-2023	31-Mar-2023	Not yet started		Partially implemented - not yet due	
Audit Finding Description								
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.								
Audit Finding Risk								
There is a risk that the impact on the climate is not considered by the College.								
Audit Recommendation								
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. 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.								
Management Update Note								
Alan Ritchie 08-May-2022 The College has 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. A full assessment of the impact this new format has had will be undertaken at the start of 2022-23 in conjunction with the review of the Corporate Plan.								

Audit Action Code	Audit Action							
IA21-22(04)	Create a working group of a cross section of staff to ascertain the views of both staff and students on sustainability and carbon management objectives and activities.							
Assigned To	Grading		Original Due Date	Revised Due Date	Previous Audit Status		Current Audit Status	
Director of Finance	Medium		31-Dec-2022	30-Apr-2023	Not yet started		Partially implemented – not yet due	
Audit Finding Description								
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.								
Audit Finding Risk								
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.								
Audit Recommendation								
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. 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.								
Management Update Note								
Alan Ritchie 08-May-2022 The Sustainability Strategy includes the creation of a Sustainability Oversight Group which the Principal has agreed to chair in order to provide the Strategy with the exposure it requires. The Oversight Group will use the valuable lessons learned from the implementation of the Digital Strategy including the use of a Teams Group to focus activities and assist in the sharing of information. The Oversight Group will be composed of staff, student and where necessary external representatives. It is anticipated that the Group will be set up during the first quarter of 2022-23.								



Audit Action Code	Audit Action							
IA21-22(08)	Identify and link the Sustainability Strategy with other college strategies							
Assigned To	Grading		Original Due Date	Revised Due Date	Previous Audit Status		Current Audit Status	
Chief Executive and Principal	Medium		31-Jul-2023	31-Jul-2023	Not yet started		Partially implemented – not yet due	
Audit Finding Description								
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.								
Audit Finding Risk								
There is a risk that sustainability and carbon management is not embedded throughout the whole College.								
Audit Recommendation								
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.								
Management Update Note								
Alan Ritchie 08-May-2022 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. The review of the College Corporate Strategy is due to take place by 31 October 2022.								

## Summary of Audit Actions Graded High (EAA)

# Rolling Audit Action Plan - Progress Review Report (EAA)



## 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	Medium	■	31-Jul-2022	31-Jul-2022	Partially implemented - not yet due	■	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




Alan Ritchie 08-May-2022 The implementation of the College payment portal has resulted in an overhaul of the fee setting process. This work has resulted in a complete review of the fees charged against each course and where the course is set up as fee waiver the required evidence has been assessed.




The College is in the process of finalising a Cost Borne By College Fee Policy which will be considered by the Senior Management Team during May 2022. This will set the parameters for what courses can be classified as cost borne by college with all other courses subject to fee collection or fee waiver.






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	Low		31-Jul-2022	31-Jul-2022	Partially implemented - not yet due		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								
Alan Ritchie 08-May-2022 The College is currently undertaking a full review of all course credit activity in order to ensure that the College is claiming firstly the correct credits and secondly that these credits are maximised. This work will be ongoing to the end of the year and will address the audit recommendation.								

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	Low		31-Jul-2022	31-Jul-2022	Partially implemented - not yet due		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								
Alan Ritchie 08-May-2022 The College has a 'Student and Attendance Engagement Procedure' with the content of the Procedure being reinforced to all staff through a series of team meetings.								
The College has undertaken the three of the four planned audit exercises to test the application of the procedure and to correct any errors found.								

Audit Action Code	Audit Action							
EA20-21(04)	Ensure sufficient support evidence is 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	Low		31-Jul-2022	31-Jul-2022	Partially implemented - not yet due		Partially implemented - not yet due	
Audit Finding Description								
<p>From our initial sample of 12 fee waiver students, we were informed by the College that for 3 of our sample, there was no evidence to support the student's fee waiver claim or the College's claim for credits for these students. As such the College has removed them from the credits count which automatically excludes them from the fee waiver. Total credit value removed as a result of this is 2.9 credits.</p> <p>We extended our sample by 5 due to the above and the fact that we were not provided with evidence to support the fee waiver in our original 12 students selected for testing. From this we were not presented with evidence in support of the fee waiver claim for 2 students. It should be noted that there is no impact on the credits for these 2 students. For all students in our sample (excluding the 3 students above) we were able to trace these to an enrolment record and evidence of attendance beyond the required date.</p>								
Audit Finding Risk								
There is a risk that fee waivers are given without the proper evidence being seen by the Enrolling Officer.								
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								
Alan Ritchie 08-May-2022 The College has carried out several 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 have been invoiced for their fees if no documentary evidence is provided.								

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	Low		31-Jul-2022	31-Jul-2022	Fully Implemented - awaiting audit confirmation		Complete - for audit committee approval	
Audit Finding Description								
From our review of 10 students studying on open/distance learning, 1 student did not have sufficient evidence of work/progression on their course. The College have removed the credits claimed for this student. The total credits cancelled was 2 credits.								
Audit Finding Risk								
There is a risk that credits are overstated.								
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								
Stephanie Gunn 03-Feb-2022 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	Low		31-Jul-2022	31-Jul-2022	Partially implemented - not yet due		Complete - for audit committee approval	
Audit Finding Description								
We were informed that as the College was still not fully reopened during 2020/21, it did not undertake any EMA spot checks. This is in line with the SFC guidance for 2020/21 in respect of EMAs. However, the SFC guidance also states that "Spot checks should continue as soon as colleges reopen, and retrospective checks made to satisfy audit requirements. Where student support staff continue to work from home, despite colleges being open to students, colleges should put in place procedures to carry out spot checks remotely". At the time of our audit visit the College had not put in place any procedures to carry out the spot checks remotely.								
Audit Finding Risk								
There is a risk that the College is not fully adhering to the SFC guidance in respect of its EMA applications and payments.								
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								
Alan Ritchie 08-May-2022 The College has undertaken the both the required audits of EMA activity in advance of the year end audit.								

<b>Meeting</b>	Audit Committee
<b>Date</b>	26 May 2022
<b>Location</b>	MS Teams
<b>Title of Paper</b>	2022-23 Internal Audit Plan
<b>Presented By</b>	Alan Ritchie Director of Finance
<b>Recommendation to Members</b>	Approval
<b>Appendix Attached</b>	Yes a) 2022-23 Internal Audit Plan

#### **PURPOSE**

This paper presents to the Audit Committee the 2022-23 Internal Audit Plan including an updated Audit Needs Assessment.

The Committee are asked to approve the 2022-23 Internal Audit Plan in the light of the updated Audit Needs Assessment.

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 approval.

