

## Audit Committee

### Agenda

**Meeting reference:** Audit 2022-23/04

**Date:** Tuesday 30 May 2023 at 5.00pm

**Location:** Boardroom (Braham Room 019)

**Purpose:** Scheduled meeting

\* Denotes items for approval or discussion.

Members should contact the Secretary in advance of the meeting if they wish to request an item be starred.

	<b>Agenda Items</b>	<b>Author</b>	<b>Led by</b>	<b>Paper</b>
1	Welcome & Apologies		Chair	
2	Additions to the Agenda			
3	Declaration of a Conflict of Interest in any Agenda Item			
4	Minutes of the Meeting of Audit Committee held on 13 March 2023		Chair	Paper 1
5	Actions arising from previous minutes			
6	<b>Compliance &amp; Monitoring</b>			
*6.1	Balanced Scorecard report	Depute Principal	Depute Principal	Paper 2
*6.2	Enterprise Risk Management report	Vice Principal (Operations)	Vice Principal (Operations)	Paper 3
7	<b>Audit Plans, Reports &amp; Updates</b>			
7.1	External Audit Plan 2022-23 – draft	External Auditor	External Auditor	Paper 4
7.2	Internal Audit Plan 2022-23 - update		Internal Auditor	Verbal
8	<b>FOI &amp; Data Protection</b>			
8.1	Freedom of Information & Data Protection quarterly update	Clerk	Clerk	Paper 5
9	<b>Date and time of next meeting:</b> <ul style="list-style-type: none"> <li>Thursday 06 October (provisional)</li> </ul>	Clerk		
*10	Review of Meeting (Committee to check against the Terms of Reference to ensure all competent business has been covered)			Paper 6

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## Audit Committee

### DRAFT Minutes

**Meeting reference:** Audit 2022-23/03

**Date:** Monday 13 March 2023

**Location:** Boardroom (Braham Room 019)

**Members present:** Jim Crooks, Board Member  
Derek Waugh, Board Member  
Patrick O'Donnell, Staff Board Member

**In attendance:** Margaret Cook, Principal  
Lorenz Cairns, Depute Principal  
Veronica Lynch, Vice Principal (External)  
Iain Wishart, Vice Principal (Operations)  
David Archibald, Henderson Loggie, Internal Auditor  
Katy Lees, Head of HR & Organisational Development  
Ian McCartney, Clerk to the Board

**Apologies:** Debbie McIlwraith-Cameron, Board Member

**Chair:** **Jim Crooks**

**Minute Taker:** Ian McCartney

**Quorum:** 3

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## MINUTES

Item		Action
1.	<p><b>Welcome and Apologies</b></p> <p>Chair welcomed this present, and noted apologies.</p>	
2.	<p><b>Additions to the Agenda</b></p> <p>None received.</p>	
3.	<p><b>Declaration of Conflict of Interest in any Agenda Item</b></p> <p>None</p>	
4.	<p><b>Minutes of the meeting of Audit Committee held on 12 December 2022</b></p> <p>The minutes were agreed as being an accurate record of the meeting.</p>	
5.	<p><b>Actions arising from previous minutes</b>  <u>Historic Matters arising from 31 May 2022</u></p> <p><u>Ref 6.2 – Internal Audit – Audit Action Plan</u>  <b>Action:</b> Internal Auditor to add additional column re previous review re when Audit Area was last reviewed to provide assurance</p> <p><b>Action Update:</b> No report tables at this meeting. <b>Carried forward.</b></p> <p><u>Matters Arising from 12 December 2022</u></p> <p><u>Ref 3 – Draft Perth College Group Report &amp; Financial Statements</u>  <b>Action:</b> Clerk to circulate trend information around environmental performance to Audit Committee for information</p> <p><b>Action Update:</b> Complete - uploaded to Audit Committee Teams page</p> <p><u>Ref 4 – Draft External Audit Report 2021/22</u>  <b>Action 1:</b> Clerk to add Finance Capacity to agenda of next Audit Committee</p> <p><b>Action Update:</b> Complete – on agenda under Item 6.3</p> <p><b>Action 2:</b> Clerk to forward briefing/response re Principal’s Remuneration to External Auditor</p> <p><b>Action Update:</b> Complete – also issued to Internal Auditor for full disclosure.</p>	Internal Auditor

<p><b>6.1</b></p>	<p><b>Balanced Scorecard Report</b></p> <p>Depute Principal presented Paper 2 and explained that Balanced Scorecard of 13 KPIs would be presented on a quarterly basis with the full suite of KPIs provided for information annually. Depute Principal advised that Lead Authors would be made available to present at specific Board and Committee meetings if desired.</p> <p>Depute Principal noted that SMT would meet with CMT on a quarterly basis to take the KPIs forward.</p> <p>Board Member noted that report only showed 12 KPIs. Depute Principal advised that a KPI around Leadership had been recently added as a Strategic Objective and this would be corrected.</p> <p>Board Member queried whether Digital Transformation (KPI 27) would cover student-centred skills rather than staff-centred skills alone? Depute Principal advised that the aim is to transform digital skills across the College. Chair asked how baseline would be established. Depute Principal advised that the Jisc Online Tool would be utilised. Internal Auditor noted that IA will be looking at this area within their Annual Audit Plan.</p>	
<p><b>6.2</b></p>	<p><b>Enterprise Risk Management Report</b></p> <p>Vice Principal (Operations) presented Paper 3, which comprised the existing format of the Strategic Risk Register, the proposed ERM framework, a Risk Governance structure, and a mapping document showing links between Strategic Risk Register and ERM.</p> <p>Vice Principal (Operations) noted that the Strategic Risk Register would still be live until June 2023 while the ERM was bedded in.</p> <p>Vice Principal (Operations) provided a demonstration of the ERM to Committee, showing the high-level summaries that Board Members would receive before drilling down to the data and dashboards that informed the summaries. Vice Principal (Operations) explained that it was hoped the ERM model would shift the focus of how the Audit Committee deals with Risk.</p> <p>Chair queried how the formality of the UHI Common Risks would feed into the ERM. Vice Principal (Operations) noted that it would be possible to add an additional lever/summary to enable appropriate reporting where required. This was agreed as it would be proactive and also good practice within the Partnership.</p> <p>Internal Auditor advised that the missing piece re the UHI Common Risks was not the reporting, but the analysis conducted. Principal advised that there had been some recent discussions re the UHI Common Risks, and feedback would be sought in this regard.</p>	

	<p>Chair queried how best to deal with questions from Committee members given the ERM was a live document and wouldn't be presented as a traditional paper. Vice Principal (Operations) noted that the document will be reviewed in full on a quarterly basis, scheduled for 4 weeks before each Audit Committee. Clerk advised that a reminder of the link could be posted to the Audit Committee Team Page at that point, then questions could be asked on the Chat function – this would allow either simple questions to be responded to directly, or if more scrutiny/analysis was required this could take place within the subsequent meeting.</p> <p>Chair sought confirmation from Committee that they were comfortable with the ERM model presented, which was AGREED. Internal Auditor noted the comfort that progress on risks are evidenced with this model is useful for Boards.</p> <p><i>[Post-Meeting Addendum – Principal contacted University Secretary in this regard, who confirmed that any new risks coming up through the partnership are sometimes fed back through Partnership Council, and that the Risk Review Group had discussed having a focussed session for Partnership Council (possibly with representation from Audit Committees of partner colleges) to consider current and future cross-partnership risks. Risk Review Group is scheduled to meet later in March]</i></p>	
<p><b>6.3</b></p>	<p><b>Finance Capacity</b></p> <p>Principal noted the request for this item to be included on the agenda for this meeting at the joint meeting of Finance &amp; Resources and Audit Committees as this matter was raised within the External Auditors Annual Report, and further noted that similar wording had been used across the Sector by the same Auditors.</p> <p>Principal advised that SMT and other senior staff were in the process of preparing budgets and, while the College would wish to increase capacity within Finance, it seems likely that some difficult decisions across the College may be required. As a result, capacity in Finance, and other departments, remains under review, but no guarantees can be provided around affordability.</p> <p>Chair agreed that capacity issues cannot be looked at in isolation.</p> <p>Vice Principal (Operations) advised that there may be elements of not providing specific activities, and this will be reflected in a report to SMT. Chair noted the need to be aware of such risks, but remained cognisant that identified solutions may not be specifically apparent at this stage. Principal noted there was a risk of prioritising one area over another, however confirmed that this was an operational issue that will be addressed during the Budget process.</p>	

7.1	<p><b>Internal Audit – Audit Plan 2022-23</b></p> <p>Internal Auditor verbally updated Committee on progress against the Audit Plan, noting that final timings had in the main been agreed, with Performance Reporting and Procurement reports due to be tabled at the next meeting, and Space Utilisation, Data Protection and Business Continuity to follow.</p>	
8.1	<p><b>FOI &amp; Data Protection Quarterly Update</b></p> <p>Clerk presented a year-to-date update of FOI and Data Protection issues reported under Paper 4 for information, highlighting the potential risk of an AST FOI Review being sent to the Scottish Information Commissioner. Clerk noted that this risk had been mitigated by advice from the UHI Data Protection Officer.</p> <p>Chair queried the nature of the HR requests. It was noted that all HR requests received in the previous quarter were generic requests issued across the Sector.</p> <p>The report was <b>NOTED</b> by Committee.</p>	
9	<p><b>Date &amp; Time of Next Meeting</b></p> <ul style="list-style-type: none"> <li>• Tuesday 30 May 2023 @ 5pm</li> </ul>	
10	<p><b>Review of Meeting</b></p> <p>Committee confirmed that the meeting had been conducted in line with its Terms of Reference.</p> <p>Chair noted the benefit of not having an over-packed agenda to allow a focus on big-picture items, and hoped this would be the norm moving forward.</p> <p>Internal Auditor advised that a meeting between Internal Auditors and the College’s new External Auditors was scheduled for later this week. Committee were advised that the Chair of Audit Committee also hoped to meet with the new External Auditors in due course.</p>	

**Information recorded in College minutes are subject to release under the Freedom of Information (Scotland) Act 2002 (FOI(S)A). Certain exemptions apply: financial information relating to procurement items still under tender, legal advice from College lawyers, items related to national security.**

Notes taken to help record minutes are also subject to Freedom of Information requests, and should be destroyed as soon as minutes are approved.

**Status of Minutes – Open**

An **open** item is one over which there would be no issues for the College in releasing the information to the public in response to a freedom of information request.

A **closed** item is one that contains information that could be withheld from release to the public because an exemption under the Freedom of Information (Scotland) Act 2002 applies.

The College may also be asked for information contained in minutes about living individuals, under the terms of the Data Protection Act 2018. It is important that fact, rather than opinion, is recorded.

Do the minutes contain items which may be contentious under the terms of the Data Protection Act 2018?      **Yes**       **No**

**Committee Cover Sheet**

Paper No.2

<b>Name of Committee</b>	Audit Committee
<b>Subject</b>	Balanced Scorecard: College Strategy 2022-27
<b>Date of Committee meeting</b>	30/05/2023
<b>Author</b>	Corporate Management Team
<b>Date paper prepared</b>	15/05/2023
<b>Executive Summary</b> Please provide a concise summary of the Paper outlining the purpose, impact and recommended future actions if approved	The end of year one report on the Balanced Scorecard for the College Strategy 2022-27 providing key information on: <ul style="list-style-type: none"><li>• the members of the Corporate Management Team (CMT) who are leading on each KPI</li><li>• the detail of the baseline and Year One target for the 36 Strategic KPIs</li><li>• A short narrative against each KPI on the progress to date and the priority actions that have been identified</li></ul>
<b>Committee Consultation</b> Please note which Committees this paper has previously been tabled at, and a brief summary of the outcomes/actions arising from this.	n/a
<b>Action requested</b>	<input type="checkbox"/> For information <input checked="" type="checkbox"/> For discussion <input type="checkbox"/> For endorsement <input type="checkbox"/> For approval <input type="checkbox"/> Recommended with guidance (please provide further information, below)



## Committee Cover Sheet

<p><b>Strategic Impact</b></p> <p>Please highlight how the paper links to the Strategic Objectives of UHI Perth or the UHI Partnership: <a href="#">Strategic-Plan-2022-27.pdf</a></p> <p>If there is no direct link to Strategic Objectives, please provide a justification for inclusion of this paper to the nominated Committee.</p>	<p>The Balanced Scorecard is aligned to the Strategic Objectives set out by the <a href="#">Strategic Plan 2022-27</a> and the 36 underpinning KPIs by which the College will measure its progress.</p>
<p><b>Resource implications</b></p> <p>Does this activity/proposal require the use of College resources to implement?</p> <p>If yes, please provide details.</p>	<p>No</p>
<p><b>Risk implications</b></p> <p>Does this activity/proposal come with any associated risk to UHI Perth, or mitigate against existing risk?</p> <p>If yes, please provide details.</p>	<p>No</p> <p>Click or tap here to enter text.</p>
<p><b>Equality &amp; Diversity</b></p> <p>Does this activity/proposal require an Equality Impact Assessment?</p> <p>If yes, please provide details.</p>	<p>No</p>
<p><b>Data Protection</b></p> <p>Does this activity/proposal require a Data Protection Impact Assessment?</p> <p>If yes, please provide details.</p>	<p>No</p> <p>Click or tap here to enter text.</p>
<p><b>Island communities</b></p> <p>Does this activity/proposal have an effect on an island community which is significantly different from its effect on other communities (including other island communities)?</p>	<p>No</p> <p>If yes, please give details:</p> <p>Click or tap here to enter text.</p>

## Committee Cover Sheet

<b>Status</b> (ie confidential or non-confidential)	<p>Non-Confidential</p> <p>If a paper needs to remain confidential for a prescribed period of time before being made 'open', please advise how long must the paper be withheld:</p> <p>Click or tap here to enter text.</p>
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### Freedom of Information

Please note that **ALL** papers will be included within 'open' business unless a justifiable reason can be provided.

Please select a justification from the list, below:

Its disclosure would substantially prejudice a programme of research	<input type="checkbox"/>	Its disclosure would substantially prejudice the effective conduct of public affairs	<input type="checkbox"/>
Its disclosure would substantially prejudice the commercial interests of any person or organisation	<input type="checkbox"/>	Its disclosure would constitute a breach of confidence actionable in court	<input type="checkbox"/>
Its disclosure would constitute a breach of the Data Protection Act	<input type="checkbox"/>	Other [please give further details] Click or tap here to enter text.	<input type="checkbox"/>

Further guidance on application of the exclusions from Freedom of Information legislation is available via:

<http://www.itspublicknowledge.info/ScottishPublicAuthorities/ScottishPublicAuthorities.asp>

and

[http://www.itspublicknowledge.info/web/FILES/Public\\_Interest\\_Test.pdf](http://www.itspublicknowledge.info/web/FILES/Public_Interest_Test.pdf)

Balanced Scorecard 2022-27 - Year One 2022-23

							2022-23				
13 KPIs	36 KPIs	College Strategy 2022-27	Strategic KPI	Lead Author(s)	SMT Sponsor	Baseline	Target (Over 5 years)	2022/23 Target	Current RAG	Actions 2022-23	Future Actions
<b>Excellence in Learning and the Learner Experience</b>											
<b>SO1: The Learner Experience</b>											
	1	Raising awareness and promoting health and student wellbeing/safety by ensuring staff have the skills and knowledge to respond effectively to the range of student circumstances, experience and aptitudes	Increase staff participation rates by 10%	Katy Lees & Deborah Lally	Lorenz Cairns	6710 hours	+10%	6710		1. Identify baseline (Staff and Students) 2. Increase recording in CIPHR re: training 3. Define scope of training 4. Increase evaluation 5. Invest in staff training re: SMHFA to meet staff need	
1	2	Increase retention, attainment, achievement, progression and student satisfaction to sector leading levels	<b>Increase student retention</b>							Note: No KPI for Destination or Recruitment - recruitment now added to KPI 12 (23/2/23) 1. Need to check Baseline and confirm parameters 2. Qualitative: mapping - curriculum teams; initiatives - student services 3. Withdrawal data collation - reasons why + analysis. Focus upon rural and transport 4. Heatmap - Action 22-23 (withdrawals/postcodes) 5. Healthboard: Extremes are extremes 6. Learning and Teaching Enhancement Strategy	
	3		a) FE by 7%	Jill Elder/ Deborah Lally	Catherine Etri	79%	80%	maintain			
			b) HE by 5%			79%	92%	maintain			
	4		<b>Increase student progression</b>	Change this KPI from FE to HE by 13% to increase FE to HE progression by 6% and aim for 90% successful destinations	Jill Elder/ Deborah Lally	Catherine Etri	84%	85%	Establish baseline		
2	4		<b>Increase student achievement</b>								
			a) FE by 12%	Jill Elder/ Deborah Lally	Catherine Etri	66%	74%	Maintain			
			b) HE by 9%			71%	80%	Maintain			
3	5	Increase student satisfaction	<b>Student Early Survey (SF1)</b>							1. Confirm ESES 2022-23 satisfaction. 2. Review complaints (thematic review) (red button) CQM 3. Heatmap 4. Implement Learning and Teaching Enhancement Strategy	
			a) FE by 2%	Nicky Inglis/ Deborah Lally	Lorenz Cairns	96%	98%	Maintain			
			b) HE by 7%			91%	98%	Maintain			
	6		<b>Student End of Year Survey (SF3):</b>								
			a) FE by 6%	Nicky Inglis/ Deborah Lally	Lorenz Cairns	92%	98%	Maintain	data not yet available	1. Need to get the 2022-23 satisfaction. 2. Review complaints (thematic review) (red button) CQM 3. Heatmap 4. Implement Learning and Teaching Enhancement	
			b) HE by 9%			89%	98%	Maintain			
	7	Increase student response rates to learner surveys	<b>Student Early Survey (SF1)</b>							Review student forum process (i.e. SLIDO)	
			a) FE by 20%	Lesley Connaghan/ Deborah Lally	Catherine Etri	42%	60%	50%			
			b) HE by 10%			38%	70%	65%			
	8		<b>Student End of Year Survey (SF3):</b>								
			a) FE by 13%	Lesley Connaghan/ Deborah Lally	Catherine Etri	52%	65%	maintain	data not yet available	Review student forum process (i.e. SLIDO)	
			b) HE by 20%			46%	60%	maintain			
	9	Increase the proportion of classes with a Student Voice representative	a) FE by 20%	Christiana Margiotti/ Deborah Lally	Catherine Etri	40%	60%	maintain		1. Heatmap - coverage of SVR by area/programme 2. Identify student needs for SVR per area	
			b) HE by 20%			40%	60%	maintain			
	10	Increase the number of courses holding Student Forums	a) By 20%	Christiana Margiotti/ Deborah Lally	Catherine Etri	60%	80%	65%		1. Heatmap - coverage of SVR by area/programme 2. Identify student needs for SVR per area	
	11	Our student experience will offer transformational opportunities and we will continue to enable our learners to: Challenge what they believe to be true Be open to change and interpret information more critically Consider pursuing options for advancement they instinctively or historically considered impossible Bring their perspectives to the learning environment to influence and enhance their learning experience Apply their skills and knowledge to real-world practice and challenge strongly held beliefs and opinions Recognise observable differences, from before, during and on completion of their learner journey	Increase the number of students undertaking work related experiences	Nicky Inglis/ Gareth McKenna	Veronica Lynch	584	Current Baseline			1. Define the scope (check the WP Co-ordinator rationale) 2. Implement the relevant values and section of the Learning and Teaching Enhancement Strategy and Implementation Plan	
4	12	Strengthen and develop an agile, innovative and dynamic portfolio that responds to regional and Scottish Govt priorities and key sector needs with a focus on recruitment	Continue to annually review the curriculum portfolio and increase overall redesign of our courses by 25%	Lesley Connaghan/ David Gourley	Catherine Etri	50%	75%	55%		Curriculum Review (SIPS; RSA; Gov priorities)	