## **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 2022-23 Internal Audit Plan was considered by the Audit Committee in March 2022. 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, Audit Needs Assessment and Assurance Map.
  - consideration of the objectives as stated in the Corporate Plan 2019-2025.
- 1.5 At their March 2022 meeting, the Committee considered the draft plan and provided initial feedback for consideration by the auditor and the College Senior Management Team. After the March meeting, the auditor and the Senior Management Team met on 19 April 2022 to review the draft plan considering the Audit Committee feedback.

## 2. Audit Needs Assessment

- 2.1 The initial starting point for the review of the 2022-23 Internal Audit Plan was the Audit Needs Assessment 2022-25 (ANA). A copy of the updated ANA can be found at Appendix A of the attached report. The ANA shows how the available audit resource has been allocated to provide assurance relating to critical College processes.
- 2.2 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.
- 2.3 The ANA 2022-25 has been updated as follows:

- **Financial**

- The original 2022-23 plan had included a **Financial Systems Healthcheck** review. The Audit Committee were content for financial items to be reviewed every two years.

The SMT on reflection thought that some form of financial audit should be undertaken every year due to the key role finance plays in the operation of the College.

**Budget / Financial Planning** will be reviewed in 2022-23 followed in the subsequent year by a review of **Alternative / Non-SFC Funding Sources**. It was felt that given the length of time since a review of Alternative / Non-SFC Funding Sources had been undertaken, and the criticality of this source of funding in allowing the College to balance its annual budget, that a review of this area was required. An overall **Financial Systems Healthcheck** will be undertaken in 2024-25 in line with the SMT view that some aspect of financial controls should be covered annually.

- A review of **Procurement and Tendering** was also planned for 2022-23 with the caveat that this function maybe subject to a Procurement & Commercial Improvement Programme (PCIP) audit by APUC at some point during 2022-23. If this was the case, then it was felt that the audit should be delayed.



## PUBLIC

The College understands that the PCIP audit will now take place in the first quarter of 2023 and hence is proposing that the procurement and tendering audit now be carried out in 2023-24. At this point the internal auditor will be able to review and comment on the actions that emanate from the PCIP audit thereby adding value to the College.

- **Statutory**

- The **Statutory Audits** are a legal requirement to ensure compliance with the SFC Financial Memorandum and will be undertaken and reported to the Committee as per the relevant guidance.
- A review of **Student Admissions / Enrolment** was planned to be undertaken in 2022-23 following on from the Student Recruitment audit undertaken this year. The SMT consider that the work currently being undertaken to improve the efficiency of the admissions process will not have taken effect until the end of the 2022-23 academic year. Therefore, any work undertaken in 2022-23 will add little value, and for that reason the SMT would propose to defer this work until 2023-24 at which point the internal auditor can review a full year of implementation.

- **Student**

- Although **Safeguarding, Wellbeing and Counselling** was reviewed in 2018-19, given the impact of the global pandemic it was felt that the College should undertake a review of its services in this area with a focus on counselling services.
- The review of **Curriculum Planning and Timetabling** will be undertaken as planned given the need for the College to ensure that learning and teaching continues to be delivered efficiently and College resources are utilised effectively.

- **Strategy**

- The College **Curriculum Strategy** was approved in 2021 and will have been operating for the 2021-22 academic year. The planned review of this strategy will go ahead as planned in 2022-23

- A review of the updated **Estate Strategy** was planned to be undertaken in 2021-22. The assignment to review the Estate Strategy is still seen as a critical assignment given the significant part the College estate has in delivering the objectives of the Corporate Plan. The revised timetable for the completion of the updated Estate Strategy is as follows:
  - Draft Estate Strategy to be considered by the Corporate Development Committee in September 2022
  - Estate Strategy to be considered and approved by the Board of Management in October 2022

With this revised delivery timetable the College is proposing to defer the audit work to the 2022-23 audit plan. This will enable the audit assignment to be undertaken in January 2023 with the audit report being received by the March 2023 Audit Committee.

- The College **IT Strategy** was also approved in 2021 and was planned to be reviewed in 2022-23 after a full year of implementation. This review is still scheduled to proceed as planned.

- **Governance**

- At the request of the Audit Committee, the College has considered what aspect of Corporate Governance should be reviewed in the coming years. The College **Whistleblowing Policy and Procedures** will be reviewed in 2022-23 followed up reviews of GDPR and Freedom of Information policy and procedures in the subsequent two years.
- Overall **Corporate Governance** was scheduled to be reviewed in 2022-23. This review has been replaced by the review of Whistleblowing noted above. However, given the criticality of ensuring a robust overall Corporate Governance regime, it is intended that a Corporate Governance Healthcheck be undertaken as part of the 2023-24 audit plan.

- A review of **Risk Management** had been planned to be undertaken in 2022-23. As discussed with the Board of Management the overall College Risk Management Strategy is subject to review and update during 2022-23. In line with other strategy audit work the College will normally allow a new/revised Strategy to embed itself into college operations for a year prior to review. On that basis it is proposed that the review of Risk Management is undertaken in 2024-25

- **People**

- The final area proposed to be reviewed in 2022-23 is Payroll. The SMT were of the view that given 80% of the College expenditure is incurred through staff costs the controls in this area should be subject to regular review. The last review was undertaken in 2017-18 hence the proposal to review **Payroll Procedures and Controls Review** in 2022-23

- **Audit Management**

- These days represent the work undertaken to update the Rolling Audit Action plan along with the overall audit planning and reporting function.

2.4 The ANA has also been expanded to cover the potential audit assignments to be undertaken during 2023-24 and 2024-25. This is to allow the Committee to assess whether the timing of the planned work is appropriate or should other work be prioritised. The reason for including the various audit assignments during the following two years are noted below for consideration by the Committee:

- In conjunction with the Board of Management, the College intends reviewing the objectives and priorities contained within the current **College Corporate Plan** early in 2022-23. The intention would then be to review the integration of the updated Corporate Plan in 2023-24
- Following on from the above review the College **Operational Planning** arrangements will be reviewed as the College Objectives and Priorities need to be updated prior to this review being undertaken.

- The College would also look to undertake a review of **Enhancement Arrangements** in 2024-25. The objective of the review is to assess how the College translates the various sources of feedback to enhance the student journey.
- In keeping with reviewing the largest area of expenditure, staff costs, it is proposed that the College **Travel / Expenses Policies and Procedures** are reviewed in 2023-24
- With the introduction of the new staff **Continuing Professional Development Policy and Procedure** early in 2022-23 it is felt that the implementation of this key policy should be reviewed during 2023-24.
- As people form the backbone of college operations, the SMT are of the view that **Succession Planning** and **Recruitment and Retention** should be reviewed during 2023-24 and 2024-25.