Balanced Scorecard 2022-27 - Year One 2022-23

								2022-23				
13 KPIs	36 KPIs	College Strategy 2022-27	Strategic KPI	Lead Author(s)	SMT Sponsor	Baseline	Target (Over 5 years)	2022/23 Target	Current RAG	Actions 2022-23	Future Actions	
	13	Informed by industry, increase the number of Digitally Enabled Innovative Pedagogy(DEIP) which respond more dynamically to current and future learner needs	Increase the number of courses using DEIP	David Gourley/ Jill Martin	Catherine Etri	60%	95%			1. Change the KPI (DEIP) 2. Increase lecturer confidence in using digital technologies (ensure resources in place to support) 3. Reporting mechanism by programme - use of digital (explore recording on SITS)		
<b>SO3: Industry Focused</b>												
	14	Increase percentage of courses adapted in response to employer feedback	From 50% to 70%	Lesley Connaghan / Gareth McKenna	Veronica Lynch	50%	70%	55%		Curriculum Review (SIPS; RSA; Gov priorities)	1. Direct employer feedback 'v' LMI 2. Strategic partnership v Acad Partnership (Engagement with registration) 3. Education 'v' Training 4. Attitude 'v' Skills 5. Apprentices Implement Curriculum Strategy	
<b>SO4: Academic Partnerships (Industry)</b>												
5	15	Value/leverage (£) by partnership	Margin/revenue - overhead recovery +1% by year 5	Gareth McKenna/ Christiana Margiotti	Veronica Lynch	Still not defined	+1%	0	Awaiting CPR data	CPR Model process	1. Mapping Exercise of partnerships (sector by sector) 2. Value proposition of partnerships	
<b>SO5: Research and Scholarship</b>												
	16	Increase number of staff leading projects with research time allocated	From 6 to 12	David Gourley/ Ros Bryce	Lorenz Cairns	6	12	12		Implement the Research Strategy		
<b>College Growth and Ambition</b>												
<b>SO1: Our Culture</b>												
	17	Staff survey results from 2021 are improved in the following areas (next survey to take place in 2024):	Staff have a clear understanding of the College's values:	Katy Lees/ Christiana Margiotti	Iain Wishart	72%	90%	Maintain		1. 3 conferences on values 22/23 2. Leadership Pledge (values) 3. Include awareness of values (comms role can help) 4. Investigate rebranding of staff badges with values on the back and also on lanyard 5. Investigate where values are displayed - in corridors etc		
			Values of the college are relevant to my work			76%	90%	Maintain				
6	18		Monthly initiative around one of our values	Katy Lees/ Christiana Margiotti	Veronica Lynch	0	12	3				
<b>SO2: Our Staff</b>												
	19	Staff survey results from 2021 are improved in the following areas (next survey to take place in 2024):	I believe the College supports the health and wellbeing of staff	Jillian Elder/ Katy Lees	Lorenz Cairns	54%	80%	Maintain		1. Ongoing initiatives (stress group, health and wellbeing group, management development programme) 2. 'Leadership starts with me'		
			I am kept informed by what is happening in the College	Jill Elder/ Jill Martin	Veronica Lynch	71%	85%	Maintain		1. Communication Strategy Group (ready reckoner sheet) 2. Stress management group 3. PerthHub		
7			21	The leadership team provide clear direction and guidance	Jill Elder/ Jill Martin	Lorenz Cairns	42%	80%	Maintain		1. Leadership Pledge (values, leadership development, comms) 2. Greater collaboration 3. 10 o'clock news updates , renaming SMT to SLT	
			22	Through the Professional Review process, I feel my training needs and ambitions are discussed, identified and actioned where possible	Jillian Elder/ Katy Lees	Lorenz Cairns	64%	80%	Maintain		1. Review process 2. Improve uptake	
<b>SO3: Our College</b>												
	23	We will positively showcase PCUHI to our local community, regionally, nationally and internationally	Increase the percentage of positive coverage locally, regionally, nationally, internationally to 80%	Christiana Margiotti	Veronica Lynch	91% (local only)	80% (national/int'l)	Maintain		1. Define baseline 2. Communication strategy 3. Linked to leadership pledge 4. Building partnerships between depts & marketing	1. Mapping coverage by department/topic and measuring impact 2. Define baseline for national and regional. 3. Staff training and engagement with messaging	
<b>SO4: Our Ways of Working</b>												
	24	We will enhance and improve our systems and processes, driving high quality outcomes	Efficiency/time saved(days/hours/minutes)	Jill Martin/ Henry Nicholson	Iain Wishart	n/a				1. IW CMT Training 2. Request team: continuous improvement 3. Process mapping 4. All for 1 + 1 for all		
	25		Develop an Effective and Efficient Strategy	Jill Martin/ Henry Nicholson		0	1					

Balanced Scorecard 2022-27 - Year One 2022-23

13 KPIs		36 KPIs		College Strategy 2022-27				2022-23		Actions 2022-23		Future Actions
		Strategic KPI	Lead Author(s)	SMT Sponsor	Baseline	Target (Over 5 years)	2022/23 Target	Current RAG				
8	26	Number services/processes improved July 2023 - 4 July 2024 - 8 July 2025 - 12	Jill Martin/ Henry Nicholson	Iain Wishart	0	12	4					
<b>SO5: Digital Transformation</b>												
	27	Percentage staff/learners with improved Digital Skills	Jill Martin/ David Gourley	Iain Wishart		+10%				1. Need to identify baseline 2. Intro of CPD 3. JISC target should only be for staff. 4. Students: essential skills		
9	28	Identify a baseline digital competence framework for each job role	Jill Martin/ David Gourley	Iain Wishart						5. Maker spaces: to include signposting, plus STEM Focus 6. Implement IT and Digital Transformation Strategy		
	29	JISC Digital Competence tool completion by staff ; 50% by July 2023, 75% by July 2024, 90% by July 2025	Jill Martin/ David Gourley	Iain Wishart	0%	90%	50%					
	30	Develop maker spaces/innovation hubs to enable staff to improve their digital capability	Jill Martin/ Nicky Inglis	Iain Wishart	0	3	Shared with PKC and TCEP					
<b>Partnerships and Collaboration</b>												
<b>SO1: Relationships</b>												
10	31	Percentage strategic partnerships v proportion of external engagements	Nicky Inglis/ Gareth McKenna	Veronica Lynch	5%	10%	Maintain			1. Baseline 2. Define parameters 3. Stakeholder mapping		
	32	Percentage learner/customer satisfaction with quality of courses	Nicky Inglis/ Deborah Lally	Veronica Lynch	75%	97%	Maintain			1. Clarify scope - commercial? 2. FWDF Pilot QA 3. Target 75%		
<b>SO2: Commercial Enterprise and Innovation</b>												
11	33	Commercial AOP/Commercial Income (per college area)	Nicky Inglis/ Gareth McKenna	Veronica Lynch	0.00%	+1%	Status Quo			1. Clarify the KPI 2. Baseline clarity 2. Define the scope/definition 3. Agree the language		
<b>Sustainability</b>												
<b>SO1: Financial Management</b>												
	34	Enhancement of financial forecasting	Year 1 Budget plus one financial forecast	Henry Nicholson	Iain Wishart	0	1	1		1. Budget holder meeting timetable (aim is to move to monthly) 2. Reporting framework 3. PO's compliance		
			Year 2 Budget plus 2 financial forecasts			1	2					
			Year 3 Budget plus 3 financial forecasts			2	3					
			Year 4 Rolling forecasts			3	+					
<b>SO2: Reinvestment Planning</b>												
12	35	At the end of the strategic cycle have the following cost/income ratios:	1. Staff Cost/Income 70%	Henry Nicholson	Iain Wishart	80.90%	70%	80%		1. Links to KPIs 26,27 and 28 2. Baseline		
			2. Non-Staff Cost/Income 21%			23%	21%	22.8%				
			3. Investment Cost/Income 5%			0	5%	1%				
<b>SO3: Environmental Sustainability</b>												
13	36	Percentage gross carbon footprint reduction	Gavin Whigham/ David Gourley	Lorenz Cairns	1864	1481 tonnes	1900			1. Check Baseline 2. As per sustainability strategy		

Definitions	
<b>Lead Author</b>	- CMT member responsible for monitoring/tracking data
<b>SMT</b>	- member of SMT sponsoring the KPI
<b>Baseline</b>	- current data for 2021/22, some to be confirmed
<b>Target</b>	- the set value to be achieved over the 5 year period
<b>22/23 Actions</b>	- Working actions, to be refined by mid-March to inform 22/23 target.

**Excellence in Learning and the Learner Experience****KPI Narrative SO1: The Learner Experience**

**KPI 01** Raising awareness and promoting health and student wellbeing/safety by ensuring staff have the skills and knowledge to respond effectively to the range of student circumstances, experience and aptitudes

**Baseline:**

Changed Y/N:	Yes
Reason for Change:	No baseline initially set
New Target:	6710 hours during academic year

**Year One Target:**

Changed Y/N:	Yes
Reason for Change:	No target had been set as baseline was not known, target for year 1 remains the same
Target:	6710

**Actual****2022-23:**

Changed Y/N:	Ongoing
Reason for Change:	This will be assessed at the end of the academic year
Target:	

**Trend:** On/Off Target (ie Maintaining/improving/declining)

**Target****2023-24:**

Changed Y/N:	Yes
Reason for Change:	
Target:	6800 hours during 2023/2024 academic year

**Note on performance:****Narrative: (Max 10 lines)**

It is recognised that our student profile is changing and that we need to respond to these changes

There will be a review undertaken at least once per year looking at the demographics of our current students to identify what additional training that the College must put in place to react and support our staff in responding to these changes.

This review will cover areas including identified student needs (quantified) so that we can see the level of change each year, as well as levels of attainment our students are coming to us with. This review will also cover areas such as student complaints to be able to identify trends, as well as engaging with the student voice and other engagement routes such as the Student Engagement Group and HISA.

The training offered to staff will be reviewed at least annually to determine uptake, what has been offered and whether this is comparable with the trends identified in the student review

There will be a categorisation of training to ascertain whether the training may have an impact on staff skills and knowledge to respond to the range of student circumstances, experiences and aptitudes

There have been regular reminders to staff to log training that they undertake in CIPHR

The College has invested in getting 2 additional Scottish Mental Health First Aid Trainers trained, and regular SMHFA training is offered, however this can be limited by Public Health Scotland who regulate this training

**Excellence in Learning and the Learner Experience**  
**KPI Narrative SO1: The Learner Experience**

**Board KPI** Increase retention, attainment, achievement, progression and student satisfaction to sector leading levels

**KPI 02 Increase Student Retention**  
 FE by 7%  
 HE by 5%

**Baseline:**

Changed Y/N:	N
Reason for Change:	
New Target:	

**Year One Target:**

Changed Y/N:	N
Reason for Change:	
Target:	Maintain

**Actual**

**2022-23:**

Changed Y/N:	N
Reason for Change:	
Target:	Not available until October

**Trend:** On/Off Target (ie Maintaining/improving/declining)

**Target**

**2023-24:**

Changed Y/N:	Y
Reason for Change:	
Target:	1%

**Note on performance:**

**Narrative: (Max 10 lines)**

PAT Lead and PAT C role implemented in 4 directorates which is having a notable impact on retention thus far, note that data from March onwards still to be made available and it is anticipated that this may show a dip due to timing Additional hour for PAT support time across all FE programmes - a full review will be carried out end AY22/23  
 Co-creative Curriculum review completed and implementation planned for AY23/24 onwards however pls note that the FE credit reduction and required HE efficiencies may impact this.  
 Started to look at reasons for withdrawal and the use of interactive maps (to identify possible hot spots re: withdrawals and any connection with public transport)

**Excellence in Learning and the Learner Experience**

**KPI Narrative SO1: The Learner Experience**

Increase retention, attainment, achievement, progression and student satisfaction to sector leading levels

**KPI 03 Increase student progression**

FE to HE by 13%

**Baseline:**

Changed Y/N:	Y
Reason for Change:	Broadened the scope of KPI to include all positive destination data
New Baseline:	84%

**Year One Target:**

Changed Y/N:	To be added once baseline established in light of KPI change
Reason for Change:	
Target:	

**Actual**

**2022-23:**

Changed Y/N:	
Reason for Change:	
Target:	Not known until September 2023

**Trend:** On/Off Target (ie Maintaining/improving/declining)

**Target**

**2023-24:**

Changed Y/N:	Y
Reason for Change:	Due to amendment in the KPI from FE to HE by 13% to an amended KPI which was to increase FE progression to HE by 6% and to achieve 90% for successful destinations
Target:	Target will be set once new baseline available

**Note on performance:**

**Narrative: (Max 10 lines)**

Keeping warm campaign to support progression inc June activities planned by teams

Celebration week being held w/c 29th May inc Employer event, OBIs and prizegiving, all designed to engage our students at the end of the academic year.

Linked to KPI 2 as below:

PAT Lead and PAT C role implemented in 4 directorates which is having a notable impact on retention thus far, note that data from March onwards still to be made available and it is anticipated that this may show a dip due to timing.

Additional hour for PAT support time across all FE programmes - a full review will be carried out end AY22/23

Co-creative Curriculum review completed and implementation planned for AY23/24 onwards however pls note that the FE credit reduction and required HE efficiencies may impact this.

Decision made to amend KPI to ensure it is as meaningful as possible and impact can be measured at end of year 2



**Excellence in Learning and the Learner Experience**  
**KPI Narrative SO1: The Learner Experience**

**Board KPI** Increase retention, attainment, achievement, progression and student satisfaction to sector leading levels  
**KPI 04** Increase student achievement

FE by 12%  
 HE by 9%

**Baseline:**

Changed Y/N:	N
Reason for Change:	
New Target:	

**Year One Target:**

Changed Y/N:	N
Reason for Change:	
Target:	Maintain

**Actual**

**2022-23:**

Changed Y/N:	
Reason for Change:	
Target:	Not yet known

**Trend:** On/Off Target (ie Maintaining/improving/declining)

**Target**

**2023-24:**

Changed Y/N:	Now agreed
Reason for Change:	
Target:	2% HE and 4% FE

**Note on performance:**

**Narrative: (Max 10 lines)**

PAT Lead and PAT C role implemented in 4 directorates which is having a notable impact on retention thus far, note that data from March onwards still to be made available and it is anticipated that this may show a dip due to timing Additional hour for PAT support time across all FE programmes - a full review will be carried out end AY22/23  
 Co-creative Curriculum review completed and implementation planned for AY23/24 onwards however pls note that the FE credit reduction and required HE efficiencies may impact this.  
 Linked to KPI 7 & 8, when the response rate is improved there will be enhanced data to work from. It is noted that this is already improving this year due to new format. ASOS may impact.

**Excellence in Learning and the Learner Experience**  
**KPI Narrative SO1: The Learner Experience**

**Board KPI** Increase student satisfaction

**KPI 05 Student Early Survey (SF1)**

FE by 2%

HE by 7%

**Baseline:**

Changed Y/N:	N
Reason for Change:	
New Target:	

**Year One Target:**

Changed Y/N:	N
Reason for Change:	
Target:	Maintain

**Actual**

**2022-23:**

Changed Y/N:	N
Reason for Change:	
Target:	Maintain

**Trend:** Maintaining

**Target**

**2023-24:**

Changed Y/N:	Y
Reason for Change:	End of year Data not yet available
Target:	

**Note on performance:**

**Narrative: (Max 10 lines)**

Directly linked KPI 6

Satisfaction levels are very high however response rates for the baselines are very low. Therefore there may be fluctuation in satisfaction targets.

Priority actions are within KPI 7 & 8 currently before we can fully ascertain the impact on 5 & 6

**Excellence in Learning and the Learner Experience**  
**KPI Narrative SO1: The Learner Experience**

**Board KPI** Increase student satisfaction

**KPI 06 Student End of Year Survey (SF2)**

FE by 6%

HE by 9%

**Baseline:**

Changed Y/N:	N
Reason for Change:	
New Target:	Maintain

**Year One Target:**

Changed Y/N:	N
Reason for Change:	
Target:	Maintain

**Actual**

**2022-23:**

Changed Y/N:	N
Reason for Change:	
Target:	Maintain

**Trend:** Maintaining

**Target**

**2023-24:**

Changed Y/N:	Y
Reason for Change:	End of year Data not yet available
Target:	

**Note on performance:**

**Narrative: (Max 10 lines)**

Directly linked KPI 5

Satisfaction levels are very high however response rates for the baselines are very low. Therefore there may be fluctuation in satisfaction targets.