2.5 The above considerations have been drawn together in the Wylie & Bisset 2022-23 Internal Audit Plan (Appendix B). The Plan provides an indication of the objectives for each of the 2022-23 assignments along with a timetable for the delivery and reporting of each assignment.

### **Next Steps**

2.6 The Audit Committee is requested to Approve the 2022-23 Internal Audit Plan (AppendixB), noting that the plan may be subject to change during the year if other assurance work is required.

## **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 approve the 2022-23 Internal Audit Plan (Appendix A).



# West College Scotland

Audit Plan

2022/23

May 2022

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# 1. Introduction

## **Background**

Wylie & Bisset LLP were appointed as Internal Auditors by the College with effect from 1 August 2020 for the period to 31 July 2023 with the option to extend for up to a further two 12-month periods.

## **Internal Audit**

The prime responsibility of the Internal Audit Service (IAS) is to provide the Board of Management, via the Audit Committee, with an objective assessment of the adequacy and effectiveness of management's internal control systems.

The IAS objectively examines, evaluates and reports on the adequacy of internal control thus contributing to the economic, efficient and effective use of resources and to the reduction of the potential risks faced by the College. Also, the operation and conduct of the IAS must comply with the standards and guidelines set down by the Chartered Institute of Internal Auditors and the Public Sector Internal Audit Standards (PSIAS).

## **Terms of Reference – Internal Audit**

The provision of the IAS by Wylie & Bisset LLP is covered by the letter of engagement dated 8 July 2020.

## **Formal Approval**

The original Audit Needs Assessment (ANA) was developed based on discussions with the College Senior Management Team and a review of various documentation. The ANA was approved by the Audit Committee on 21 May 2020.

This document covers the draft plan for 2022/23 and was discussed with the Director of Finance and wider Senior Management Team. The plan will be presented to the Audit Committee for approval on 26 May 2022.



## 2. Internal Audit Plan 2022/23

Audit Area	High level indicative summary scope	Total Number Of Days
Safeguarding, Wellbeing and Counselling	<p>The purpose of the review is to assess whether the College's systems and procedures for safeguarding are fully compliant with legislation and the College are taking all necessary steps to protect its students. This review will seek to provide assurance to the Board, via the Audit Committee, that the safeguarding arrangements are adequate. Our objectives for this review are to ensure that:</p> <ul style="list-style-type: none"> <li>➤ The College keeps up to date with legal requirements and ensures that policies and procedures are revised accordingly.</li> <li>➤ There are clear responsibilities and accountabilities for safeguarding arrangements at senior level.</li> <li>➤ The College has a single central record which is up to date and includes all relevant information.</li> <li>➤ The College's self assessment processes ensure that the impact of safeguarding provision is measured effectively.</li> <li>➤ The College has robust systems and processes for dealing with safeguarding issues reported, which include the escalation process.</li> <li>➤ Staff have received appropriate training on the College's safeguarding arrangements to enable them to be confident and well equipped to promote safeguarding in a sensible and proportionate way.</li> </ul>	6
IT Strategy	<p>The purpose of this review is to assess the suitability of the College's IT Strategy in line with the College's strategic objectives. We will review how the College assess technology as a critical element for business and student success. Our objectives for this review are to ensure that:</p> <ul style="list-style-type: none"> <li>➤ The College has a robust IT Strategy that effectively outlines a mission, core values and objectives with regard to technology.</li> <li>➤ The College's IT Strategy includes sufficient coverage of budgeting and forecasting based off realistic estimates.</li> <li>➤ The College's IT Strategy includes a clear timeline of future projects and initiatives including detailed analysis of how these projects benefit the College and expected implementation dates.</li> <li>➤ The College's IT Strategy effectively catalogues existing technology/staffing/resources and effectively identifies future needs of the College.</li> <li>➤ The College's IT Strategy was developed based on thorough external and internal research being based on market and industry trends, technological requirements and innovations.</li> <li>➤ The College's IT Strategy is effectively monitored and reviewed by management on a regular basis.</li> </ul>	6

## 2. Internal Audit Plan 2022/23

Audit Area	High level indicative summary scope	Total Number Of Days
Curriculum Strategy	<p>The purpose of this review will be to ensure that the College has a robust Curriculum Strategy in place that provides a clear framework on evaluating the College's current curriculum portfolio and how this is developed further to meet the needs of learners and stakeholders. We will also review how the Strategy aids staff members through the development of new programmes to meet said needs. Our objectives for this review are to ensure that:</p> <ul style="list-style-type: none"> <li>➤ The College has a robust Curriculum Strategy that effectively identifies their current and future delivery in line with the Strategic Priorities of the College.</li> <li>➤ The College's Curriculum Strategy has a clear direction identifying strategic goals for the College's delivery.</li> <li>➤ The College's Curriculum Strategy includes appropriate assessment of their learner and stakeholder needs in line with the local and national economic and skills requirements.</li> <li>➤ The College are able to effectively deploy their Curriculum Strategy in their course delivery.</li> <li>➤ The College effectively monitor and review their Curriculum Strategy.</li> </ul>	6
Whistleblowing	<p>The purpose of this review will be to assess the arrangements the College has in place for whistleblowing and ensure that these are robust and in line with statutory requirements. We will complete a full review of how the process is controlled, secured and reported. Our objectives for this review are to ensure that:</p> <ul style="list-style-type: none"> <li>➤ The College has a robust whistleblowing policy that is appropriately communicated to staff and accessible by all.</li> <li>➤ The College has appropriate governance arrangements in place to ensure that any concerns/incidents raised are appropriately logged, tracked, resolved and reported in a secure manner.</li> <li>➤ The College's staff are aware of reporting channels within the College.</li> <li>➤ The College has robust processes in place to ensure that any concern raised is appropriately investigated and resolved.</li> <li>➤ The College has appropriately assessed their process through staff feedback.</li> <li>➤ The College has strong arrangements to ensure that confidentiality, anonymity and integrity is maintained for any individual who may report a concern.</li> </ul>	5

## 2. Internal Audit Plan 2022/23

Audit Area	High level indicative summary scope	Total Number Of Days
Budget / Financial Planning and Monitoring	<p>The purpose of this review is to ensure that there are appropriate controls in place in relation to the budget setting process and that this is being adhered to. Our review will assess the suitability of the 2022/23 budget setting process and the monitoring and reporting against the budget during the year.</p> <p>Our review will look to ensure:</p> <ul style="list-style-type: none"> <li>➤ There is appropriate controls over the budget process.</li> <li>➤ There are clear guidelines in place for the budget setting process.</li> <li>➤ Deviations from budget are identified and investigated at an early stage.</li> <li>➤ Budget holders are adequately trained and receive information regarding their budgets in a timely manner.</li> <li>➤ The budget setting process is effectively linked to the operational planning process.</li> <li>➤ There is sufficient reporting against budget and against plans throughout the year to enable informed decision making.</li> </ul>	5
Curriculum Planning & Timetabling	<p>We will undertake a review of the suitability of the curriculum planning arrangements in place within the College. We will review the process from determining which courses to be run, the delivery methods, through to the approval of the plan. We will also review the processes surrounding timetabling and the methods adopted to assess the quality of the curriculum offered.</p> <p>Our objectives for this review are to ensure that:</p> <ul style="list-style-type: none"> <li>➤ The curriculum plan for the College is aligned with financial plans and the regional plans.</li> <li>➤ The curriculum plan involves sufficient input from academic faculties or sufficient detail on how targets will be delivered.</li> <li>➤ There are sufficient resources to deliver planned levels of curriculum.</li> <li>➤ There are sufficient controls in place surrounding the timetabling of the curriculum.</li> <li>➤ The quality of the curriculum offered is being assessed.</li> </ul>	5

## 2. Internal Audit Plan 2022/23

Audit Area	High level indicative summary scope	Total Number Of Days
Payroll Review	<p>Our review will look at the payroll system at the College to ensure this is operating as expected and that the appropriate controls exist. We will ensure that the payments being calculated by the system are accurate and are based on bona fide hours worked and will also consider all deductions and additions to salaries to ensure that these are correctly calculated and properly authorised. We will also review the process for review and authorisation of staff expenses. Our objectives for this review are to ensure that:</p> <ul style="list-style-type: none"> <li>➤ Amendments to the payroll are appropriately reviewed and authorised prior to being processed through the payroll system.</li> <li>➤ Wages and salaries are accurately stated in the accounting system.</li> <li>➤ The College has robust processes in place for changes made to employees bank details.</li> <li>➤ Staff are only paid for the hours that they have worked.</li> <li>➤ Expense claims are appropriately authorised by the employee's line manager and where necessary include the relevant supporting documentation.</li> <li>➤ Leavers are appropriately removed from the system and final payments are accurately pro-rated.</li> <li>➤ New starts are accurately entered onto the payroll system and are paid appropriately.</li> <li>➤ The payroll is subject to checking and approval by a senior member of staff prior to being finalised.</li> <li>➤ Severance packages have been calculated in accordance with the terms of the scheme.</li> <li>➤ Access to the payroll system is restricted. There are appropriate access rights in place for payroll staff.</li> </ul>	8
Follow Up Review	<p>The purpose of this ongoing review is to assess whether the College has appropriately implemented the internal audit recommendations made in 2021/22 and earlier years. Our ongoing review will consider whether any issues are outstanding beyond the agreed implementation deadlines. Our ongoing review will consider all outstanding recommendations to provide the Audit Committee with independent assurance that we are satisfied that these recommendations have been fully implemented by the College and can therefore be removed from the rolling audit action plan. Our objective for this review are to ensure that:</p> <ul style="list-style-type: none"> <li>➤ The College has appropriately implemented any outstanding internal audit recommendations made in prior years.</li> </ul>	4

## 2. Internal Audit Plan 2022/23

Audit Area	High level indicative summary scope	Total Number Of Days
Estates Strategy	<p>The purpose of this review will be to confirm that estate strategy priorities are linked to and support the Corporate Plan. We will also consider whether the College is making best use of the assets and facilities and that maintenance of the estate is being properly managed. Our objectives for this review are to ensure that:</p> <ul style="list-style-type: none"> <li>➤ The internal governance structure is appropriate to ensure relevant projects/initiatives and requests are aligned with the Estates Strategy.</li> <li>➤ There are sufficient and robust reporting on the implementation and progress of the Estates 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.</li> <li>➤ The College has appropriate resources in place and is making best use of its assets and facilities to enable them to deliver the Estates Strategy.</li> <li>➤ The College has considered future business needs to ensure that the Estates Strategy and associated projects will have sufficient flexibility to meet these needs and any future developments or legislative changes.</li> <li>➤ The Estates Strategy takes cognisance of the College's Corporate Plan/Strategy and links into other College Strategies (e.g., Finance, Curriculum, IT and HR etc.).</li> <li>➤ There are appropriate processes in place to ensure that the maintenance of the estate is being properly managed.</li> </ul>	6
SSF Audit	Mandatory review of the Student Support Funds Returns.	4
EMA Audit	Mandatory review of the Education Maintenance Allowance Returns.	3
Credits Audit	Mandatory review of the Credits Return.	8

## 2. Internal Audit Plan 2022/23

### Assignment Plans

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

### Key Dates

Phase	Audit Areas	Number of Days	Key College Personnel	Provisional Date for Visit	Date of Issue of Draft Report	Provisional Date to the Audit Committee
Phase 1	Credits SSF EMA	8 4 3	Iain Foster-Smith Vivienne Mulholland Vivienne Mulholland	12 September 2022	7 October 2022	22 November 2022
Phase 2	Safeguarding, Wellbeing and Counselling Estates Strategy	6 6		10 October 2022	28 October 2022	25 January 2023
Phase 3	Curriculum Strategy Payroll Review IT Strategy	6 8 6		16 January 2023	3 February 2023	29 March 2023
Phase 4	Budget / Financial Planning & Monitoring Curriculum Planning & Timetabling Whistleblowing	5 5 5		20 March 2023	6 April 2023	24 May 2023

# Appendix A - Summary of Internal Audit Input

1 August 2020 to 31 July 2025

		Operating Plan (No. Of days)				
System	Audit Area	2020/21 Actual	2021/22 Actual	2022/23 Draft	2023/24 Proposed	2024/25 Proposed
Financial Systems	Overall Financial Controls	6				
	Financial Systems Health check					6
	Review of Financial Regulations		5			
	Budget/Financial Planning and Monitoring			5		
	Procurement & Tendering				5	
	Alternative/Non-SFC Funding Sources				6	
	Treasury & Cash Management		5			
	Payroll Review			8		
	Staff Expenses Policy / Travel and Subsistence				5	
	Non Financial Systems	Study of effects of Covid-19	8			
Fraud Awareness		5				
Complaints Handling		5				
External Communications - Website		6				
Assurance Mapping		6				
<b>C/F</b>			<b>36</b>	<b>10</b>	<b>13</b>	<b>16</b>