Priority actions are within KPI 7 & 8 currently before we can fully ascertain the impact on 5 & 6

NB. ASOS may impact this result

**Excellence in Learning and the Learner Experience**  
**KPI Narrative SO1: The Learner Experience**

Increase student response rates to learner surveys

**KPI 07 Student Early Survey (SF1)**

FE by 20%

HE by 10%

**Baseline:**

Changed Y/N:	N
Reason for Change:	
New Target:	

**Year One Target:**

Changed Y/N:	N
Reason for Change:	
Target:	FE 10% and HE 5%

**Actual**

**2022-23:**

Changed Y/N:	N
Reason for Change:	
Target:	FE 10% and HE 5%

**Trend:**

**Target**

**2023-24:**

Changed Y/N:	N
Reason for Change:	Not yet set
Target:	Maintain 22/23 levels

**Note on performance:**

**Narrative: (Max 10 lines)**

Directly linked to KPI 8

Introduced new process combining forums and surveys.

Timing of release of survey has impacted negatively upon the response rates - more consultation required regarding new process and timeframe

This will impact KPI 5 and 6

**Excellence in Learning and the Learner Experience**  
**KPI Narrative SO1: The Learner Experience**

Increase student response rates to learner surveys

**KPI 08 Student End of Year Survey (SF2)**

FE by 13%  
 HE by 20%

**Baseline:**

Changed Y/N:	N
Reason for Change:	
New Target:	

**Year One Target:**

Changed Y/N:	N
Reason for Change:	
Target:	Maintain

**Actual**

**2022-23:**

Changed Y/N:	N
Reason for Change:	
Target:	Maintain

**Trend:** Declining

**Target**

**2023-24:**

Changed Y/N:	N
Reason for Change:	Not yet set - awaiting data
Target:	

**Note on performance:**

**Narrative: (Max 10 lines)**

Directly linked to KPI 7  
 Introduced new process combining forums and surveys.  
 Timing of release of survey has impacted negatively upon the response rates - more consultation required regarding new process and timeframe  
 This will impact KPI 5 and 6

**Excellence in Learning and the Learner Experience**  
**KPI Narrative SO1: The Learner Experience**

**KPI 09 Increase the proportion of classes with a Student Voice representative**

FE by 20%

HE by 20%

**Baseline:**

Changed Y/N:	N
Reason for Change:	
New Target:	

**Year One Target:**

Changed Y/N:	N
Reason for Change:	
Target:	Maintain

**Actual**

**2022-23:**

Changed Y/N:	N
Reason for Change:	
Target:	Maintain

**Trend:** declining

**Target**

**2023-24:**

Changed Y/N:	N
Reason for Change:	Not set
Target:	Maintain

**Note on performance:**

**Narrative: (Max 10 lines)**

Change in process initiated by HISA caused confusion and impacted upon engagement this year

Further changes in process are planned for 23/24 but until we see the implementation plans it is prudent to maintain the baseline

**Excellence in Learning and the Learner Experience**  
**KPI Narrative SO1: The Learner Experience**

**KPI 10** Increase the number of courses holding Student Forums  
By 20%

**Baseline:**

Changed Y/N:	
Reason for Change:	
New Target:	

**Year One Target:**

Changed Y/N:	
Reason for Change:	
Target:	

**Actual**

**2022-23:**

Changed Y/N:	
Reason for Change:	
Target:	

**Trend:**

**Target**

**2023-24:**

Changed Y/N:	
Reason for Change:	
Target:	

**Note on performance:**

**Narrative: (Max 10 lines)**

This impacts KPI 5,6,7 & 8

Change in process to link forums with early and end of year surveys has formalised student forums

Timing of release has impacted and there is a difference in the pre-Christmas versus end of year uptake

ASOS may have influenced this

Further integration required regarding the standardisation of this approach for student feedback, eg. for online or workbased courses there may be alternatives that are more suitable

**Excellence in Learning and the Learner Experience**  
**KPI Narrative SO1: The Learner Experience**

**KPI 11** Our student experience will offer transformational opportunities and we will continue to enable our learners to:

- Challenge what they believe to be true
- Be open to change and interpret information more critically
- Consider pursuing options for advancement they instinctively or historically considered impossible
- Bring their perspectives to the learning environment to influence and enhance their learning experience
- Apply their skills and knowledge to real-world practice and challenge strongly held beliefs and opinions
- Recognise observable differences, from before, during and on completion of their learner journey

**Baseline: 584**

Changed Y/N:	N
Reason for Change:	
New Target:	

**Year One Target:**

Changed Y/N:	N
Reason for Change:	
Target:	584

**Actual**

**2022-23:**

Changed Y/N:	N
Reason for Change:	
Target:	584

**Trend:** Status quo

**Target**

**2023-24:**

Changed Y/N:	N
Reason for Change:	
Target:	600

**Note on performance:**

**Narrative: (Max 10 lines)**

Implement the relevant values and section of the learning and teaching enhancement strategy and implementation plan  
 Work placement policy in place and all students engaged in work placements/experiences need to have documentation in place and signed off  
 Raise awareness in all university curriculum of the benefits of engaging in work placements/experiences  
 Continue to work with industry and employers and increase "true" partnerships across all sectors our curriculum offers  
 Direct link to the Learning and Teaching Enhancement Strategy for enhancement and innovation in learning and teaching



## Excellence in Learning and the Learner Experience

### KPI SO2: Co-Creative and Progressive Curricula

**Board KPI** Strengthen and develop an agile, innovative and dynamic portfolio that responds to regional and Scottish Govt priorities and key sector needs with a focus on recruitment

**KPI 12** Continue to annually review the curriculum portfolio and increase overall redesign of our courses by 25%

#### Baseline:

Changed Y/N:	N
Reason for Change:	
New Target:	

#### Year One Target:

Changed Y/N:	N
Reason for Change:	
Target:	55%

#### Actual

##### 2022-23:

Changed Y/N:	N
Reason for Change:	
Target:	55%

**Trend:** OnTarget (ie Maintaining/improving/declining)

#### Target

##### 2023-24:

Changed Y/N:	N
Reason for Change:	
Target:	60%

#### Note on performance:

##### Narrative: (Max 10 lines)

This is directly linked to KPI 14

Extensive Curriculum Review undertaken during 22/23 considering SIPS; RSA; Gov priorities

SFC funding announcements are currently impacting the implementation of proposed growth plans so

Baseline taken from the approval documentation however mapping exercise is required to capture all of the ongoing changes which would be within the continuous evaluation folders

UHI curriculum review is still ongoing and will have a direct impact upon this KPI

**Excellence in Learning and the Learner Experience**  
**KPI SO2: Co-Creative and Progressive Curricula**

Informed by industry, increase the number of Digitally Enabled Innovative Pedagogy (DEIP) which respond more dynamically to current and future learner needs

**KPI 13** Increase the number of courses using DEIP

**Baseline:**

Changed Y/N:	Y
Reason for Change:	Need to get a better understanding of how to classify and meaningfully measure courses that are using DEIP
New Target:	

**Year One Target:**

Changed Y/N:	Y
Reason for Change:	Need to get a better system in for measuring this KPI
Target:	

**Actual**

**2022-23:**

Changed Y/N:	
Reason for Change:	
Target:	

**Trend:** On/Off Target (ie Maintaining/Improving/Declining)

**Target**

**2023-24:**

Changed Y/N:	
Reason for Change:	
Target:	

**Note on performance:**

**Narrative: (Max 10 lines)**  
 Need to develop more robust method for establishing base line and measuring KPI and so will work with quality to implement process to gather the correct and precise information. This will enable progress on this KPI to be monitored more effectively and the impact on teaching on introducing these technologies analysed more accurately.

## Excellence in Learning and the Learner Experience

### KPI SO3: Industry Focused

#### KPI 14 Increase percentage of courses adapted in response to employer feedback

From 50% to 70%

##### Baseline:

Changed Y/N:	N
Reason for Change:	
New Target:	

##### Year One Target:

Changed Y/N:	N
Reason for Change:	
Target:	55%

##### Actual

###### 2022-23:

Changed Y/N:	N
Reason for Change:	
Target:	55%

**Trend:** On/Off Target (ie Maintaining/improving/declining)  
Improving

##### Target

###### 2023-24:

Changed Y/N:	N
Reason for Change:	
Target:	60%

##### Note on performance:

##### Narrative: (Max 10 lines)

This is directly linked to KPI 12

Extensive Curriculum Review undertaken during 22/23 considering SIPS; RSA; Gov priorities

SFC funding announcements are currently impacting the implementation of proposed growth plans so

changes which would be within the continuous evaluation folders

UHI curriculum review is still ongoing and will have a direct impact upon this KPI

**Excellence in Learning and the Learner Experience**  
**KPI SO4: Academic Partnerships (Industry)**

**Board KPI Value/leverage (£) by partnership**  
**KPI 15** Margin/revenue - overhead recovery +1% by year 5

**Baseline:**

Changed Y/N:	Y
Reason for Change:	Need to define parameters of this KPI that differentiate it from KPI 33
New Target:	

**Year One Target:**

Changed Y/N:	Y
Reason for Change:	
Target:	Define Baseline

**Actual**

**2022-23:**

Changed Y/N:	Y
Reason for Change:	
Target:	Define Baseline

**Trend:** Off Target (ie Maintaining/improving/declining)

**Target**

**2023-24:**

Changed Y/N:	N
Reason for Change:	Not yet defined until baseline clarified
Target:	

**Note on performance:**

**Narrative: (Max 10 lines)**

Debate regarding what is defined as academic partnerships and what is defined by commercial has stalled progress  
 The CPR's process per course will assist in defining the academic contribution and help in defining the criteria for this KPI

- Actions for 23/24:**
1. Mapping Exercise of partnerships (sector by sector)
  2. Define parameters of 'academic partnerships'
  3. Create Value proposition framework for academic partnerships
  4. Link to KPI 33- commercial approach and mind set to make KPI successful

**Excellence in Learning and the Learner Experience**  
**KPI SO5: Research and Scholarship**

**KPI 16 Increase number of staff leading projects with research time allocated**

From 6 to 12 Proposal to change this KPI To “Increase the number of research publication outputs”

**Baseline:**

Changed Y/N:	Y
Reason for Change:	New KPI
New Target:	5

**Year One Target:**

Changed Y/N:	Y
Reason for Change:	New KPI
Target:	

**Actual**

**2022-23:**

Changed Y/N:	
Reason for Change:	
Target:	

**Trend:** On/Off Target (ie Maintaining/improving/declining)

**Target**

**2023-24:**

Changed Y/N:	
Reason for Change:	
Target:	

**Note on performance:**

**Narrative: (Max 10 lines)**

**College Growth and Ambition**  
**KPI SO1 Our Culture**

**KPI 17 Staff survey results from 2021 are improved in the following areas (next survey to take place in 2024):**  
 Staff have a clear understanding of the College's values: Values of the college are relevant to my work

**Baseline:**

Changed Y/N:	N
Reason for Change:	
New Target:	

**Year One Target:**

Changed Y/N:	N
Reason for Change:	
Target:	Maintain

**Actual**

**2022-23:**

Changed Y/N:	N
Reason for Change:	
Target:	

**Trend:** On Target

**Target**

**2023-24:**

Changed Y/N:	Not set
Reason for Change:	
Target:	Maintain, as cannot be evidenced until next staff survey, at staff survey in 2024 would hope for 75%

**Note on performance:**

**Narrative: (Max 10 lines)**

*Linked to the actions underway for KPI 18 & 21*

Consultation has taken place with Academic and Professional services representatives to understand how they interpret the values and want to engage with them so they become embedded.

A Leadership pledge is to be both written, signed and on display to all staff encouraging to challenge any leader that is living by, or behaving within the values we have set out.

Options for how we can ensure values are more visible within the College and to all staff being prepared, including putting them on all meeting minutes (actioned), as part of rebranding exercise have values on staff badges (being considered), look at how we can bring our values to life more (i.e. during recruitment, induction etc (being considered)

Each staff conference has a value as a theme - 3 takenplace/planned for 2023/2024

**College Growth and Ambition**  
**KPI SO1 Our Culture**

**Board KPI** Staff survey results from 2021 are improved in the following areas (next survey to take place in 2024):

**KPI 18** Monthly initiatives around one of our values

**Baseline:**

Changed Y/N:	No
Reason for Change:	
New Target:	

**Year One Target:**

Changed Y/N:	No
Reason for Change:	
Target:	

**Actual**

**2022-23:**

Changed Y/N:	No
Reason for Change:	
Target:	

**Trend:** On Target

**Target**

**2023-24:**

Changed Y/N:	Not set
Reason for Change:	
Target:	4

**Note on performance:**

**Narrative: (Max 10 lines)**

*Linked to the actions underway for KPI 17 & 21*

3 staff conferences during the 22/23 academic year are based on our values,

Consultation has taken place with Academic and Professional services representatives to define effective initiatives

Working in partnership with marketing to ensure Values are visible to all stakeholders

A Leadership pledge is to be both written, signed and on display to all staff encouraging to challenge any leader that is living by, or behaving within the values we have set out.

**College Growth and Ambition**  
**KPI SO2 Our Staff**

Staff survey results from 2021 are improved in the following areas (next survey to take place in 2024):

**KPI 19 I believe the College supports the health and wellbeing of staff**

**Baseline:**

Changed Y/N:	N
Reason for Change:	
New Target:	

**Year One Target:**

Changed Y/N:	N
Reason for Change:	
Target:	

**Actual**

**2022-23:**

Changed Y/N:	
Reason for Change:	
Target:	

**Trend:** On/Off Target (ie Maintaining/improving/declining)

**Target**

**2023-24:**

Changed Y/N:	Not set
Reason for Change:	
Target:	Maintain, as cannot be evidenced until next staff survey, at staff survey in 2024 would hope for 60%

**Note on performance:**

**Narrative: (Max 10 lines)**

Health and Wellbeing Group is in place which looks at Health and Wellbeing initiatives that can support staff Initiatives take place each month with a theme, e.g. May's Theme is Mental Health Awareness  
 The work of this group also feeds into the Stress Management Group and then both groups feed into the Health and Safety Committee which has representatives from all departments on  
 A pilot of a Level 1 (new supervisors / line managers) Management Development programme has just finished and has now extended to 2 cohorts being run starting in 2023. The level 2 pilot will commence in 2023/2024 with consideration for a Level 3 programme at strategic level  
 There have been a number of discussions about leadership within the Corporate Management Group and a leadership pledge is being developed which all managers will agree to as a starting point



**College Growth and Ambition**  
**KPI SO2 Our Staff**

Staff survey results from 2021 are improved in the following areas (next survey to take place in 2024):  
**KPI 20 I am kept informed by what is happening in the College**

**Baseline:**

Changed Y/N:	N/A
Reason for Change:	No Baseline available other than feed back from staff survey
New Target:	Evidence improvements and next staff survey is 2024

**Year One Target:**

Changed Y/N:	N/A
Reason for Change:	No Baseline available other than feed back from staff survey
Target:	Evidence improvements and next staff survey is 2024

**Actual**

**2022-23:**

Changed Y/N:	
Reason for Change:	
Target:	

**Trend:** On/Off Target (ie Maintaining/improving/declining)

**Target**

**2023-24:**

Changed Y/N:	
Reason for Change:	
Target:	

**Note on performance:**

**Narrative: (Max 10 lines)**

A modern sharepoint site has been developed for all staff communications called PerthHub, and a shortcut to this is now published on each staff desktop.  
 Heads of Departments are all site owners and have published content for their respective areas, these have been audited to ensure that content is relevant, upto date and "fresh"  
 There has been a soft and an official launch on this at two all staff conference days and a short cut to the site has been added to all staff desktops.  
 A communications strategy group has been establishing and a PCUHI Communications Strategy Framework developed outlining how communications should be established (to avoid cross population)  
 Next CMT meeting members will be asked to find 3 positives things and three areas that they thing could be improved about pages on Perth Hub for consultations / awareness  
 Stage 2 of this in the next academic year will be to gather feed back from the staff base (varying levels) to ascertain how they use it and what they would like to see less / more of.

**College Growth and Ambition**  
**KPI SO2 Our Staff**

**Board KPI** Staff survey results from 2021 are improved in the following areas (next survey to take place in 2024):  
**KPI 21** The leadership team provide clear direction and guidance

**Baseline:**

Changed Y/N:	N 42%
Reason for Change:	
New Target:	

**Year One Target:**

Changed Y/N:	N
Reason for Change:	
Target:	Maintain

**Actual**

**2022-23:**

Changed Y/N:	N
Reason for Change:	
Target:	Maintain

**Trend:** On/Off Target (ie Maintaining/improving/declining)

**Target**

**2023-24:**

Changed Y/N:	N
Reason for Change:	
Target:	Inc by 8%

**Note on performance:**

**Narrative: (Max 10 lines)**

The Senior Management Team (SMT) is to be renamed to the Senior Leadership Team, to fully reflect our collective commitment to being leaders, influencing staff to follow our example and culture change. A Leadership pledge is to be both written, signed and on display to all staff encouraging to challenge any leader that is living by, or behaving within the values we have set out. The Corporate Management Team are working in dynamic teams now towards shared goals, objectives and development projects to ensure that communication lines are kept open across Professional Services and Academic staff. Ensuring both communication and collaboration is established. As a CMT Team we are now meeting more regularly to work on shared projects. We (CMT) have an away day together where we worked together on the KPI's, this will be replicated as we progress in both our dynamic teams and as a collective towards this shared objective.

changed Y/N:

**KPI SO2 Our Staff**

Staff survey results from 2021 are improved in the following areas (next survey to take place in 2024):

**KPI 21** Through the Professional Review process, I feel my training needs and ambitions are discussed, identified and actioned where possible

**Baseline:**

Changed Y/N:	N
Reason for Change:	
New Target:	

**Year One Target:**

Changed Y/N:	
Reason for Change:	
Target:	

**Actual**

**2022-23:**

Changed Y/N:	
Reason for Change:	
Target:	

**Trend:** On Target

**Target**

**2023-24:**

Changed Y/N:	Not set
Reason for Change:	
Target:	Maintain, as cannot be evidenced until next staff survey, at staff survey in 2024 would hope for 70%

**Note on performance:**

**Narrative: (Max 10 lines)**

There has been a greater completion rates of professional reviews for 2022/2023 with completion rates increasing to 87 %

The professional review process was extended to allow all managers to complete this process and there is now a review process underway for the professional services staff, and will shortly start for the academic staff. This review will inform the process for 2023/2024

**College Growth and Ambition**  
**SO3: Our College**

**KPI 23 We will positively showcase PCUHI to our local community, regionally, nationally and internationally**  
 Increase the percentage of positive coverage locally, regionally, nationally, internationally to 80%

**Baseline:**

Changed Y/N:	Y
Reason for Change:	There was no baseline provided. Marketing confirmed baseline for local coverage but more work is required to fully understand the regional, national and international baseline.
New Baseline:	91% (Locally)

**Year One Target:**

Changed Y/N:	N
Reason for Change:	
Target:	Maintain

**Actual**

**2022-23:**

Changed Y/N:	N
Reason for Change:	
Target:	

**Trend:** Maintaining

**Target**

**2023-24:**

Changed Y/N:	N
Reason for Change:	
Target:	Maintain

**Note on performance:**

Defining a broad scope of 'coverage' in partnership with marketing to be able to capitalise upon every opportunity  
 Increased partnership between marketing and sector ambassadors has impacted social media coverage within specific areas  
 Collaborative decision making process for nominations to CDN awards and Herald awards piloted  
 Communications Strategy Group has started defining internal and external priorities... more to be done

**Actions for 23/24:**  
 Mapping media coverage by department/topic and measuring impact over the last 12 months  
 Define the baseline for national and international coverage so that we can set milestones towards the target  
 Create guidelines and hold training opportunities regarding digi social platforms and appropriate usage including reposting and sharing to maximum impact  
 Create a proforma for project conclusions that allow easy translation into award nominations and PR

**College Growth and Ambition**  
**SO4: Our Ways of Working**

We will enhance and improve our systems and processes, driving high quality outcomes

**KPI 24** Efficiency/time saved(days/hours/minutes)

**Baseline:**

Changed Y/N:	N
Reason for Change:	
New Target:	

**Year One Target:**

Changed Y/N:	N
Reason for Change:	
Target:	

**Actual**

**2022-23:**

Changed Y/N:	N
Reason for Change:	
Target:	

**Trend:** Maintaining

**Target**

**2023-24:**

Changed Y/N:	N
Reason for Change:	Training is scheduled for June for all members of the leadership team (SMT / CMT)
Target:	Untill process is started no target is available

**Note on performance: On Target**

**Narrative: (Max 10 lines)**

Process Improvement Training is scheduled in June for all members of the Senior Management and Corporate

**College Growth and Ambition**  
**SO4: Our Ways of Working**

We will enhance and improve our systems and processes, driving high quality outcomes.  
**Board KPI 25 – Develop an Effective and Efficient Strategy**

**Baseline:**

Changed Y/N:	N
Reason for Change:	
New Target:	

**Year One Target:**

Changed Y/N:	N
Reason for Change:	
Target:	

**Actual**

**2022-23:**

Changed Y/N:	N
Reason for Change:	
Target:	

**Trend:** On Target

**Target**

**2023-24:**

Changed Y/N:	N
Reason for Change:	
Target:	

**Note on performance:**

**Narrative: (Max 10 lines)**

Strategy has been developed and is being implemented and monitored on an ongoing basis through the balanced scorecard and ERM

**College Growth and Ambition**  
**SO4: Our Ways of Working**

Staff survey results from 2021 are improved in the following areas (next survey to take place in 2024):

**Board KPI 26 – Number services/processes improved**

Number services/processes improved

July 2023 - 4

July 2024 - 8

July 2025 - 12

**Baseline:**

Changed Y/N:	N
Reason for Change:	
New Target:	

**Year One Target:**

Changed Y/N:	N
Reason for Change:	
Target:	4

**Actual**  
**2022-23:**

Changed Y/N:	N
Reason for Change:	
Target:	4

**Trend:** On Target

**Target**  
**2023-24:**

Changed Y/N:	
Reason for Change:	
Target:	

**Note on performance:**

target of 4 processes improved has been met.



**Narrative: (Max 10 lines)**

Process mapping will be completed to ensure that we are working to identify individual steps, task owners and expected timelines, these will then be used to identify areas of improvement, remove inefficiencies, process bottlenecks and to reduce waste. This years target has been met through process improvements made within the ICT and Finance teams.

1. Streamlining financial information dissemination to budget holders, promoting clarity of budget progress and forecasting, budget packs were created.... @henry

2. Communication with ICT has been reduced from 4 methods to one allowing for prioritisation based on impact and urgency, this has also allowed for clarity to see areas that require improvement, training or technology to aid continuity.

3. The process of communication between the two teams and the wider UHI Perth stakeholders has been improved by hosting monthly joint drop in sessions where staff can come along and discuss potential projects, ideas, or gain knowledge or specifics

College Growth and Ambition

KPI Narrative Template 2024: Digital Transformation

Percentage staff with improved Digital Skills

Board KPI 27 - Baseline 100%

Board KPI 28 - Identify a baseline digital competence framework for each job role

Board KPI 29 - JISC Digital Competence tool completion by staff: 50% by July 2023, 75% by July 2024, 90% by July 2025

Baseline:

Change	Y
SYN	
Reason	27) This KPI was changed to remove "learners" (students) as this is to be addressed through contextual / course learning strategies
Change	28) No Baseline is currently available for Staff Roles, however each staff member gets a personal baseline using the results of the JISC Digital Survey Tool
New	Percentage staff with improved Digital Skills
Target	

Year One Target:

Change	N
SYN	
Reason	50% Target was met as set out
Change	
Target	To introduce areas of expertise in the baseline and encourage

Actual

2023-24	
Change	Y
SYN	
Reason	27) No Baseline is available so merged into KPI 26 /28/30
Change	28) No Baseline is currently available for Staff Roles, however each staff member gets a personal baseline using the results of the JISC Digital Survey Tool Encourage staff to access the personal baseline in their report
Target	29) JISC Digital Competence tool completion by staff: 50% was achieved by July 2023

Trend: On Target

Target

2023-24	N
Change	
SYN	
Reason	
Change	
Target	Establish baseline for all staff and available JCT Access and JISC Survey Update

Note on performance:

Narrative: (Max 10 lines)

The ability to establish an individual baseline was facilitated through the JISC Discovery Tool. The message that this is a personal result needs to be better communicated to encourage less confident staff to complete the survey without fear of embarrassment. UoE Perth Staff now have access to Microsoft Learn / LinkedIn and other training resources and this will be promoted through 2024. The Digital Skills Trainer will continue to run staff development sessions and participation encouraged through Professional Reviews. During 2022-2023 the completion of the JISC Digital Discovery Tool was made mandatory, uptake was on target at 50%. On investigation manual staff were identified as a cohort of staff that were not skilled enough to utilise this resource. Access to digital and targeted training to be provided. A baseline digital competence will be drawn up this year, and mapped to training through resources available through MS Learn and JISC. UoE Perth Staff achieved 50% completion of the JISC Digital Survey in 2022-23. A continued promotion to encourage staff to undertake the survey and promote opportunities for improve their Digital Skills.

Work has been done to understand this and staff with manual roles were identified as not having the skills to undertake the survey.

College Growth and Ambition

KPI Narrative Template SO5: Digital Transformation

Percentage staff/learners with improved Digital Skills
Board KPI 30 – Develop maker spaces/innovation hubs to enable staff to improve their digital capability

Baseline: 0

Changed Y/N:	No
Reason for Change:	No UHI Perth maker space was planned in year 1 Budget priorities for Cyber Essentials compliance superseded any expenditure in this area.
New Target:	N/A

Year One Target:

Changed Y/N:	N
Reason for Change:	
Target:	

Actual

2022-23:

Changed Y/N:	N
Reason for Change:	
Target:	

Trend: Maintaining Target over the 5 year period is achievable with investment in capital resources & CPD

Target

2023-24:

Changed Y/N:	N
Reason for Change:	
Target:	

Note on performance:

Narrative: (Max 10 lines)

Sign posting to maker spaces within the local PKC community has been undertaken. See Bells Library <https://www.culturepk.org.uk/creative-communities/maker-space/> & Perth Creative Exchange <https://www.waspsstudios.org.uk/spaces/perth/all/>  
Academic staff from Creative Industries have been trained on using the spaces and are permitted to host dedicated sessions for our students as well as the opportunity to book as individuals.  
Sharing resources has helped strengthen the ties between UHI Perth, PKC and the local community  
UHI Perth as part of the Tay Cities Engineering Partnership and MoU, incl ATG, D@A College, Fife College, PKC have agreed to share resources and make their Innovation Labs accessible to all. The finer details around booking, useage have still to be agreed.  
UHI Perth STEM sector have already purchased 4 3D printers, 1 Laser cutting and etching machine for use by staff, local businesses and students but at moment they are not located in one accessible area for all UHI Perth staff and students to access.

**Partnerships and Collaboration**

**KPI Narrative Template SO1: Relationships**

**Board KPI** Percentage strategic partnerships v proportion of external engagements

**KPI 31** Increase from 5% by 1% per annum

**Baseline:**

Changed Y/N:	N
Reason for Change:	
New Target:	

**Year One Target: 5%**

Changed Y/N:	N
Reason for Change:	
Target:	

**Actual**

**2022-23:**

Changed Y/N:	N
Reason for Change:	
Target:	5%

**Trend:** On Target

**Target**

**2023-24:**

Changed Y/N:	N
Reason for Change:	
Target:	6%

**Note on performance:**

**Narrative: (Max 10 lines)**

Develop and implement a looped process for winning strategic partners.

Develop and continually enhance products which meet customer requirements and demands

Industry focused products/USPs co-created, co-developed and co-delivered with industry stakeholders

Monitor competitors performance. Develop and issue quarterly report.

Definition of strategic partnerships needs to be defined. Currently BET/ASW have approx 130 business service transactions totalling circa £1million

Significant Scope for growth and needs to be linked to KPI 33

Strategic partnerships linked to UHI Perth reputation within our community, seen as an asset to commercial partners, drive revenue, support student experience and recovery of our regional economy

**Partnerships and Collaboration**

**KPI Narrative Template SO1: Relationships**

Percentage Learner/customer satisfaction with quality of courses

**KPI 32** Increase to 97%

**Baseline:**

Changed Y/N:	N
Reason for Change:	
New Target:	

**Year One Target: 75%**

Changed Y/N:	N
Reason for Change:	
Target:	

**Actual**

**2022-23:**

Changed Y/N:	N
Reason for Change:	
Target:	75%

**Trend:** On Target

**Target**

**2023-24:**

Changed Y/N:	N
Reason for Change:	
Target:	80%

**Note on performance:**

**Narrative: (Max 10 lines)**

Learner satisfaction to included commercial courses

Learner satisfaction data gathering to be explored to ensure all feedback is gathered and collated.

Cognisance that if the sources of feedback increase the potential for the student satisfaction levels may exponentially decrease

**Partnerships and Collaboration**

**KPI Narrative Template SO2: Commercial Enterprise and Innovation**

Board KPI Commercial AOP/Commercial Income (per college area)

**KPI 33** Gross overhead +1% by year 5

**Baseline:**

Changed Y/N:	N
Reason for Change:	
New Target:	

**Year One Target: 0%**

Changed Y/N:	N
Reason for Change:	
Target:	0.00%

**Actual**

**2022-23:**

Changed Y/N:	N
Reason for Change:	
Target:	0.00%

**Trend:** Status Quo

**Target** 0.25%

**2023-24:**

Changed Y/N:	N
Reason for Change:	
Target:	0.25%

**Note on performance:**

**Narrative: (Max 10 lines)**

Scope defined and commercial businesses include ASW, AST, Nursery and Residences

Develop competence matrix and create CPD plans versus the matrix

Develop a marketing strategy for commercial businesses including the development of a commercial website

Requirement for a CRM system or similar to be implemented

Monitor competitors performance. Develop and issue quarterly report.

college wide approach to commercial business generation including MA's FWDF, Submission of bids, private training, strategic partnerships where the income finally falls is irrelevant the need for a commercial mind set and supporting resources will drive the success of this KPI The word "commercial" needs further definition. Attracting commercial business and delivering a quality experience is key to success of KPI ASW will revise pricing model with 20-25% increase across all services put in place for FY 23-23- increase income by circa 100-120k/annum ASW to develop/implement 3G complex adding approx £100-£150k/annum to income

## Sustainability

### KPI Narrative Template SO1: Financial Management

#### KPI 34 Enhancement of financial forecasting

- Year 1 Budget plus one financial forecast
- Year 2 Budget plus 2 financial forecasts
- Year 3 Budget plus 3 financial forecasts
- Year 4 Rolling forecasts

#### Baseline:

Changed Y/N:	N
Reason for Change:	n/a
New Target:	n/a

#### Year One Target:

Changed Y/N:	N
Reason for Change:	n/a
Target:	n/a

#### Actual

##### 2022-23:

Changed Y/N:	n/a
Reason for Change:	n/a
Target:	n/a

#### Trend:

On/Off Target (ie Maintaining/improving/declining)

#### Target

##### 2023-24:

Changed Y/N:	N
Reason for Change:	n/a
Target:	n/a

#### Note on performance:

#### Narrative: (Max 10 lines)

Mid year forecast has been completed. However, this is based on SFC requirements and not internal. Limited information has been provided by budget holders as part of the agreed process which is making a full year forecast challenging.

**Sustainability**

**KPI Narrative Template SO1: Reinvestment Planning**

**KPI 35** At the end of the strategic cycle have the following cost/income ratios:

- 1. Staff Cost/Income 70%
- 2. Non-Staff Cost/Income 21%
- 3. Investment Cost/Income 5%

**Baseline:**

Changed Y/N:	N
Reason for Change:	n/a
New Target:	n/a

**Year One Target:**

Changed Y/N:	N
Reason for Change:	n/a
Target:	n/a

**Actual**

**2022-23:**

Changed Y/N:	N
Reason for Change:	n/a
Target:	n/a

**Trend:** Off target

**Target**

**2023-24:**

Changed Y/N:	N
Reason for Change:	
Target:	

**Note on performance:**

**Narrative: (Max 10 lines)**



Budget will be aligned to the target for 23-24. However, this is dependant on the budgets being correctly submitted. The timetable for completing the course resource models is now behind and these are required to drive teaching resource need. Without these models, the budget cannot be properly completed.

Forecast actuals are substantially behind target at 85% and 96.9% for staff/sep staffing ratio. The future

changed Y/N:

**Board KP 36 – Percentage gross carbon footprint reduction**

**Baseline:**

Changed Y/N:	Y
Reason for Change:	We need reassess and plan how and what we measure this target so that this methodology remain constant throughout the lifetime of the strategy
New Target:	to be confirmed

**Year One Target:**

Changed Y/N:	Y
Reason for Change:	We need reassess and plan how and what we measure this target so that this methodology remain constant throughout the lifetime of the strategy
Target:	to be confirmed

**Actual**

**2022-23:**

Changed Y/N:	
Reason for Change:	
Target:	

**Trend:** On/Off Target (ie Maintaining/improving/declining)

**Target**

**2023-24:**

Changed Y/N:	
Reason for Change:	
Target:	

**Note on performance:**

**Narrative: (Max 10 lines)**

An environmental strategy group has been formed and they have produced a climate emergency/environmental strategy to embed environmental sustainability into all of our activities to lessen our impact on the environment. Discussions have been had with procurement to discuss sustainable purchasing and conversations have been had with Aramark to review their processes as they appear to be very heavily reliant on a disposable culture which we have to move away from. The sustainability KPI baseline figure for our carbon footprint only records our energy use and while this gives an indication that is easy to measure it doesn't give a true reflection on the organisation as a whole and over time this should be expanded to showcase all the good work that takes place across the Campus.

## Committee Cover Sheet

Paper No. 3

<b>Name of Committee</b>	Audit Committee
<b>Subject</b>	Risk Management
<b>Date of Committee meeting</b>	30/05/2023
<b>Author</b>	Iain Wishart
<b>Date paper prepared</b>	23/05/2023
<b>Executive Summary</b> Please provide a concise summary of the Paper outlining the purpose, impact and recommended future actions if approved	There are a number of attachments in this section: <ol style="list-style-type: none"> <li>1. Original risk register – we will continue to use this until the Audit Committee are comfortable that our ERM solution can replace it.</li> <li>2. New Risk Report – now active.</li> <li>3. Internal Audit Tracker</li> </ol>
<b>Committee Consultation</b> Please note which Committees this paper has previously been tabled at, and a brief summary of the outcomes/actions arising from this.	First review of these documents.
<b>Action requested</b>	<input checked="" type="checkbox"/> For information <input checked="" type="checkbox"/> For discussion <input type="checkbox"/> For endorsement <input type="checkbox"/> For approval <input type="checkbox"/> Recommended with guidance (please provide further information, below)
<b>Strategic Impact</b> Please highlight how the paper links to the Strategic Objectives of UHI Perth or the UHI Partnership: <a href="#">Strategic-Plan-2022-27.pdf</a>  If there is no direct link to Strategic Objectives, please provide a justification for inclusion of this paper to the nominated Committee.	The management of risks is important to ensure the best chance of delivering strategic objectives.

## Committee Cover Sheet

<p><b>Resource implications</b></p> <p>Does this activity/proposal require the use of College resources to implement?</p> <p>If yes, please provide details.</p>	<p>Yes, managing risks will take up some staffs time.</p>
<p><b>Risk implications</b></p> <p>Does this activity/proposal come with any associated risk to UHI Perth, or mitigate against existing risk?</p> <p>If yes, please provide details.</p>	<p>Yes</p> <p>Click or tap here to enter text.</p>
<p><b>Equality &amp; Diversity</b></p> <p>Does this activity/proposal require an Equality Impact Assessment?</p> <p>If yes, please provide details.</p>	<p>No</p>
<p><b>Data Protection</b></p> <p>Does this activity/proposal require a Data Protection Impact Assessment?</p> <p>If yes, please provide details.</p>	<p>No</p> <p>Click or tap here to enter text.</p>
<p><b>Island communities</b></p> <p>Does this activity/proposal have an effect on an island community which is significantly different from its effect on other communities (including other island communities)?</p>	<p>No</p> <p>If yes, please give details:</p> <p>Click or tap here to enter text.</p>
<p><b>Status</b></p> <p>(ie confidential or non-confidential)</p>	<p>Non-Confidential</p> <p>If a paper needs to remain confidential for a prescribed period of time before being made 'open', please advise how long must the paper be withheld:</p> <p>Click or tap here to enter text.</p>

## Committee Cover Sheet

### Freedom of Information

Please note that **ALL** papers will be included within 'open' business unless a justifiable reason can be provided.