# Appendix A - Summary of Internal Audit Input

1 August 2020 to 31 July 2025

System	Audit Area	Operating Plan (No. of days)				
		2020/21 Actual	2021/22 Actual	2022/23 Draft	2023/24 Proposed	2024/25 Proposed
	<b>B/F</b>	<b>36</b>	<b>10</b>	<b>13</b>	<b>16</b>	<b>6</b>
	HR: Sickness and Absence Reporting	5				
	Digital Strategy		6			
	Curriculum Strategy			6		
	Sustainability and Carbon Management		4			
	Estates Strategy			6		
	Business Continuity Planning		5			
	Curriculum Planning & Timetabling			5		
	Student Recruitment		5			
	Student Admission/ Enrolment				5	
	Safeguarding, Wellbeing and Counselling			6		
	College Corporate Plan				5	
	Communications and Marketing Strategy					5
	Operational Planning					5
	GDPR Compliance				5	
	<b>C/F</b>	<b>41</b>	<b>30</b>	<b>36</b>	<b>31</b>	<b>16</b>



# Appendix A -Summary of Internal Audit Input

1 August 2020 to 31 July 2025

System		Audit Area	Operating Plan (No. Of days)				
			2020/21 Actual	2021/22 Actual	2022/23 Draft	2023/24 Proposed	2024/25 Proposed
		<b>B/F</b>	<b>41</b>	<b>30</b>	<b>36</b>	<b>31</b>	<b>16</b>
		Whistleblowing			5		
		Freedom of Information					5
		Enhancement Planning					5
		Continuing Professional Development				5	
		Succession Planning					5
		Recruitment and Retention					5
IT Systems		IT Systems Administration		5			
		Response to IT Incident	3				
		IT Strategy			6		
Governance		Corporate Governance				5	
		Risk Management					5
Funding		SSF	4	4	4	4	4
		EMA	3	3	3	3	3
		Credits	8	8	8	8	8
		<b>C/F</b>	<b>59</b>	<b>50</b>	<b>62</b>	<b>56</b>	<b>56</b>

# Appendix A - Summary of Internal Audit Input

1 August 2020 to 31 July 2025

		Operating Plan (No. Of days)				
System	Audit Area	2020/21 Actual	2021/22 Actual	2022/23 Draft	2023/24 Proposed	2024/25 Proposed
	<b>C/F</b>	<b>59</b>	<b>50</b>	<b>62</b>	<b>56</b>	<b>56</b>
Required	Follow Up	4	4	4	4	4
	Audit Management	5	5	5	5	5
	<b>Total Days</b>	<b>68</b>	<b>59</b>	<b>71</b>	<b>65</b>	<b>65</b>

# Appendix B - Grading Structure

For each area of review we assign a grading in accordance with the following classification:

Assurance	Classification
Strong	Controls satisfactory, no major weaknesses found, some minor recommendations identified
Substantial	Controls largely satisfactory although some weaknesses identified, recommendations for improvement made
Weak	Controls unsatisfactory and major systems weaknesses identified that require to be addressed immediately
No	No or very limited controls in place leaving the system open to significant error or abuse, recommendations made require to be implemented immediately

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

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

# Appendix C – Key Performance Indicators

## Analysis of Performance Indicators

Performance Indicator	Target
Internal audit days completed in line with agreed timetable and days allocation	100%
Draft scopes provided no later than 10 working days before the internal audit start date and final scopes no later than 5 working days before each start date	100%
Draft reports issued within 10 working days of exit meeting	100%
Management provide responses to draft reports within 10 working days of receipt of draft reports	100%
Final reports issued within 5 working days of receipt of management responses	100%
Recommendations accepted by management	100%
Attendance at Audit Committee meetings by a senior member of staff	100%
Annual Report to be issued by 31 August each year	100%
Suitably experienced staff used on all assignments	100%

# Appendix D – Training Topics

As a firm we offer a wide range of training topics to our clients and we have listed below some of the topics which we would be able to offer West College Scotland.

Topic	Summary
Risk Management	This can cover risk awareness, assessment of risks, responsibilities for monitoring risks, risk appetite and the scoring of risks. This is usually done as a workshop to ensure buy-in from management and committee members to the risk management process.
Role of the Board	This would cover the roles and responsibilities of Board members, including the Chair. This has been particularly useful when new Board members have been appointed and allows members to obtain some knowledge on what the expectation of a Board member is and what they should be looking out for.
Role of Internal Audit	We would provide a short session on what the internal audit function should be delivering to the College and the added value which we would bring.
Finance for Non-Financials	This is useful for committee members who do not have a finance background and covers areas such as the management accounts, budget reporting and the statutory accounts.
Fraud Awareness	We would cover the importance of a having a strong control environment and areas to be aware of in relation to fraud. We would discuss some real-life examples of where we have identified or been asked to investigate allegations of fraud and the results of these investigations.

<b>Meeting</b>	Audit Committee
<b>Date</b>	26 May 2022
<b>Location</b>	MS Teams
<b>Title of Paper</b>	2021-22 Governance Compliance Report
<b>Presented By</b>	Vivienne Mulholland Head of Finance and Student Funding
<b>Recommendation to Members</b>	For Noting
<b>Appendix Attached</b>	No

**PURPOSE**

The objective of this report is to provide assurance to the Audit Committee that the College is operating in compliance with:

- The Scottish Funding Council Financial Memorandum.
- The Scottish Public Finance Manual.
- The Code of Good Governance.

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

*'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.'*

The paper is submitted *For Noting*.

# PUBLIC

## 1. SFC Financial Memorandum

- 1.1 Under the terms of the Further and Higher Education (Scotland) Act 2005 the Scottish Funding Council (SFC) may attach terms and conditions to the payment of grant made to institutions. It is a term and condition of grant payments from the SFC that the institution's governing body and its designated officers comply with the requirements set out in the [Financial Memorandum \(FM\)](#).
- 1.2 The FM was revised and issued in December 2014 and has not been subject to any further change since that time. This review has therefore been carried out against the conditions set by the December 2014 version.
- 1.3 Noted below are the key areas of the FM and how the College is complying. For each requirement the College has assessed the level of compliance assurance. This assessment is recorded in detail and a summary of the outcome is noted in the form of the following RAG analysis:

High	Minor issues / weaknesses were identified - Overall high level of assurance provided.
Medium	Some issues / weaknesses identified which require to be addressed – Overall medium level of assurance provided
Low	Major issues / weakness identified which require to be addressed urgently – Overall limited or no assurance provided.

- 1.4 The table below shows how the college has complied with the SFC Financial Memorandum:

Financial Memorandum Requirement	Financial Memorandum Condition	Assurance Level
<b>SFC's governance requirements of the institution - SFC requires the governing body to comply with the</b>	Public funds are used in accordance with relevant legislation, the requirements of the FM and only for the purpose(s) for which they were given. Strategic, capital or other grant funding must only be used for the purpose for which it is provided by the SFC.	