Please select a justification from the list, below:

Its disclosure would substantially prejudice a programme of research	<input type="checkbox"/>	Its disclosure would substantially prejudice the effective conduct of public affairs	<input type="checkbox"/>
Its disclosure would substantially prejudice the commercial interests of any person or organisation	<input type="checkbox"/>	Its disclosure would constitute a breach of confidence actionable in court	<input type="checkbox"/>
Its disclosure would constitute a breach of the Data Protection Act	<input type="checkbox"/>	Other [please give further details] Click or tap here to enter text.	<input type="checkbox"/>

Further guidance on application of the exclusions from Freedom of Information legislation is available via:

<http://www.itspublicknowledge.info/ScottishPublicAuthorities/ScottishPublicAuthorities.asp>

and

[http://www.itspublicknowledge.info/web/FILES/Public\\_Interest\\_Test.pdf](http://www.itspublicknowledge.info/web/FILES/Public_Interest_Test.pdf)

**UHI Strategic Risk Register Template**

Updates Key:

May 2022 review

Covid specific risks

January 2023 review

May 2023 review

Partner: UHI Perth

Date: May 2023

Ref	Risk Status	Strategic Category	RISK AREA, Risk Description & Primary Sub-Committee	Causes	Impacts/ Evidence	Owner	Likelihood	Impact	Gross Risk	Actions to minimise risk IN PLACE	Residual Risk	Trend	Current Action Plan		
													Actions to minimise risk TO DO	Action Owner	Completion Date
1*	Active	Working in partnership to meet the needs of our local economy and beyond.  Providing a progressive curriculum which meets economic and social needs and aspirations.	<b>Control over strategic environment</b>  Operations limited due to outcome of central or remote decision making reducing local impact and focus.  Lack of understanding or clarity of the academic partnership within our external operating environment.  <b>Strategic Development</b>	<ul style="list-style-type: none"> <li>Collective reporting</li> <li>Dilution of local need within decision making</li> <li>Changes to Partnership structures/ organisation.</li> </ul>	<ul style="list-style-type: none"> <li>Reduced student numbers.</li> <li>Declining performance.</li> <li>Loss of commercial potential.</li> <li>SFC Coherence Review of Colleges &amp; Universities</li> <li>UHI Academic Partner discussions re internal structures</li> </ul>	Principal			16	<ul style="list-style-type: none"> <li>College Board of Management and Chair kept informed of arising issues.</li> <li>UHI Interim Depute Principal and Chair of Regional Strategy Committee made aware of issues.</li> <li>SMT proactive in decision making forums.</li> <li>Perth &amp; Kinross CPP single outcome agreement embedded in ROA.</li> <li>Continue positive working relationships with Colleges Scotland, Scottish Government and SDS.</li> <li>Engagement with Board members on key issues with regular discussions in appropriate Committees</li> </ul> <p>Active engagement in UHI2024 project</p>	16 (4,4)	↔	<ul style="list-style-type: none"> <li>Continue to highlight as appropriate.</li> <li>Continue to work on and implement recommendations of current Programme Board</li> <li>Work proactively within partnership and beyond.</li> <li>Be proactive in discussions re. future integration</li> <li>Review metrics for measuring local engagement</li> <li>Carry out Perth Curriculum Review (Academic)</li> </ul>	Principal  Principal  Principal  Chair  VP Academic	Ongoing  Ongoing  Ongoing  Sept 2023
2*	Active	Working in partnership to meet the needs of our local economy and beyond.	<b>Achievement of Student Numbers</b>  Non-achievement of numbers.  Low allocation of funded Student Numbers from the region.  Adverse impact of Regional funding and allocation  Low allocation of funded student numbers from the region  <b>Learner Experience</b>	<ul style="list-style-type: none"> <li>Lack of marketing focus</li> <li>Intra regional competition</li> <li>Curriculum offered does not meet demand</li> <li>Slow conversion of application to acceptance</li> <li>Impact of school profile and jobs market</li> <li>Likely impacts of Brexit, eg ESIF, reduction in FTE funding</li> </ul> <p>COVID-19 impact</p> <p>Increase in university funded places</p>	<ul style="list-style-type: none"> <li>Financial.</li> <li>Reputation.</li> <li>National appetite for increased funded numbers.</li> <li>Reduction in EU students.</li> <li>£3m funding not guaranteed</li> <li>Implications for students without settled/pre-settled student status</li> <li>Fall in enrolments related to UCAS 2<sup>nd</sup> choice institutions</li> <li>Increase in SDS 16+ dataset remaining in school or going straight into employment</li> <li>Impact of expansion of University HE numbers on College</li> </ul>	Depute Principal / VP External Engagement/ VP Academic	5	5	25	<ul style="list-style-type: none"> <li>Curriculum Review completed.</li> <li>Maintaining engagement with applicants.</li> <li>Well informed with strong/robust evidence/business case for local demand.</li> <li>Strong representation on PPF for FE and HE and on the Regional FE-Strategy Committee.</li> <li>Clear understanding and management of criteria within the ROA.</li> <li>Endorsement of Community Planning Partnership.</li> <li>Liaise with adjoining regions, colleges and providers for out of region provision.</li> <li>Strategic discussions with PKC Education Department on Schools/College volume.</li> <li>Ensure student numbers align to strategic plans.</li> <li>Effective marketing plan in place.</li> </ul>	20 (5,4)	↑	<ul style="list-style-type: none"> <li>Revised Marketing Strategy – transitioning to digital</li> <li>Rebranding UHI Perth</li> <li>Increased marketing/curriculum budgets to assist with student recruitment</li> <li>Review of programmes initially identified in the Curriculum Review leading to amalgamation of groups and classes where appropriate</li> <li>Increase the number of targeted open days, their</li> </ul>	VP External Engagement  VP External Engagement  Depute Principal  VP Academic  Marketing	Ongoing  June 2023  Ongoing  August 2023  October 2023

Ref	Risk Status	Strategic Category	RISK AREA, Risk Description & Primary Sub-Committee	Causes	Impacts/ Evidence	Owner	Likelihood	Impact	Gross Risk	Actions to minimise risk IN PLACE	Residual Risk	Trend	Current Action Plan		
													Actions to minimise risk TO DO	Action Owner	Completion Date
				<p><b>Increase in school remainers</b></p> <p><b>Change in Scottish Govt. policy</b></p> <p>10% reduction in funded credits by SFC for 23/24</p> <p>Cut in number of students studying at FE level</p> <p>Real term cut in SFC FE funding</p> <p>UHI distribution model for credits for FA and FE places</p>	<p><b>HE student numbers</b></p> <p>Cut in number of students studying at FE level</p> <p>Real term cut in SFC FE funding</p>					<ul style="list-style-type: none"> <li>• Student Number Planning using more robust data</li> <li>• EREP Action Plan Implementation – in suspension due to COVID</li> <li>• Implementation of effective messaging system</li> <li>• Courses with highest EU student cohorts identified</li> <li>• Learner Journey Strategic Group implementation</li> </ul> <p>Develop collaborative transitions programmes with schools</p> <p>Analyse gaps in regional labour markets and focus on mid semester/academic year opportunities to commence F/T or P/T learning programmes</p> <p>Review focus and strategy of recruitment campaigns</p> <ul style="list-style-type: none"> <li>• <b>Curriculum Strategy</b></li> <li>• Involvement with Tay Cities Deal (24 additional HE FTE places) <b>Additional places not required at this stage.</b></li> </ul>			<p>functionality eg on the day enrolment and frequency to ensure targets are met</p> <p>Lobbying UHI for clarification on credit distribution models</p>	Principal	June 2023
3*	Active	Developing a successful and sustainable organisation.	<p><b>International Student recruitment</b></p> <p>Lack of International student recruitment.</p> <p>Lack of RUK student recruitment.</p> <p>Sustaining International Partnerships</p> <p>Student recruitment behind targets</p> <p>International instability</p> <p><b>F&amp;R</b></p>	<ul style="list-style-type: none"> <li>• UK Regulation Registration (UKVI)</li> <li>• In country adverse political environment</li> <li>• Availability of suitable product</li> <li>• Marketing and attraction strategy</li> </ul> <p>Insufficient resources in UHI to support development of international opportunities</p> <p><b>COVID-19</b></p> <p>Ongoing conflict in Europe</p> <p><b>UK immigration policy focussing on elite universities.</b></p>	<ul style="list-style-type: none"> <li>• Loss of income.</li> <li>• Bad publicity.</li> <li>• Lack of student diversification</li> </ul> <p><b>Likely downturn in international recruitment</b></p> <p>Potential impact on foreign markets allied to Russia</p>	VP External Engagement	5	4	20	<ul style="list-style-type: none"> <li>• Student Testimonials.</li> <li>• Closer links with the curriculum areas.</li> <li>• Working with UHI VP International and External Engagement</li> <li>• Explore combined product offering between College and AST.</li> <li>• Delivery of Trans National Education</li> <li>• Protection of UKVI Student Licence</li> <li>• Review opportunities for employing staff in market</li> <li>• New International Strategy Approved by Board</li> <li>• Strategy is connected to UHI Sustainability Plan</li> <li>• Recruitment data resulting from Chinese website being monitored within International Strategy</li> <li>• Growth in new markets, eg Icelandic MBA</li> <li>• Review delivery models inc commercial subsidiary</li> <li>• Review of EU fee policy</li> </ul>	20 (5.4)	↔	<ul style="list-style-type: none"> <li>• Deepen and establish new relationships</li> <li>• Develop exchange opportunities for students and staff</li> <li>• Enhance comms-and social channels</li> <li>• Engage with UHI re development of UHI International Strategy</li> <li>• Collaborate with rest of Scottish College sector re bidding for vocational education options</li> <li>• Capitalise on opportunities arising from Chinese website</li> </ul>	VP External Engagement	<p>Ongoing</p> <p>Ongoing</p> <p>Ongoing</p> <p>ongoing</p> <p>Ongoing</p> <p>Ongoing</p>

Ref	Risk Status	Strategic Category	RISK AREA, Risk Description & Primary Sub-Committee	Causes	Impacts/ Evidence	Owner	Likelihood	Impact	Gross Risk	Actions to minimise risk IN PLACE	Residual Risk	Trend	Current Action Plan		
													Actions to minimise risk TO DO	Action Owner	Completion Date
													<ul style="list-style-type: none"> <li>Recruitment of additional international recruiter</li> </ul>		March 2023
4*	Active	Developing a successful and sustainable organisation.  UHI Common Risk	<b>Institutional reputation</b>  The institution has a poor reputation.  <b>F&amp;R</b>	<ul style="list-style-type: none"> <li>Inequitable distribution of income across Partnership</li> <li>Consistent poor student experience/performance</li> <li>Breakdown in Partner and Staff relations</li> <li>Confusion of brand identity re. Perth and UHI</li> <li>Adverse publicity</li> <li>Negative external perceptions due to internal processes (eg Consultation)</li> </ul>	<ul style="list-style-type: none"> <li>Loss of income</li> <li>Increased costs</li> <li>Staff retention/recruitment</li> <li>Student retention/recruitment.</li> <li>Loss of accreditations.</li> <li>Damage to reputation</li> <li>Evidence of increased FOI requests on sensitive issues</li> <li>Increase in referrals to ICO related to College activity</li> </ul>	Principal	3	4	12	<ul style="list-style-type: none"> <li>Heightened awareness of causes of poor reputation.</li> <li>Heightened reinforcement of the value of Perth College.</li> <li>Building trust with Partners.</li> <li>Effective marketing of College and UHI.</li> <li>Maintain communication via employer engagement.</li> <li>Annual marketing and PR Plan in place.</li> <li>Agreement reached with UHI on roll out of UHI brand – UHI Perth.</li> </ul>	8 (2,4)	↔	<ul style="list-style-type: none"> <li>Review, update and implement communications and PR strategy</li> <li>Adoption and roll out of UHI brand – UHI Perth.</li> </ul>	Principal	7/10/21 Target completion now Jan 2022.  June 2023
5*	Active	Inspiring and supporting our students to achieve their potential.  Developing a successful and sustainable organisation.  UHI Common Risk	<b>College Estate</b>  College estate not fit for purpose.  <b>F&amp;R</b>	<ul style="list-style-type: none"> <li>Reduction of Capital Grant.</li> <li>Backlog of essential maintenance.</li> <li>Uncertainty of future Governance model.</li> <li>Lack of available funds.</li> <li>Age of current campus</li> <li>Priority to increase classroom accommodation</li> <li>Exponential increase in utility costs</li> </ul>	<ul style="list-style-type: none"> <li>Estate poorly maintained</li> <li>Inability to deliver a new improved estate fast enough.</li> <li>Availability of classrooms and academic equipment does not match demand.</li> <li>Immediate and recurring costs associated with COVID, eg PPE</li> <li>Poor building quality causes inability to achieve sustainability/environmental targets</li> <li>Inability to segment/compartmentalise energy usage due to aged heating systems</li> </ul>	Depute Principal	5	3	15	<ul style="list-style-type: none"> <li>Attracting external investment.</li> <li>Backlog maintenance risk register has now been developed.</li> <li>Weekly 'Walk the Campus' and engage staff – Visible Management.</li> <li>Approval of identified major building projects.</li> <li>Update estates planning to ensure optimum use of space freed up by completion of ASW</li> <li>Ensure additional funding allocated by SFC for backlog maintenance is spent appropriately.</li> <li>Tender process to commission outline plans for campus options re Estates Strategy under way</li> <li>Average £650k pa ring-fenced for spring &amp; summer works</li> <li>Estates Strategy/PKC Masterplan under development</li> <li>Commission tender process for Estates Strategy</li> <li>Phase 1 and 2 of new Estates Strategy completed</li> </ul>	9 (3,3)	↑	<ul style="list-style-type: none"> <li>Commission of Conditions Survey &amp; prioritisation of required work</li> <li>Phase 3 of new Estates Strategy</li> <li>Introduction of a 5yr rolling programme of building condition surveys</li> <li>Master budget template created for all planned/funded repairs</li> <li>Sustainability review</li> <li>Waste Management Policy and Procedure</li> </ul>	Head of Estates  Depute Principal/Head of Estates  Depute Principal/Head of Estates  Depute Principal/Head of Estates  Head of Estates  Head of Estates	Completed  Ongoing  Ongoing  Ongoing  August 2023  October 2023
6*	Active	Inspiring and supporting our students to achieve their potential.	<b>IT infrastructure &amp; implementation</b>  Technology not fit for purpose.	<ul style="list-style-type: none"> <li>Changes in ICT development and technology.</li> <li>Changing in Learning and Teaching</li> </ul>	<ul style="list-style-type: none"> <li>Higher investment in resources required.</li> <li>Need to continually alter accommodation.</li> </ul>	VP External Engagement	4	3	12	<ul style="list-style-type: none"> <li>Developed robust Curriculum Development Plan.</li> <li>Link ICT changes in L&amp;T practice to Estates Planning.</li> <li>Review and implement working practices to optimise available</li> </ul>	9 (3,3)	↔	Implement agreed priorities from College Sector Digital Ambition	VP Operations	Ongoing



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													Actions to minimise risk TO DO	Action Owner	Completion Date
			<p>No replacement or upgrade of critical ICT and academic equipment.</p> <p>Heightened risk of cyber attack</p> <p>Licenses for specialist software classroom-based rather than individual</p> <p><b>F&amp;R</b></p>	<p>practices.</p> <ul style="list-style-type: none"> <li>• Increase in network delivery of teaching.</li> <li>• Increased use of social networking.</li> <li>• Inadequate VC facilities/ digital platforms to support larger classes.</li> <li>• Additional requirements from curriculum development and growth.</li> <li>• In-equitable digital access for students (equipment and connectivity)</li> <li>• Technological innovation.</li> <li>• Lack of Integrated Information Systems</li> </ul>	<ul style="list-style-type: none"> <li>• Available resources limit delivery options.</li> <li>• Digital/ cloud-based services inadequate for curriculum and professional needs.</li> <li>• Poor student and staff feedback.</li> <li>• Lack of knowledge of system design</li> <li>• Duplication of data and processes</li> </ul>					<ul style="list-style-type: none"> <li>space and working times through use of CELCAT Management Reports.</li> <li>• Operational Planning process and resource commitments system in place.</li> <li>• Prioritise investment required for resources for key curriculum areas.</li> <li>• Ongoing evaluation of VC capacity and teaching space in line with curriculum delivery plan.- complete</li> <li>• ICT rolling programme of replacement – focus changed from classroom-based PCs to provision of laptops and BYOD for students</li> <li>• Shared licence purchases with UHI</li> <li>• UHI Wi-Fi Service upgrade: Continue existing Wi-Fi network service until the new service has been proved through a pilot</li> <li>• Bright Space consolidation</li> <li>-Staff training sessions available on demand</li> <li>• VC Application change to Webex and MS teams.</li> <li>• GDPR Training sessions: Awareness of issues around transferring data</li> <li>• New Operational Planning Process</li> <li>• Change tracker for Payroll Process</li> <li>• Communicate changes to staff and students</li> <li>• Opportunities/impetus presented by Scottish Government Digital Strategy</li> <li>• Digital Poverty transition project</li> <li>• ICT rolling programme transitioning from desktop renewal to RAM upgrade and staff laptop allocation.</li> <li>• ICT budget and replacement influenced by curriculum needs</li> <li>• Commission tender for integrated Finance/Payroll/HR system</li> <li>• ICT &amp; DT Strategy developed and approved – incorporating digital strategy</li> <li>• Common UHI Information Security Framework</li> <li>• Updated ICT Asset Register</li> </ul>					
7	Active	Developing staff to successfully deliver our Vision.	<b>(Senior) staffing levels</b>	<ul style="list-style-type: none"> <li>• Poor performance management of</li> </ul>	<ul style="list-style-type: none"> <li>• Inability to compete.</li> <li>• Loss of business and reputation.</li> </ul>	Principal	3	3	9	<ul style="list-style-type: none"> <li>• CPD reports to SMT re progress against CPD targets for professional reviews,</li> </ul>	4 (2,2)	↔	Continue to improve completion levels	Head of HR & OD	Ongoing

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													Actions to minimise risk TO DO	Action Owner	Completion Date					
		UHI Common Risk	Disruption to services/projects and/or partnership working resulting from loss of a key staff member.  <b>F&amp;R</b>	competence issues. • Fast pace of curriculum development. • Excessive demand on CPD. • Lack of staff capability. • Poor workforce planning. ○Affordability/ cost of staff	• Potential requirement to buy in specialist staff ○High staff turnover. ○Poor staff satisfaction.					mandatory training etc • Prioritise an appropriate level of CPD investment linked to financial sustainability. • Assessment Action Plan in place and monitored • Maintain Healthy Working Lives accreditation – <b>Gold Award</b> • Succession Planning • Minimisation of single-person dependencies • Staff Survey completed and results distributed								for Mandatory Training		
8 *	Active	Developing a successful and sustainable organisation.  UHI Common Risk	<b>Research outputs</b>  Research outputs are sub-standard.  Overall number of Research activities/outputs are small.  Insufficient momentum to build capacity in most curriculum areas.  <b>Learner Experience</b>	• Low numbers of staff with relevant skill-set to conduct research  • Lack of time permitted/ incentives provided for research activities  • Research not integral part of staff contracts Inadequate support for bidding for research contracts  • Funding methodology	• Inability to identify and agree appropriate projects • Research strategy not clear  • Small number Perth college staff contributing to UHI Education Unit of Assessment in REF	Principal	4	3	12	• Annual Review of R&KE strategy. • Develop relationships with wider UHI colleagues. • Prioritise R&KE research activities where appropriate for REF income. • Investigate SFC Innovation Funding and maximise • Work with University SMT, Research Clusters and PKC • Tay Cities Deal developments. • Effective and purposeful operation of Scholarship & Research Committee and links to UHI structures. • Active & ongoing engagement with research organisations • Research Strategy updated and approved • <b>Significant investment in research activity</b>	9 (3,3)	↔	Link with KE specialists in UHI.  Review EO funding streams for fostering and supporting research at AP	Principal  Principal	7/10/21 Ongoing  7/10/21 Ongoing					
9 *	Active	Working in partnership to meet the needs of our local economy and beyond.  Developing a successful and sustainable organisation.	<b>Growth opportunities</b>  Missing viable opportunities for development and growth  <b>F&amp;R</b>	• Insufficient research. • Lack of horizon scanning. • Lack of ability to invest in opportunities. • Insufficient planning. • Being too risk averse. • Failing to develop at the required pace. • Funding allocations • Resource limitations • Changes to ESIF Funding. <b>Impact of COVID-19</b>  <b>Increase in employment</b>	• Loss of share of potential market/earnings. • Loss of reputation. • Miss the market. • Stagnation of product offering. • Missed opportunities for staff. • Missed opportunities for students. • Funding criteria changes.  <b>Uncertain future for development activities and appetite for external</b>	VP External Engagement/ VP Academic	4	4	16	• Effective new product development processes/reviews. • Clear review of product development processes / communication International and Home. • Collaborative UHI Partnership process in place. • Scanning and planning cycles and process communicated. • Collecting staff ideas by their involvement. • Encouraging a staff culture of enterprising behaviour. • Legislative change mapping for new courses. • Tayside RSA + H & I RSA to be used as baseline intelligence. • Flexibility in approval Cycle and proportionate responses. • Liaison with UHI re ESIF and LUPS. • Monitor and review international opportunities and costs. International Strategy.	16 (4,4)	↔	<b>Full curriculum review 22/23</b>  • <b>Review of School-College Partnership</b>  • PPF UHI Curriculum Plan  <b>Tay Cities Deal</b> Maintain dialogue with strategic partners  Final OBC submitted for approval  Financial plan to ensure sustainability of AAS including leveraging of £1.2m donor contributions	VP Academic    VP External Engagement	March 2023  Underway  Ongoing  Ongoing  March 2024  Ongoing					

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			<p>Tay Cities Deal: Delay in final deal due to General Election leads to issues re: funding and market value</p> <p>Funds withdrawn elsewhere may result in rationalisation of local project</p>	<p>opportunities without any formal or vocational qualifications</p> <p>UHI Curriculum Review</p> <p>Changes to Scottish Govt. policy</p>	<p>engagement post-outbreak, including Tay Cities Deal</p> <p>Reduced opportunities due to post-COVID climate</p> <p>Divestment of courses not deemed sustainable by UHI SNLs which relate to continuing professional development and provision of apprenticeship or vocational programmes</p> <p>Tay Cities Deal: • Loss of capital funding • Loss of opportunity for developments</p> <p>Reduction in Scottish Govt. funding of apprenticeships</p> <p>Reduction in the supply of qualified apprentices across a number of key sectors</p> <p>Decrease in MA funding will have detrimental impact on partnership working</p>					<ul style="list-style-type: none"> <li>Continuous collaboration with Learner Journey Strategic Group re school/college curriculum to achieve objectives re apprenticeships &amp; employability</li> <li>Contracting of Associates to overcome shortage of lecturing staff</li> </ul> <p>Perth College PLs and curriculum managers to participate in full in UHI curriculum review</p> <p>Analyse the impact of any divestment on PC programmes</p> <p>Reengage in face to face meetings with employers, professional bodies and associations.</p> <ul style="list-style-type: none"> <li>Curriculum Review FE and HE 2019</li> </ul> <p>Tay Cities Deal: Proposal passed by Board: 5-year Plan = £320k new revenue (net of allowances for costs)</p> <p>Enact Business Development Strategy following Board approval</p> <p>Presentation of financial reporting reflect margins rather than revenues</p> <p>Target international developments towards areas where product is requested eg Business degrees</p>			<p>(project now incorporated within the PCUHI Masterplan targeting SFT)</p> <p>Representation to Scottish Govt. and SDS via UHI to reconsider substantial reduction and reallocation of funding based on LUPS</p>	Principal	June 2023
10*	Active	<p>Inspiring and supporting our students to achieve their potential.</p> <p>Providing a progressive curriculum which meets economic and social needs and aspirations.</p> <p>UHI Common Risk</p>	<p><b>Academic Quality</b></p> <p>Academic quality is sub standard</p> <p><b>Learner Experience</b></p>	<ul style="list-style-type: none"> <li>Insufficient tracking of student.</li> <li>Poor understanding of student requirements.</li> <li>Product not fit for purpose.</li> <li>Poor delivery.</li> <li>Insufficient support for students.</li> <li>Mis-selling of courses/provision.</li> <li>Delivery impacted by</li> </ul>	<ul style="list-style-type: none"> <li>Loss of students.</li> <li>Loss of earnings.</li> <li>Adverse PR and poor reputation.</li> <li>Poor future recruitment.</li> <li>Poor achievement and retention.</li> </ul> <p>Potential confusion re approaches to progression across curriculum;</p> <p>Future students recruited at inappropriate levels</p>	Depute Principal / VP Academic	3	3	9	<ul style="list-style-type: none"> <li>Student tracking programme and reviews by Student Advisers.</li> <li>Heightened student focus on internal communication and training evidenced by the BRAG reporting system.</li> <li>Managing student expectations.</li> <li>Active listening to student voice and acting on evidenced by feedback to students.</li> <li>Act on Student Survey outcomes evidenced by action planning with quality reviews.</li> <li>Ensure regular/ constructive formative assessment feedback to students/ customers.</li> </ul>	9 (3,3)	↔	<ul style="list-style-type: none"> <li>Increase HE/FE credits to meet shortfall and targets</li> </ul> <p>Focus on amalgamation of courses</p> <p>Further explore potential for international students to supplement reduction in funding</p> <p>Monitoring of Internal and external verification of SQA courses</p>	<p>VP Academic</p> <p>VP Academic</p> <p>VP Academic</p> <p>Quality</p>	<p>Sept 2023</p> <p>August 2023</p> <p>Ongoing</p> <p>Ongoing</p>

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													Actions to minimise risk TO DO	Action Owner	Completion Date
				ongoing industrial action  Impact of COVID-19  UHI "Curriculum Review"  Further review of curriculum to ensure sustainability post reduction in funding  Artificial Intelligence (AI)	Impact of COVID on student survey performance based on delivery (-ve and +ve)    Threats to academic integrity from chatbot software applications (but also awareness of the opportunities the technology offers)					<ul style="list-style-type: none"> <li>Implement Complaints Procedure in line with new legislation and refresh training.</li> <li>ASW opportunities roll out.</li> <li>Student Partnership Project</li> <li>NSS Action Plans implemented for courses with poor results.</li> <li>Appointment of Head of Student Experience.</li> <li>Self-evaluation process redesigned.</li> <li>Working with HISA to conduct student focus groups.</li> <li>A Student Experience Committee has been convened</li> <li>Ensure findings are reported on with regards to the complaints procedure and actions identified and followed up on</li> <li>Quality review process redesigned (course KPIs by exception)</li> <li>Identification of protected characteristics and KPIs</li> <li>Student Support Review</li> <li>Revamp website with regards to the services available to support learning</li> <li>Regular discussion of key issues at Student Experience Committee</li> <li>Attainment &amp; Retention KPIs</li> <li>Perth College PLs and curriculum managers to participate in full in UHI curriculum review</li> <li>Clarity about the student learning strategy and format for learning</li> </ul>			<ul style="list-style-type: none"> <li>Regular QAA audit of degree provision</li> <li>Peer observation</li> <li>Induction learner experience feedback</li> <li>HISA Student Voice Reps</li> <li>HISA regular monthly meetings with SMT</li> <li>Regular engagement with Education Scotland</li> <li>Engagement with UHI re guidance on the use of Chatbots/AI</li> </ul>	<ul style="list-style-type: none"> <li>UHI</li> <li>Head of LTE</li> <li>Head of SE/SDDs</li> <li>HISA P</li> <li>HISA P/SMT</li> <li>VP Academic</li> <li>Depute Principal</li> </ul>	<ul style="list-style-type: none"> <li>Ongoing</li> <li>Ongoing</li> <li>Ongoing</li> <li>Ongoing</li> <li>Ongoing</li> <li>Ongoing</li> <li>Ongoing</li> </ul>
11*	Active	Providing a progressive curriculum which meets economic and social needs and aspirations.  UHI Common Risk	<b>Regional curriculum plan</b>  Regional curriculum plan and delivery not aligned to local demand.  <b>Learner Experience</b>	<ul style="list-style-type: none"> <li>Fragmented ownership.</li> <li>Lack of planning.</li> <li>Over ambitious change in delivery methodology.</li> <li>Wrong blend between online and face to face.</li> <li>ESIF changes</li> <li>Not fully within gift of PC UHI, need others/UHI to contribute</li> <li>UHI curriculum strategy proposals</li> </ul>	<ul style="list-style-type: none"> <li>Lose students.</li> <li>Financial risk through reallocation.</li> <li>Students choose another provider.</li> <li>Poor retention and achievement.</li> <li>Disputed ownership/ responsibility for failings.</li> </ul>	VP Academic	3	3	9	<ul style="list-style-type: none"> <li>Influence/engage with development.</li> <li>Meetings arranged with UHI Deans &amp; subject network leaders</li> <li>Keep in touch/listen to student views.</li> <li>Active engagement in appropriate committees</li> <li>UHI to commission research on impact of changed delivery methodologies.</li> <li>Work with UHI, SDS and local stakeholders to enhance demand analysis.</li> <li>Regional Outcome Agreement development and implementation.</li> <li>In liaison with PKC re Learner Strategy</li> </ul>	9 (3.3)	↔	<ul style="list-style-type: none"> <li>Proactively engage in implementation of UHI 2024.</li> <li>UHI 2024 Curriculum Review</li> </ul>	SMT	<ul style="list-style-type: none"> <li>Ongoing</li> <li>April 2023</li> </ul>

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													Actions to minimise risk TO DO	Action Owner	Completion Date	
				COVID-19	PKC Learner Strategy now recommenced					<ul style="list-style-type: none"> <li>Continuous review of FE Curriculum</li> <li>Principal on UHI HE/ FE Curriculum Review groups</li> <li>UHI 2024 Curriculum Review</li> <li>UHI Perth Curriculum Review</li> </ul>						
12*	Active	Developing a successful and sustainable organisation.	<b>Business Continuity</b>  Threat to Business Continuity  <b>Audit</b>	<ul style="list-style-type: none"> <li>Major incident.</li> <li>Pandemic.</li> <li>Major fire.</li> <li>Terrorist Activity.</li> <li>Cyber Incident UHI ICT loss of service.</li> <li>Radicalisation</li> </ul>	<ul style="list-style-type: none"> <li>College closure.</li> <li>Reduced/loss of service.</li> <li>Potential financial implications, eg fines imposed by ICO</li> </ul>	Principal	5	5	25	<ul style="list-style-type: none"> <li>Annual Reviews of Business Continuity Plan.</li> <li>Fibre ring installed mitigating risk of network collapse</li> <li>ICT Risk Register developed and dynamic review.</li> <li>Live ICT shutdown test.</li> <li>Desktop exercise with CMT successfully completed (historic)</li> <li>UHI wide live exercise concluded (historic)</li> <li>Business Continuity Plan reviewed around Coronavirus</li> <li>Regular Partnership-wide crises management meetings</li> <li>Review protocols re back-up systems utilised to identify at-risk non-Cloud systems following cyber incident</li> <li>Complete transition of data from network to cloud platforms</li> <li>Review non-COVID Business Continuity Plans to absorb learning from recent approaches/ Solutions and cyber incident</li> </ul>	20 (5,4)	↔	<ul style="list-style-type: none"> <li>Review non-Covid business continuity plans to absorb learning from cyber incident learnings/solutions</li> <li>Encourage staff to identify and report cyber risk incidents</li> </ul>	Clerk to BOM/ Project & Planning Officer  SMT	July 2023  Ongoing	
13*	Active	Developing a successful and sustainable organisation.	<b>Shared services</b>  Lose control of critical processes and systems through Shared Services  Shared Service Model controlled by UHI EO and UHI Finance & General Purposes and University Court.  <b>F&amp;R</b>	<ul style="list-style-type: none"> <li>Insufficient planning.</li> <li>Inadequate backup.</li> <li>Poor training and inadequate communications.</li> <li>Loss of control of direct employees.</li> <li>Reduced service level.</li> <li>Additional cost.</li> <li>Lag in service improvement.</li> <li>Loss of control over capital investment.</li> </ul>	<ul style="list-style-type: none"> <li>Disruption to business systems and student learning.</li> <li>Increased costs.</li> </ul> <p>UHI2024 Shared Services stream likely to conclude that serious investment is required before Shared Services can be realised.</p>	Principal	3	3	9	<ul style="list-style-type: none"> <li>Involved in thorough planning. Members of the LIS Shared Service Board.</li> <li>Member of the Shared Service Programme Board.</li> <li>Maintain Perth College input into development of shared services.</li> <li>Access SLA from LIS to ensure clarity of central functions and local ICT responsibilities</li> <li>Proactive within commissioning board.</li> <li>Principal leading UHI2024 Shared Services workstream</li> <li>UHI 2024 shared services workstream project plan being developed</li> </ul>	9 (3,3)	↔	<ul style="list-style-type: none"> <li>Agree principle of Service Level Agreements with UHI</li> </ul>	SMT	7/10/21 Ongoing	
14*	Active	Developing a successful and sustainable organisation.	<b>Financial sustainability</b>  Unable to achieve a breakeven Adjusted Operating Profit (AOP) on a sustainable basis.  <b>F&amp;R</b>	<ul style="list-style-type: none"> <li>Significant fall in income.</li> <li>Staff costs + non-staff costs are higher than income.</li> <li>Local consequences of National bargaining</li> </ul>	<ul style="list-style-type: none"> <li>College does not have enough cash to operate and or grow.</li> <li>Accounts show a deficit AOP for more than one year.</li> </ul>	VP Operations	4	5	20	Continued development of cashflow forecasting model  Management Accounts  Forecasting – FFR  Budget process	15 (3,5)	↔	<ul style="list-style-type: none"> <li>Development of Management Accounting Information.</li> <li>Development of financial forecasting models.</li> </ul>	VP Operations	Ongoing – work will continue to evolve  Ongoing as part of strategic objectives  Underway, now has	



Ref	Risk Status	Strategic Category	RISK AREA, Risk Description & Primary Sub-Committee	Causes	Impacts/ Evidence	Owner	Likelihood	Impact	Gross Risk	Actions to minimise risk IN PLACE	Residual Risk	Trend	Current Action Plan		
													Actions to minimise risk TO DO	Action Owner	Completion Date
				<ul style="list-style-type: none"> <li>• Occurrence of event on disaster recovery plan.</li> <li>• Drastic increase in fuel and energy costs</li> </ul>									<ul style="list-style-type: none"> <li>• Development of cash flow forecasting.</li> <li>• Development of budget process.</li> </ul>		<p>more focus and will continue to evolve</p> <p>First 2 cycles complete and will continue to evolve</p>
15*	Active	Developing a successful and sustainable organisation.  UHI Common Risk	<p><b>Internal controls</b></p> <p>Internal controls do not exist or are not effective in preventing a significant issue/event.</p> <p><b>F&amp;R</b></p>	<p>No ERM strategy in place.</p> <p>Existing controls not tested regularly.</p> <p>Risk not identified, therefore controls not in place.</p> <p>Staff have not been trained in risk identification and control development.</p> <p><b>COVID-19</b></p>	<p>Significant events occur where no controls are in place.</p> <p>Significant events occur where controls are in place.</p> <p>2020/21 External Audit Report stresses need for improved systems due to current reliance on manual inputs</p> <p><b>Financial impact of reduced student numbers, commercial income, etc</b></p>	VP Operations	3	5	15	<p>ERM model developed and being rolled out.</p> <p>Regular Internal Audit programs.</p> <p>Annual External Audit.</p>	15 (3,5)	↔	Design an ERM strategy and implement a system of control e.g. SOX 404 or ISO31000	VP Operations	Continuing to evolve, we have full time resource working on this.
17	Active	Developing a successful and sustainable organisation.	<p><b>Statutory compliance</b></p> <p>Non-compliance of Statutory Health and Safety Legislation and Equality Legislation</p> <p><b>Audit</b></p>	<ul style="list-style-type: none"> <li>• Introduction of amendments to existing legislation or new unforeseen and unplanned legislation.</li> <li>Failure to comply with Equalities Duties and contingent statutory reporting</li> </ul>	<ul style="list-style-type: none"> <li>• Introduces financial and staffing resources to administer.</li> <li>• Legal Action.</li> <li>• Risk to Business Continuity.</li> <li>• Financial fines.</li> <li>• Reputational damage.</li> </ul> <p>2020/21 External Audit Report stresses need for improved back-up governance arrangements re Board Secretary absence</p>	Depute Principal	5	4	20	<ul style="list-style-type: none"> <li>• Produced and implemented a detailed Health and Safety Operational Risk Management Register. Updated quarterly and reviewed by Audit Committee every 6 months.</li> <li>• Produce Annual Report on Health and Safety.</li> <li>• Equalities Outcomes and Mainstreaming Report – Action Plan completed.</li> <li>• Regular review of HSE publications, website and notifications.</li> <li>• Health and Safety Management System annual review</li> <li>• Equality &amp; Diversity lead appointed July 2019, with specific initial focus on statutory reporting requirements</li> <li>• Improvement in Mandatory Training stats – 90% Completion Rate target established</li> <li>• New reporting mechanisms for Health &amp; Safety</li> <li>• Increase in prevalence of risk assessments across organisation</li> </ul>	16 (4,4)	↔	<p>Board presence on H&amp;S committee</p> <p>Increased profile /improved stats re compliance for mandatory training for H&amp;S</p> <p>H&amp;S update as a standard item at every staff conference</p> <p>Publication of Integrated Progress Report 2023/4 ensuring currency of existing legislation</p> <p>Monthly meeting of Equality &amp; Diversity group with cross-college staff and student representation</p>	<p>BOM</p> <p>Head of HROD</p> <p>Head of HROD</p> <p>E&amp;D Adviser</p> <p>Head of HROD</p>	<p>Ongoing</p> <p>Ongoing</p> <p>Ongoing</p> <p>June 2023</p> <p>Ongoing</p>