**PUBLIC**

Financial Memorandum Requirement	Financial Memorandum Condition	Assurance Level
<p><b>principles of good governance set out in the Code of Good Governance for Scotland's Colleges. The SFC also require the governing body to ensure that:</b></p>	Subject to any legal requirement to observe confidentiality, the institution will be open and transparent with the SFC and other stakeholders, and will give, or be prepared to give, a public justification of its decisions in relation to the use of public funds.	
	The institution strives to achieve value-for-money and is economical, efficient and effective in its use of public funding.	
	There is effective planning and delivery of the institution's activities in accordance with its mission and its Regional Outcome Agreement as agreed with SFC.	
	The institution plans and manages its activities to remain sustainable and financially viable. An institution is being managed on a sustainable basis if, year on year, it generates sufficient income to cover its costs and allow for maintenance of and investment in its infrastructure (physical, human and intellectual) at a level which enables it to maintain adaptive capacity necessary to meet future demands.	
	The institution has a sound system of internal management and control, including an Audit Committee, an effective internal audit service, and adequate procedures to prevent fraud or bribery.	
	The institution has an effective policy of risk management and risk management arrangements.	
	The institution has regular, timely, accurate and adequate information to monitor performance and account for the use of public funds. Such information will be made available to the SFC on request, as necessary, for the exercise of its functions and to gain assurance	
	The institution is engaged actively in continuously enhancing the quality of its activities and involves students and other stakeholders in these processes.	



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<b>Financial Memorandum Requirement</b>	<b>Financial Memorandum Condition</b>	<b>Assurance Level</b>
<b>Public sector pay policy</b>	The institution must have regard to public sector pay policy set by the Scottish Ministers.	
<b>Tuition Fees</b>	Where applicable, the institution must charge student tuition fees at the levels set by the Scottish Ministers under either the Student Fees (Specification) (Scotland) Order 2006 or the Student Fees (Specification) (Scotland) Order 2011, whichever is applicable.	
<b>Student Activity</b>	Where appropriate, the institution must provide data returns requested by the SFC by the deadlines and to the standards specified.	
<b>Student support guidance</b>	Where appropriate, the institution must follow SFC's Student Support Guidance.	
<b>European Social Funds</b>	Where the institution is in receipt of European Social Fund funding, it must follow SFC ESF guidance.	
<b>Audit and accounting</b>	The governing body must appoint an Audit Committee and ensure the establishment and maintenance of effective arrangements for the provision of internal and external audit. For incorporated colleges and Regional Boards, Audit Scotland will appoint external auditors.	
	The Audit Committee must produce an annual report to the governing body of the institution.	
<b>Accounts direction</b>	The institution must follow the SFC's current Accounts Direction in the preparation of its annual financial statements.	
<b>Internal Audit</b>	The institution must have in place an effective internal audit service. The operation and conduct of the internal audit service must conform to the professional standards of the Chartered Institute of Internal Auditors. For incorporated colleges and Regional Boards, the operation and conduct of internal audit must comply with Public Sector Internal Audit Standards and, where relevant, the Scottish Public Finance Manual.	

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Financial Memorandum Requirement	Financial Memorandum Condition	Assurance Level
	The institution must inform SFC when an internal auditor is appointed and must inform SFC immediately if the internal auditor is removed or departs before the end of their term of office.	
	The internal audit service must provide the governing body and senior management of the institution with an objective assessment of adequacy and effectiveness of risk management, internal control, governance, and value-for- money.	
	The internal audit service must extend its' review over all the financial and other management control systems, identified by the audit needs assessment process. It must cover all activities in which the institution has a financial interest, including those not funded by SFC.	
	The head of internal audit must produce an annual report for the governing body on its activities during the year. The report must include an opinion on the adequacy and effectiveness of the institution's risk management, internal control, and governance.	
	The report must be presented to the institution's Audit Committee and a copy sent to SFC.	
<b>Value for Money</b>	The institution must have a strategy for reviewing systematically management's arrangements for securing value for money.	
	As part of its internal audit arrangements, the institution must obtain a comprehensive appraisal of management's arrangements for achieving value for money.	

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<b>Financial Memorandum Requirement</b>	<b>Financial Memorandum Condition</b>	<b>Assurance Level</b>
<b>External Audit</b>	The external auditor must be entitled to receive all notices of and other communications relating to any meeting of the governing body which any member of the governing body is entitled to receive. They must also be entitled to attend any such meeting and to be heard at any meeting which they attend, on any part of the business which concerns them as auditors.	
	The external auditor must also be entitled to attend the meeting of the governing body or other appropriate committee at which the institution's annual report and financial statements are presented.	
	The external auditor is expected to attend, as a minimum, any meetings of the Audit Committee where relevant matters are being considered, such as planned audit coverage, the audit report on the financial statements and the audit management letter. It is the responsibility of the secretary to the audit committee to notify the external auditor of such meetings.	

**2 Scottish Public Finance Manual (SPFM)**

- 2.1 A major element to ensure compliance with the [Scottish Public Finance Manual](#) (SPFM) is that the College maintains an up to date set of Financial Regulations.
- 2.2 The [College Financial Regulations](#) are reviewed annually by the College to ensure they remain up to date in relation to legislation and best practice. The 14 September 2021 Corporate Development Committee meeting reviewed the most recent Financial Regulations. The 4 October 2021 Board of Management meeting approved the updated College Financial Regulations, and these were uploaded to the College intranet and website.

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- 2.3 The internal auditors reviewed the Financial Regulations as part of the 2021-22 internal audit plan, where the scope of the audit was to ensure that the Financial Regulations:
- Were robust, fit for purpose and kept under regular review.
  - Complied with current guidance, such as the Scottish Public Financial Manual, the College's Financial Memorandum with the Scottish Funding Council and CIPFA's Model Set of Financial Regulations.
  - Complied with good practice from across the FE sector.

- 2.4 The auditor's opinion was:

*'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.'*

- 2.5 There have been several revisions to the Scottish Public Finance Manual during the past year, with the changes since May 2021, along with the impact upon the College Financial Regulations, summarised below:

- **May 2021 - Property acquisition, disposal and management**
  - The section gives guidance on procedures for acquisition, disposal and management of assets (property, land and buildings). Specific exceptions to the scope of the guidance has been amended to clarify obligations of Crown Estate Scotland in respect of disposals and acquisitions in pursuance of its overall aims.
  - Impact: None as this does not apply to the operations of the College.
- **June 2021: Settlement agreements, severance, early retirement and redundancy terms**
  - This chapter of the SPFM has been updated to clarify wording and introduce refreshed supporting templates for business cases.
  - Clarification given on maximum payback period of 24 months for Voluntary Severance

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- more detail about the purpose of the £95,000 cap in ensuring that exit payments for the devolved public sector are fair and equitable while providing value for money for the people of Scotland
  - for Voluntary Severance, notice periods will be worked and outstanding leave taken prior to termination of employment
  - the draft confidentiality clause has been reworded
  - flowcharts updated to more clearly set out the governance around advice and decision steps, including when business cases are referred to senior management for review
  - Redundancy section has been updated to reflect the link to the public sector pay policy
  
  - *Impact: The College has reflected the SPFM updated requirements in both the historic 12mth Voluntary Severance scheme and the current 6mth Voluntary Severance scheme*
- **February 2022: Assurance Framework**
    - This section of the SPFM relates to the assurance framework and the signing of the governance statements provided by Accountable Officers as part of the annual accounts process. The certificates of assurance guidance relates specifically to constituent parts of the Scottish Administration i.e. the core Scottish Government (SG), the Crown Office and Procurator Fiscal Service, SG Executive Agencies and non-ministerial departments.
    - This section of the SPFM does not apply to colleges as the College Principal is required annually to sign a 'Certificate of assurance to the Accountable Officer if the Scottish Funding Council'.
  