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													Actions to minimise risk TO DO	Action Owner	Completion Date	
										<ul style="list-style-type: none"> <li>COVID Response Group codified as sub-committee of H&amp;S Committee</li> <li>Plans in place to enforce completion of Compulsory H&amp;S training</li> </ul> New Equality & Diversity Adviser appointment 2021						
18	Partly Active	Developing a successful and sustainable organisation.	<b>Brexit</b> Implication of outcome of EU Referendum  Leading to:  Loss of EU Funding.  Decrease in overseas (EU) students.  Loss of EU national staff.  <b>F&amp;R</b>	OLack of numbers. OStudents wishing to study within EU OEconomic and fiscal uncertainty over EU exit.		Principal	5	4	20		15 (5.3)	↔	<ul style="list-style-type: none"> <li>Scottish Government looking to protect Erasmus + programme</li> </ul>	Principal	May 2022 tbc	
19	Active	UHI Common Risk	<b>HE student numbers</b>  College does not achieve allocated HE student number targets  <b>Learner Experience</b>	Failure to recruit sufficient students due to various factors such as: over ambitious PPF target, poor marketing, curriculum gaps, poor NNS results etc.  <b>Impact of COVID-19</b>  <b>Delivery methods</b>  <b>Grade inflation associated with SQA qualifications</b>  <b>Increase in university places</b>	Reduction of income from UHI, regional student number target at risk resulting in possible claw back to SFC from UHI in year or reduction in future years grant.  <b>Financial impact of reduced student numbers</b>  <ul style="list-style-type: none"> <li>Impact of expansion of University HE numbers on College HE student numbers</li> </ul> <b>Imposed/restricted HE/FE numbers by SFC</b>  <b>Imposed/restricted HE/FE numbers by UHI</b>	Depute Principal / VP Academic	5	5	25	OReview curriculum to ensure robust and up to date complete OContinue close partnership working within UHI. Ongoing dialogue with PPF and academic partners. OPlan, monitor and review student numbers/applications. <ul style="list-style-type: none"> <li>Improved marketing has reduced curriculum gap</li> <li>Improved NSS scores</li> <li>Trend analysis for student targets</li> <li>Curriculum review 2019</li> </ul>	25 (5.5)	↑	<ul style="list-style-type: none"> <li>Implementation of full Curriculum Review</li> </ul> UHI Curriculum Review 1st phase September 2021 Replaced by UHI2024 – 1st phase consultancy  Further explore potential for international students to supplement reduction in HE numbers	VP Academic  UHI, Depute and VP Academic  VP Academic	Sept 2023  April 2023  Ongoing	
20	Active	UHI Common Risk	<b>FE student numbers</b>	Failure to recruit sufficient students due to various factors such as: over ambitious	Reduction of income from UHI, regional student number target at risk resulting in possible	Depute Principal Academic / VP Academic	5	5	25	OReview curriculum to ensure robust and up to date complete ODevelop external partnerships with schools. DYW and	25 (5.5)	↑	<ul style="list-style-type: none"> <li>Implementation of full Curriculum Review</li> </ul>	VP Academic	Sept 2023	

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													Actions to minimise risk TO DO	Action Owner	Completion Date	
			College does not achieve allocated FE Credit targets.  <b>Learner Experience</b>	target, curriculum gaps, ineffective marketing and engagement with local schools/ employers.  Impact of COVID-19  No curriculum linkage to regional skills assessment  Failure to produce an ROA  Increase in school returners  Increase in employability opportunities	claw back to SFC from UHI in year or reduction in future years grant.  Financial impact of reduced student numbers  Potential for specific courses to be paused/ Discontinued  Imposed/restricted HE/FE numbers by SFC  Imposed/restricted HE/FE numbers by UHI  10% reduction in funded credits by SFC for 23/24  Cut in number of students studying at FE level  Real term cut in SFC FE funding									Continue progress made with partnerships developed through Learner Journey Strategy Group  UHI curriculum review Replaced by UHI2024 – 1 <sup>st</sup> phase consultancy  Review courses originally identified by Perth curriculum review and amalgamate where appropriate	VP Academic  Principal  VP Academic	Ongoing  May 2023  August 2023
21	Active	UHI Common Risk	<b>Statutory Compliance</b>  Non-compliance with relevant statutory regulations.  <b>Audit</b>	Lack of awareness of relevant laws and penalties.  Management failures. E.g. UK GRPR (Data and Information Security), Health and Safety Regulations, PREVENT legislation etc.	Failure to meet appropriate legislative standards likely to result in significant reputational damage and/or possible legal action.  Additional scrutiny from statutory bodies such as Auditor General, HSE, OSCR, Information Commissioner, etc	Depute Principal	4	3	12	<ul style="list-style-type: none"> <li>Robust governance policy.</li> <li>Robust management policies, procedures and systems in place.</li> <li>Dedicated Health &amp; Safety officer.</li> <li>IT/Data Protection staff in place.</li> <li>Mandatory staff training.</li> <li>Close working relationship within UHI.</li> <li>Policies &amp; procedures produced and published, including Model Publication Scheme and Privacy Notices</li> <li>Work with/respond to ICO and OSIC to minimise risk of breaches where appropriate</li> <li>Reviewed Work From Home practices around remote access of sensitive data</li> <li>Reviewed protocols re back-up systems utilised to identify at-risk non-Cloud systems following cyber incident</li> <li>Robust internal audit schedule providing additional rigour and feedback on compliance/ progress/best practice</li> </ul>	9 (3,3)	↔	<ul style="list-style-type: none"> <li>Continuous update and reinforcement of GDPR policies and procedures.</li> <li>Improvement in Mandatory Training stats – 90% Completion Rate target established</li> <li>Introduce mandatory cyber and information security training to increase awareness of cyber risks</li> <li>Information security embedded in all job roles (see also risk 24)</li> <li>Process for continuous updating of Policy &amp; Procedures to ensure currency</li> </ul>	Principal  Head of HR & OD  Head of HR & OD  Head of HR & OD /Head of ICT & DT  Depute Principal	Ongoing  Completed but ongoing monitoring  tbc  Ongoing  tbc	



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													Actions to minimise risk TO DO	Action Owner	Completion Date
22	Active	UHI Common Risk	<p><b>Governance</b></p> <p>Governance Failure.</p> <p><b>Audit</b></p>	<p>Governing body does not have an appropriate balance of skills and experience.</p> <p>Role of a governor/director is onerous and it is difficult to attract a broad range of high calibre individuals to serve for non-remunerated roles.</p> <p>Board members not provided with enough support or information to fully discharge their responsibilities</p>	<p>Challenge to recruit new Board Members</p> <p>High turnover of Board Members</p> <p>Action Plans arising from recent Audits are not sufficiently monitored and reported</p> <p>Failure to comply with Code of Good Governance</p> <p>External Auditor noted risk around reliance on single individual re Board Secretary and advised College should have back up to ensure governance activities continue as normal during any periods of absence.</p>	Chair, BoM	3	3	9	<ul style="list-style-type: none"> <li>○ Recruitment process robust, transparent and open.</li> <li>○ Skills matrix approach in place.</li> <li>○ Networking/proactively encouraging diversity of applicants</li> <li>○ Robust Action Plan falling out of various Audit Reports produced</li> <li>• Board External Effectiveness Review completed June 2020</li> <li>• Successful recruitment &amp; induction of new Board Members summer 2020</li> <li>• Review of Committee membership summer 2020</li> <li>• Code of Good Governance Compliance Checklist reviewed Oct 2020</li> <li>• Successful recruitment of new Board Members winter 2021</li> <li>• Reallocation of Committee positions completed Jan 2022</li> <li>• Board Effectiveness Review Action Plan</li> <li>Audit Action Plan in place with robust monitoring system</li> <li>• <u>Internal arrangements in place re secretariat duties in event of absence of Board Secretary, and national and regional support re governance advice is available via RSB and CDN</u></li> </ul>	3 (1,3)	↔			
23	Active	UHI Common Risk	<p><b>Student Experience</b></p> <p>Poor Student Experience</p> <p><b>Learner Experience</b></p>	<p>Poor college estate.</p> <p>Dispersed campus with limited facilities for social interaction.</p> <p>Technology failures.</p> <p>Limited teaching/library resources.</p> <p>Societal issues around Digital Poverty</p> <p>Cyber-Security Incident</p> <p>Poor recruitment &amp; development of</p>	<p>Poor performance in national student satisfaction surveys.</p> <p>Reputational damage.</p> <p>Impact on ability to recruit future cohorts.</p> <p>Risk to core income streams.</p> <p>Impact on students of Cyber-Security response measures on risk minimisation of systems, eg restrictions on availability of hardware and software affected</p>	Depute Principal	4	3	12	<ul style="list-style-type: none"> <li>○ Partnership approach with HISA</li> <li>○ Continuous student engagement, feedback and dialogue.</li> <li>○ Ongoing Estate Maintenance and minor Refurbishments</li> <li>• Completion of Scottish Government information survey around COVID local outbreak responses</li> <li>• Student Survey re VLE/Brightspace conducted and shared with SDDs – <u>action plan devised</u></li> <li>• Significant investment re availability of laptops and WiFi access for students during COVID (versus potential limitations caused by Cyber-Security incident response measures)</li> <li>• Improved CPD (Per Risk 7)</li> </ul>	12 (4,3)	↔	<ul style="list-style-type: none"> <li>• Commission of Conditions Survey &amp; prioritisation of required work</li> <li>• Phase 3 of new Estates Strategy</li> <li>Introduction of a 5yr rolling programme of building condition surveys</li> <li>Master budget template created for all planned/funded repairs</li> <li>Review of room utilisation/learner spaces across College to improve service design</li> </ul>	Head of Estates Depute Principal/Head of Estates Depute Principal/Head of Estates Depute Principal/Head of Estates Depute Principal	October 2023

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													Actions to minimise risk TO DO	Action Owner	Completion Date
				student-facing staff  COVID-19	Likely down-turn in Survey scores due to lack of contact time from March 2020					<ul style="list-style-type: none"> <li>New Estates Strategy commissioned – Phase 3 of 3</li> <li>Conditions Survey and prioritisation of required work</li> </ul>			Review of catering provision/quality/value	Head of Estates	Nov/Dec 2023
24	Active	UHI Common Risk	<b>Data protection</b>  Institutional, personal and sensitive data is corrupted, lost, stolen or misused or services are disrupted through malicious and illegal activities by external individuals or bodies.  <b>F&amp;R</b>	Poor IT security measures. Equipment with security holes. Poor patching regime. Anti-virus is not up-to-date/comprehensive. Firewalls are configured incorrectly. Coordinated DDOS attack on university infrastructure. Increasing number of security alerts. DDOS attacks on UK academic institutions up to 527 in 2015 - Janet CSIRT. Increase in cyber-attacks such as ransomware reported in national media.	Information Commissioner fine of up to £500k. Adverse press coverage. Loss of confidence by regulators, stakeholders and HE sector. Ransomware encryption has been detected on UHI network.	Principal	3	4	12	<ul style="list-style-type: none"> <li>Firewalls and filters updated regularly.</li> <li>Anti-virus software on all corporate devices.</li> <li>UHI protocols applied and adhered to.</li> <li>Passwords changed regularly.</li> <li>Dual authentication processes rolled out</li> <li>Reviewed Work from Home practices around remote access of sensitive data</li> <li>Reviewed protocols re back-up systems utilised to identify at risk non-Cloud systems following cyber incident</li> </ul>	12 (3,4)	↔	<ul style="list-style-type: none"> <li>Monitoring of UHI wireless network hardware and process</li> </ul> Embed data and information security within all job roles (see also risk 21)	Head of ICT & DT  Head of ICT & DT/Head of HR & OD	7/10/21 Ongoing  Ongoing
25	Active	Developing a successful and sustainable organisation	<b>Commercial subsidiary</b>  Financial failure of commercial subsidiary  International instability  <b>F&amp;R</b>	Deterioration in economic viability of subsidiary  Dramatic increases in fuel and energy costs  Ongoing conflict in Europe	Reduction in profitability  Potential impact on international markets  Poor outlook due to worldwide collapse in aviation market  Fluctuating cash position	VP External Engagement	4	5	20	<ul style="list-style-type: none"> <li>AST management structure reviewed.</li> <li>Policies identified</li> <li>Best practice adhered to</li> <li>College Governance applied.</li> <li>Advice given to AST Management Team</li> <li>General Manager appointed</li> <li>Going Concern work prioritised leading to increased focus on cash management &amp; projections</li> <li>Job Retention Scheme/Salary Holidays/Rent Reduction to reduce costs while not trading</li> <li>Growth Plan agreed</li> <li>AST reported profit of +£190k in 2020/21 annual accounts</li> </ul>	12 (3,4)	↔	Implement robust cashflow forecasts –  Develop financial sustainability program for 23/24  EY have been asked to comment on ability of College to fund AST with loan.	VP Operations  VP Operations  VP Operations	Underway and will continue to evolve  Being Developed May/June 2023  May 2023

Ref	Risk Status	Strategic Category	RISK AREA, Risk Description & Primary Sub-Committee	Causes	Impacts/ Evidence	Owner	Likelihood	Impact	Gross Risk	Actions to minimise risk IN PLACE	Residual Risk	Trend	Current Action Plan			
													Actions to minimise risk TO DO	Action Owner	Completion Date	
										<ul style="list-style-type: none"> <li>2022/23 Business Plan reviewed once return dates are confirmed</li> </ul>						
26	Active	Developing a successful and sustainable organisation	<b>Payroll</b> Failure of payroll systems & procedures results in non-compliance with standards  <b>Audit</b>	Lack of integrated HR, Payroll and Finance systems	Recorded instances of erroneous NI payments  Incorrect reporting of pensions liabilities and tax payments arising from erroneous NI payments  Staff dissatisfaction with issue and/or steps taken to rectify  2020/21 External Audit Report stresses need for improved systems due to current reliance on manual inputs  Salaries Double Payment recorded Nov 2021	VP Ops	5	3	15	<ul style="list-style-type: none"> <li>Internal Audit Action Plan commissioned and partially actioned</li> <li>Amended the payroll system user access rights to ensure that that these are appropriate for user roles and remove all generic users from the payroll system</li> <li>Strengthened controls around variations to staff salaries on the payroll system to reduce the opportunity for unauthorised entries to be added to the tracker and inadvertently processed</li> <li>Introduced mechanisms to ensure that payroll checklists are always completed and held on file and that these checklists are always checked and signed off by someone independent of the payroll team prior to processing of the payroll.</li> </ul>	9 (3,3)	↔	Review recruitment & induction processes  Compliance with relevant areas of Audit Action Plan	Head of HR & OD  Head of HR & OD	June 2020  Ongoing	
28	Active	Developing a successful and sustainable organisation	<b>Procurement</b> Procurement processes are not fully compliant with regulations  <b>F&amp;R</b>	Internal processes not suitably robust	Contracts register incomplete  Historic contracts contain higher level of risk than anticipated upon review (eg catering)	VP OPs	4	3	12	<ul style="list-style-type: none"> <li>APUC team in place</li> <li>Strategy updated</li> <li>Procurement Policy updated</li> </ul>	6 (2,3)	↔	<ul style="list-style-type: none"> <li>Compliance with relevant areas of Audit Action Plan</li> </ul>	VP Operations	Ongoing	
29	Active	Developing a successful and sustainable organisation	<b>Asset Management</b> Insufficient levels of Asset Management are in place  <b>F&amp;R</b>	Lack of systems/controls to record and manage changes to Asset Register	Asset Register not complete  Creates difficulty in producing accurate accounts	VP OPs	4	3	12	<ul style="list-style-type: none"> <li>ICT have list of ICT related assets</li> <li>Review of Financial Regulations carried out</li> <li>Codification &amp; approval of Land &amp; Buildings valuation calculation</li> <li>Independent valuation of key assets for External Audit</li> <li>Codification &amp; approval of Land &amp; Buildings valuation calculation</li> <li>Independent valuation of key assets for External Audit</li> </ul>	12 (4,3)	↔	<ul style="list-style-type: none"> <li>Update Asset Register</li> </ul>	VP Operations	Ongoing	

Note: Risks 4, 5, 7, 8, 10, 12, 15, 19-24 are UHI Common Risks.