    - *Impact: None as this does not apply to the operations of the College and is subject to a separate reporting arrangement.*
  
  - **March 2022: Borrowing, Lending and Investment**
    - Annex A of this chapter has been added to provide additional guidance in respect of investment in private businesses by Scottish Ministers. The existing guidance supplements the guidance contained within the main chapters of the SPFM and provides a clear and appropriate framework for Scottish Government investment.

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- Impact: None as this does not apply to the operations of the College.

- 2.6 The above changes, which have been made to the SPFM during the year, have had a limited impact. The College is of the view that the recently updated Financial Regulations remain compliant with these. The College continues to monitor any revisions made to the SPFM and will annually update the Financial Regulations as required.
- 2.7 As noted above, the College is required to submit an annual assurance statement to the SFC. This statement is received from all Colleges and allows the SFC Chief Executive to sign a similar assurance statement to the Scottish Government. The College received the 2021-22 Certificate of Assurance on 7 April 2022 and made the required return on 22 April 2022. Based on a review of the Audit Scotland Assurance Statement Checklist, the Principal signed to state that:

*'I can confirm that these controls have been, and are, working well. There are in my opinion no significant matters arising in the college which would require to be raised specifically in the governance statement.'*

- 2.8 The table below shows the key areas of the SPFM as referenced in the Financial Memorandum between the College and the SFC and rates the compliance assurance using the same scale as noted in 1.3 above:

Area	Condition	Assurance Level
<b>General</b>	5. The institution must follow the requirements of the Scottish Public Finance Manual, except where any special actions or derogations have been agreed with the Scottish Ministers.	
	7. In cases where the SPFM requires bodies to notify or request prior approval from the Scottish Government, the institution must, in the first instance, contact SFC.	

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Area	Condition	Assurance Level
<b>Cash management and banking</b>	12. The institution may extend existing banking arrangements provided they are not extended beyond Financial Year 2016-17. Any extension beyond Financial Year 2016-17 requires the agreement of the Scottish Ministers.	
	13. The institution can operate bank overdraft facilities to assist it in managing the timing of income and expenditure through its bank account. Overdrafts should not be used as a means of increasing borrowing.	
<b>Contingent commitments</b>	14. The institution must seek SFC's prior written consent if it intends to lend or give a guarantee, indemnity or letter of comfort. The value of the guarantee should be equal to the total contingent liability over the term of the guarantee. In all cases, the institution must take steps to restrict the contingent liability to a minimum and should undertake a careful appraisal of the risks before accepting any contingent liability.	
	15. The institution should also provide assurance that, in the event of the contingent liability arising, it can be met from within the institution's own resource, or that appropriate insurance cover has been arranged.	
<b>Delegated financial limits and annual reporting requirements</b>	17. The institution's specific delegated financial limits are set out in the FM. The institution must obtain SFC's prior written approval before entering into any undertaking to incur any expenditure that falls out with these delegations.	
	18. Prior SFC approval must always be obtained before incurring expenditure for any purpose that is, or might be considered, novel, contentious or repercussive or which has or could have significant future cost implications.	

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Area	Condition	Assurance Level
	21. The institution must establish appropriate documented internal delegated authority arrangements consistent with the Delegated Authority section of the SPFM and the FM.	
<b>Donation of surplus funds to arms-length foundations</b>	23. The institution may donate any surplus on its income and expenditure account as at 31 March each year to its arms-length foundation (ALF). The donation must take place in the financial year in which it arises and is subject to sufficient cash and resource cover being available.	
<b>Duties to provide information on certain expenditure as required by The Public Services Reform (Scotland) Act 2010</b>	24. As soon as is reasonably practicable after the end of each financial year, the institution must publish a statement of any expenditure that it has incurred during that financial year on or in connection with the matters described below. Public relations Overseas travel Hospitality and entertainment External consultancy	
	25. As soon as is reasonably practicable after the end of each financial year, the institution must publish a statement specifying the amount, date, payee and subject-matter of any payment, relating to any of the matters listed above, made during that financial year which has a value in excess of £25,000.	
<b>Early departures of staff</b>	26. The institution must follow the requirements of the SPFM in determining settlement agreements, severance, early retirement and redundancy arrangements and payments. In addition, the institution must have regard to the principles of good practice in managing early departures of staff contained in Audit Scotland's May 2013 report: <i>Managing early departures from the Scottish public sector</i> .	



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Area	Condition	Assurance Level
	27. In line with the requirements of the SPFM, the institution's severance scheme must be approved by SFC. Provided a severance payment is within the parameters of a scheme, which has been approved by the SFC, there will be no need for the institution to seek approval to the individual payment from SFC.	
	28. However, special severance payments in excess of £1,000 must be approved by SFC, except where provision for such payments has been included in a severance scheme approved by SFC.	
<b>External business and management consultancy contracts</b>	29. Any external consultancy contracts with a value of more than £100,000 must be approved in advance by the SFC.	
<b>Impairments, provisions and write-offs</b>	30. Assets must be recorded in the Balance Sheet at Depreciated Replacement Cost (DRC) for Land and Buildings and at Historic Cost less depreciation for Equipment in accordance with the Financial Reporting Manual (FRM). Where an asset, including investments, suffers impairment, it is important that the prospective impairment and background is communicated to the SFC at the earliest possible point in the financial year to determine the budget implications. Any significant movement in existing provisions or the creation of new provisions must be discussed with the SFC.	
<b>Insurance</b>	33. The Scottish Ministers have agreed a derogation whereby institutions can extend their current commercial insurance arrangements for three years to 31 July 2024.	
<b>Investments</b>	34. The institution must not make any investments of a speculative nature without the prior written approval of SFC.	

Area	Condition	Assurance Level
<b>Procurement and payment</b>	35. The institution’s procurement processes must reflect the relevant guidance provided by the Advanced Procurement for Universities and Colleges (APUC), and relevant policy and advice issued by the Scottish Procurement Directorate. Procurement must be undertaken by appropriately trained and authorised staff and treated as a key component of achieving the institution’s objectives consistent with the principles of Best Value, the highest professional standards and any legal requirement.	
	36. Any proposal to award a contract without competition (non-competitive action) must be approved in advance by SFC. Specific delegated authority is given to award a contract without competition for £25,000 or less without advance approval.	

**3 Code of Good Governance**

- 3.1 The College continues to follow the Code of Good Governance.
- 3.2 In accordance with Paragraph D.23 of The Code of Good Governance for Scotland’s Colleges, *“the board must keep its effectiveness under annual review and have in place a robust self-evaluation process. There should also be an externally facilitated evaluation of its effectiveness at least every three years. The board must send its self-evaluation (including an externally facilitated evaluation) and board development plan (including progress on previous year’s plan) to its funding body and publish them online”*.
- 3.3 It was agreed at the 7 February 2022 Board meeting that, for the annual internal Board effectiveness review 2022, the same survey that was used in 2021 should be issued to all Board members again this year. The survey was issued on 1 March 2022 with a closing date of 18 March 2022.
- 3.4 The results from the survey, together with the outputs from the Chair and Board members 1:1 discussion held in 2021, will inform the 2022 Board of Management Development Action Plan.

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- 3.5 A session for Board members was held on Monday 25 April 2022 to discuss the survey results and analysis report and agree the formulation of a 2022 Board of Management Development Action Plan.
- 3.6 The Board Internal Effectiveness Review Report and its Development Action Plan for 2022 will be presented for approval to the Board at its meeting scheduled for 13 June 2022. Once approved, it will be submitted to the SFC before the end of June 2022 and will also be published on the College website.
- 3.7 The Board last undertook an externally facilitated evaluation of its effectiveness in late 2019 with the feedback report being approved at the Board meeting held in February 2020

### **4. FINANCIAL IMPLICATIONS**

- 4.1 There are no financial implications associated with this paper.

### **5. STUDENT EXPERIENCE IMPLICATIONS**

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

### **6. HUMAN RESOURCES IMPLICATIONS**

- 6.1 There are no human resource implications associated with this paper.

### **7. LEGAL IMPLICATIONS**

- 7.1 There are legal implications associated with this paper.

### **8. REPUTATIONAL IMPLICATIONS**

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

### **9. COMMUNITY/PARTNERSHIP IMPACT**

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

### **10. EQUALITIES IMPLICATIONS**

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

### **11. ENVIRONMENT IMPLICATIONS**

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

**RECOMMENDATION**

The Audit Committee is requested to consider the assurance provided in relation to governance compliance.



Agenda Item 16

<b>Meeting</b>	Audit Committee
<b>Date</b>	26 May 2022
<b>Location</b>	MS Teams
<b>Title of Paper</b>	Insurance Update
<b>Presented By</b>	Alan Ritchie Director of Finance
<b>Recommendation to Members</b>	For Consideration
<b>Appendix Attached</b>	Yes 16(a) – cost of proposed insurances

**PURPOSE**

[Redacted content]

















<b>Meeting</b>	Audit Committee
<b>Date</b>	26 May 2022
<b>Location</b>	MS Teams
<b>Title of Paper</b>	2021-22 Schedule of Business
<b>Presented By</b>	Alan Ritchie Director of Finance
<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	26-05-2022
<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 early 2023</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



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REMIT	DELIVERABLES				
	08-09-2021	23-11-2021 (Joint Meeting)	01-12-2021	2-03-2022	26-05-2022
<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>	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	26-05-2022
<u>2021-22</u>					
<ul style="list-style-type: none"> <li>External Audit Engagement Strategy 2021-22 including audit fee</li> </ul>					Y
<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 2022-23</li> </ul>	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

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REMIT	DELIVERABLES				
	08-09-2021	23-11-2021 (Joint Meeting)	01-12-2021	2-03-2022	26-05-2022
<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
<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 (deferred to 2022-23)</li> <li>Review of Business Continuity Planning</li> <li>Student Recruitment</li> </ul>			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

Public

REMIT	DELIVERABLES				
	08-09-2021	23-11-2021 (Joint Meeting)	01-12-2021	2-03-2022	26-05-2022
<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
<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 2021-22</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		

Public

REMIT	DELIVERABLES				
	08-09-2021	23-11-2021 (Joint Meeting)	01-12-2021	2-03-2022	26-05-2022
<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>					
<b>4) Risk</b>					
<b>To review the Risk Management Strategy and recommend to the Board for approval</b>					
<ul style="list-style-type: none"> <li>Review of College Risk Management Strategy</li> </ul>			Y	Y	
<b>To consider the Strategic Risk Register and to advise the Board accordingly</b>					
<ul style="list-style-type: none"> <li>Review of Strategic Risk Register</li> <li>Assurance Map</li> </ul>	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>					
<ul style="list-style-type: none"> <li>Review of Strategic Risk Register</li> </ul>	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				

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REMIT	DELIVERABLES				
	08-09-2021	23-11-2021 (Joint Meeting)	01-12-2021	2-03-2022	26-05-2022
<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>					
<ul style="list-style-type: none"> <li>As required</li> </ul>					
<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>					
<ul style="list-style-type: none"> <li>As required</li> </ul>					

**PUBLIC**



**Agenda Item 18**

<b>Meeting</b>	Audit Committee
<b>Date</b>	26 May 2022
<b>Location</b>	MS Teams
<b>Title of Paper</b>	Audit Committee - Dates of Meetings in 2022-23
<b>Presented By</b>	Graeme Bold, Chair
<b>Recommendation to Members</b>	The Committee is asked to consider and approve the 2022-23 meeting dates.
<b>Appendix Attached</b>	No

**PURPOSE**

To consider and approve its dates of meetings in 2022-23.

## **PUBLIC**

### **1. BACKGROUND**

- 1.1 The Committee is asked to consider and approve its 2022-23 meeting dates

At the Board meeting held on 21 March 2022, the Board approved its meeting dates for the 2022-23 session. The setting of the Board dates allows the standing committee chairs / senior officers consider a programme of dates for their respective committees and the Audit Committee meeting dates for 2022-23 have been agreed as follows:

- Wednesday 21 September 2022 4 till 6pm
- Wednesday 25 January 2023 4 till 6pm
- Wednesday 29 March 2023 4 till 6pm
- Wednesday 24 May 2023 4 till 6pm

- 1.2 The Joint Audit and Corporate Development Committee has been agreed as follows:

- Tuesday 22 November 2022 4 till 6pm

### **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 2022-23 meeting dates.