**LIKELIHOOD CRITERIA**      **TIMESCALE 3 YEARS**

Score	Descriptor	Probability
<b>5 - Almost Certain</b>	More than likely – the event is anticipated to occur	>80%
<b>4- Likely</b>	Fairly likely – the event will probably occur	61-80%
<b>3 - Possible</b>	Possible – the event is expected to occur at some time	31-60%
<b>2 - Unlikely</b>	Unlikely – the event could occur at some time	10-30%
<b>1 - Very Rare</b>	Remote – the event may only occur in exceptional circumstances	<10%

**IMPACT CRITERIA**      **TIMESCALE 3 YEARS**

Score	Descriptor	Financial	Operational	Reputational (need to link to communications process for incident management)
<b>5 - Catastrophic</b>	A <b>disaster</b> with the potential to lead to: <ul style="list-style-type: none"> <li>• loss of a major UHI partner</li> <li>• loss of major funding stream</li> </ul>	> £500,000 or lead to likely loss of key partner	<ul style="list-style-type: none"> <li>• Likely loss of key partner, curriculum area or department</li> <li>• Litigation in progress</li> <li>• Severe student dissatisfaction</li> <li>• Serious quality issues/high failure rates/major delivery problems</li> </ul>	<ul style="list-style-type: none"> <li>• Incident or event that could result in potentially long term damage to UHI's reputation. Strategy needed to manage the incident.</li> <li>• Adverse national media coverage</li> <li>• Credibility in marketplace and with stakeholders significantly undermined.</li> </ul>
<b>4 - Major</b>	A <b>critical</b> event which threatens to lead to: <ul style="list-style-type: none"> <li>• <b>major</b> reduction in funding</li> <li>• <b>major</b> reduction in teaching/research capacity</li> </ul>	£250,000 - £500,000 or lead to possible loss of partner	<ul style="list-style-type: none"> <li>• Possible loss of partner and litigation threatened</li> <li>• Major deterioration in quality/pass rates/delivery</li> <li>• Student dissatisfaction</li> </ul>	<ul style="list-style-type: none"> <li>• Incident/event that could result in limited medium – short term damage to UHI's reputation at local/regional level.</li> <li>• Adverse local media coverage</li> <li>• Credibility in marketplace/with stakeholders is affected.</li> </ul>
<b>3 - Significant</b>	A <b>Significant</b> event, such as financial/ operational difficulty in a department or academic partner which requires additional management effort to resolve.	£50,000 - £250,000	<ul style="list-style-type: none"> <li>• General deterioration in quality/delivery but not persistent</li> <li>• Persistence of issue could lead to litigation</li> <li>• Students expressing concern</li> </ul>	<ul style="list-style-type: none"> <li>• An incident/event that could result in limited short term damage to UHI's reputation and limited to a local level.</li> <li>• Criticism in sector or local press</li> <li>• Credibility noted in sector only</li> </ul>
<b>2 - Minor</b>	An <b>adverse</b> event that can be accommodated with some management effort.	£10,000 - £50,000	<ul style="list-style-type: none"> <li>• Some quality/delivery issues occurring regularly</li> <li>• Raised by students but not considered major</li> </ul>	<ul style="list-style-type: none"> <li>• Low media profile</li> <li>• Problem commented upon but credibility unaffected</li> </ul>
<b>1 - Insignificant</b>	An <b>adverse</b> event that can be accommodated through normal operating procedures.	<£10,000	<ul style="list-style-type: none"> <li>• Quality/delivery issue considered one-off</li> <li>• Raised by students but action in hand</li> </ul>	<ul style="list-style-type: none"> <li>• No adverse publicity</li> <li>• Credibility unaffected and goes unnoticed</li> </ul>

**Note:** Select criteria most appropriate. Use highest score if more than one criterion applies.

**RISK MAP (for Gross risk & residual risk)**

**TIMESCALE 3 YEARS**

<b>IMPACT</b>					
<b>5 - Catastrophic</b>	5	10	15	20	25
<b>4 - Major</b>	4	8	12	16	20
<b>3 - Significant</b>	3	6	9	12	15
<b>2 - Minor</b>	2	4	6	8	10
<b>1 - Insignificant</b>	1	2	3	4	5
	<b>1 -Very Rare</b>	<b>2 - Unlikely</b>	<b>3 - Possible</b>	<b>4 - Likely</b>	<b>5 - Almost Certain</b>
	<b>LIKELIHOOD</b>				

Attention should also be paid to risks that are very rare or unlikely that could cause a catastrophic impact.



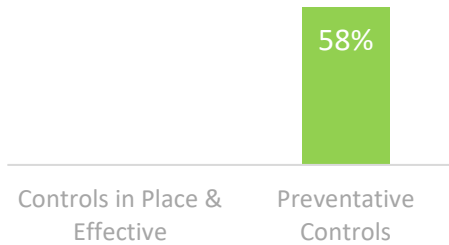
# UHI Perth

## Risk Report

May 2023

# Risk Overview May 2023

## Strategic Risk



### Update Since Last Report

As a reminder, the bars on these charts are:  
Controls in Place & Effective: relates to a measure after controls /actions are 100% complete, we don't have any actions that are 100% complete at the moment.  
Preventative Controls relates to the percentage of our controls that are Preventative. We are currently working on putting 87 actions/controls in place to manage our strategic risk and 58% of these are preventative. All controls/actions have been assigned to CMT members. Meetings have taken place with regards to all our strategic risk and we are in an advanced state of setting targets for the completion of actions and controls. Follow up meetings will be set to begin monitoring % complete and this information will be updated in this report each quarter.

## Significant Risk

Controls in Place & Effective      Preventative Controls

### Update Since Last Report

The key focus on this section was looking at Business Continuity. WE have set up a Business Continuity team and have had our first meeting. We also reached out to EO and Moray and have gathered templates that they are using for Business Continuity. We are also looking at incorporating Martyn's Law into our Business Continuity program.  
We will also be looking at other business meetings within UHI Perth and assess the risks that they are looking at eg Health and Safety and decide how to incorporate/report on these. Significant Risk is a very broad topic and we will dedicate more time to this as our Strategic Risk Register gets up and running.

## UHI Common Risk

Controls in Place & Effective      Preventative Controls

### Update Since Last Report

EO contacted UHI Perth after the last Audit Committee meeting to request a copy of our ERM model. W have not heard anything from them since then.

## Project Risk

Controls in Place & Effective      Preventative Controls

### Update Since Last Report

There are no significant projects running at the moment so there is nothing to update in this section. Our new HR/Payroll system would have started to appear in this section but it has now been delayed.

# Strategic Risk

## Overview



# Strategic Risk Overview March 2023

## College Growth & Ambition



### Controls in Place & Effective

All controls to be developed have now been set and agreed with risk owners with 7 of the 9 controls expected to be in place and tested for effectiveness before Board Cycle 1 2023/24. The progress of controls through to completion will be managed through regular meetings with risk owners and will begin to include discussion on how controls will be tested for effectiveness.



### Types of Control

This section has the largest percentage of Preventative controls in place at 78% (7 of the 10 controls) which reflects the emphasis on controls around planning and organisation for this area.



### Key Risk Points

Work is underway towards achieving the target for each KPI. It should be noted 2 of the KPIs – Our Culture and Our Staff - are aligned to improving the positive responses in the next Staff Survey which is due to take place in Spring 2024 and therefore timebound. Work is progressing well for Our Ways of Working and Digital Transformation.



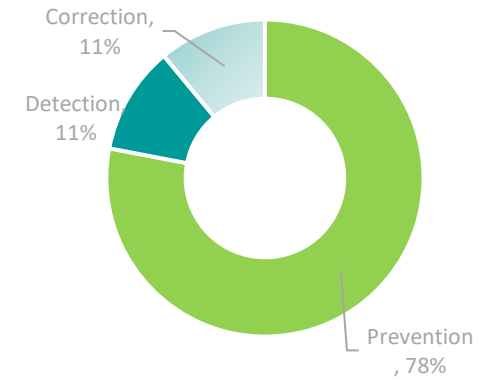
### New Risks

No new risks have been identified since the last report. This will continue to be reviewed on a continual loop as risks may change and to ensure that we are continue to have full coverage.

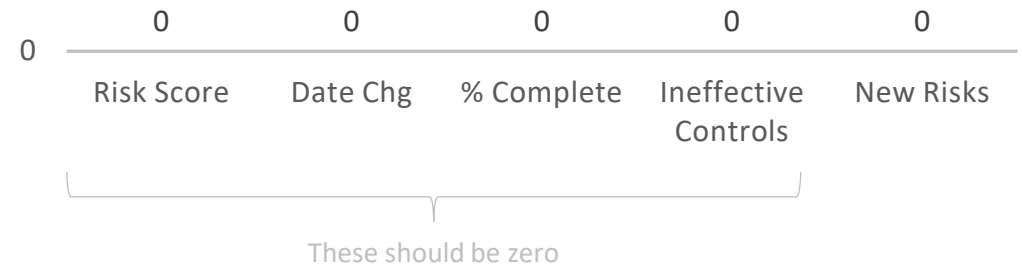


Controls in Place & Effective

1



Types of Control



# Strategic Risk Overview March 2023

## Excellence in Learning & the Learner Experience



### Controls in Place & Effective

All controls to be developed have now been set and agreed with risk owners with 37 of the 41 controls expected to be in place and tested for effectiveness by the end of October 2023 and 14 of these in place before Board Cycle 1 2023/24. The progress will be monitored to ensure completion remains on track.



### Types of Control

Most of the controls are Preventative at 54% and we will continue to review this to ensure this remains on target. Corrective controls represent just over one third of the total overall and this reflects the use of evaluation and review exercises throughout the academic year i.e. team self-evaluation, student surveys and the professional review process which help inform business planning.



### Key Risk Points

At 41 controls, the Excellence in Learning & the Learner Experience has the largest number of controls to be put in place. The impact on resource this potentially represents has been mitigated by setting a control around curriculum planning which has synergy across Student Retention, Student Achievement, Student Satisfaction and Co-Creative Curriculum.



### New Risks

No new risks have been identified since the last report, however the rework of one of the areas sitting under Sustainability – Reinvestment Planning – that is planned for the next quarter will see some risk events and controls move over to this area.



Controls in Place & Effective



Types of Control

Risk Score	Date Chg	% Complete	Ineffective Controls	New Risks

These should be zero

# Strategic Risk Overview March 2023

## Partnerships & Collaboration



### Controls in Place & Effective

Initial meetings with risk owners have taken place but further work is needed before controls and dates can be agreed. Part of this work will involve the repositioning of controls currently sitting in Reinvestment Planning.



### Types of Control

At the moment, Preventative controls account for 54% of the total in this area. Please note the work still to be carried that is noted above.



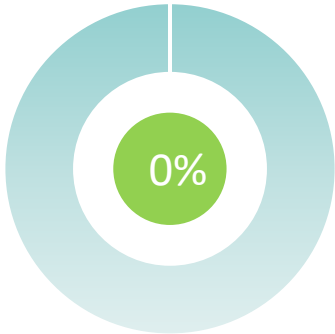
### Key Risk Points

This section will evolve as the rework is carried out ahead of the next report.

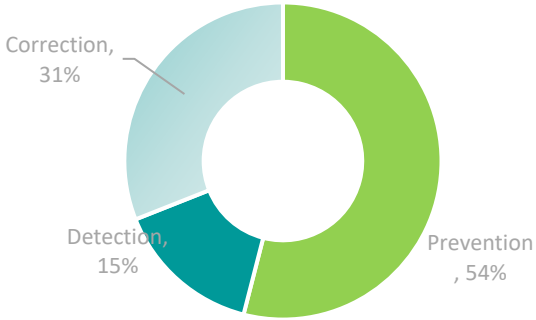


### New Risks

No new risks have been identified since the last report.



Controls in Place & Effective



Types of Control

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Risk Score	Date Chg	% Complete	Ineffective Controls	New Risks
These should be zero				

# Strategic Risk Overview March 2023

## Sustainability



### Controls in Place & Effective

Reinvestment Planning  
 Many of the current risks and controls in this area will move to Academic Partnerships and Commercial Enterprise.  
 Carbon Reduction  
 All controls have now been set and agreed with risk owners with 8 of the 9 controls expected to be in place and tested for effectiveness before Board Cycle 1 2023/24. The 9<sup>th</sup> control to 'develop a new Estates Strategy' has a completion date of 31/09/24.



### Types of Control

Overall, 60% of the current controls for this section are Preventative and this increases to 78% for Carbon Reduction.



### Key Risk Points

The planned rework of Reinvestment Planning means that initial meetings to set and agree these risk areas and controls will now take place during the next quarter. However, as most of the current controls will be moved this will be a quick exercise.

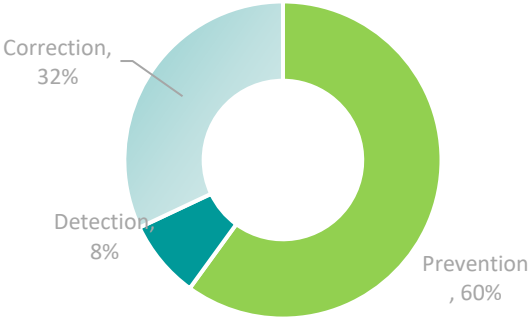


### New Risks

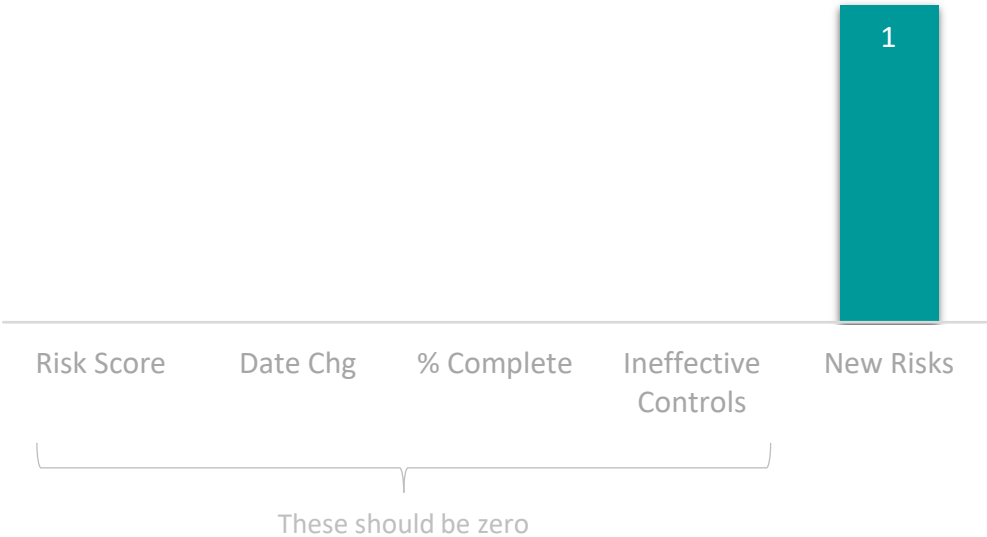
A new risk was identified for Carbon Reduction where the target is to reduce our gross carbon footprint 2%pa against baseline. The current baseline has been set using the data for 2021/22 and covers the period still being affected by Covid when more staff and student were off campus. The proposal is to reset the baseline using the 2022/23 data, as this will better represent the post-Covid period.



Controls in Place & Effective



Types of Control



# College Growth & Ambition

## Risk Dashboard

# College Growth and Ambition Dashboard

Risk & Risk Management							Monitor & Review			
Strategic KPI	Risks Identified	Risk Score v Board Appetite	Risk Response	Number of Controls	Expected Risk Score After Control	Control Type	Number of Dates Changed?	% Complete	Control Tested & Effective	Have Risks Been Reassessed
Monthly initiative around one of the values	Failure to implement a monthly initiative plan around Values		Mitigate	2		Preventative Preventative	0	0% - 10% 0% - 10%	n/a n/a	
Staff survey results are improved for leadership	Lack of understanding from survey results on what staff require from leadership		Mitigate	2		Detective Corrective	0	0% - 0% 0% - 0%	n/a n/a	
	Lack of leadership planning		Mitigate	1		Preventative	0	0% - 0%	n/a	
Process Efficiency/Time Saved (days/hours/mins)	Staff do not have the skills required to improve services/processes		Mitigate	1		Preventative	0	0% - 0%	n/a	
	There is no actionable plan in place to meet the targets		Mitigate	2		Preventative Corrective	0	0% - 0% 0% - 0%	n/a	
Percentage staff/learners with improved digital skills	Digital competence framework not developed/agreed		Mitigate	1		Preventative	0	0% - 0%	n/a	

# Excellence in Learning & the Learner Experience

## Risk Overview

# Excellence in Learning & the Learner Experience Dashboard

Risk & Risk Management							Monitor & Review			
Strategic KPI	Risks Identified	Risk Score v Board Appetite	Risk Response	Number of Controls	Expected Risk Score After Control	Control Type	Number of Completion Dates Changed?	% Complete	Control Tested & Effective	Have Risks Been Reassessed
Increase student retention	Lack of timely/accurate data on student withdrawal		Mitigate	4		Preventative Preventative Detective Corrective	0 0 0 0	25% 0% 0% 25%	n/a n/a n/a n/a	
	No annual student retention planning exercise based on data in place		Mitigate	2		Preventative Preventative	0 0	0% 0%	n/a n/a	
	Lack of PAT ownership/competence		Mitigate	3		Preventative Preventative Corrective	0 0 0	25% 10% 10%	n/a n/a n/a	
Increase student achievement	Lack of understanding on how achievement is measured		Mitigate	2		Preventative Preventative	0 0	25% 10%	n/a n/a	
	Student achievement planning is not optimised		Mitigate	2		Corrective Corrective	0 0	90% 90%	n/a n/a	
Increase student satisfaction	Lack of up to date/correct methodology on student satisfaction		Mitigate	2		Preventative Corrective	0 0	25% 10%	n/a n/a	
	Student satisfaction not part of curriculum planning/target setting/review by exception		Mitigate	2		Preventative Corrective	0 0	90% 90%	n/a n/a	



# Excellence in Learning & the Learner Experience Dashboard cont..

Risk & Risk Management							Monitor & Review			
Strategic KPI	Risks Identified	Risk Score v Board Appetite	Risk Response	Number of Controls	Expected Risk Score After Control	Control Type	Number of Completion Dates Changed?	% Complete	Control Tested & Effective	Have Risks Been Reassessed
Co-Creative Curriculum	Lack of up to date/correct information to understand the changes required to curriculum		Mitigate	4		Preventative	0	0%	n/a	
						Preventative	0	0%	n/a	
						Preventative	0	0%	n/a	
						Preventative	0	0%	n/a	
Value/leverage by Academic Partnership	Do not achieve the student numbers projected		Mitigate	11		Preventative	0	0%	n/a	
						Corrective	0	0%	n/a	
						Detective	0	0%	n/a	
						Corrective	0	0%	n/a	
						Corrective	0	0%	n/a	
						Preventative	0	0%	n/a	
						Preventative	0	0%	n/a	
						Detective	0	0%	n/a	
						Preventative	0	0%	n/a	
						Detective	0	0%	n/a	
Do not achieve the fee per student projected	Do not achieve the fee per student projected		Mitigate	1		Corrective	0	0%	n/a	
							0	0%	n/a	
							0	0%	n/a	
Costs of delivery higher than expected	Costs of delivery higher than expected		Mitigate	2		Detective	0	0%	n/a	
						Corrective	0	0%	n/a	

# Partnerships & Collaboration

## Risk Dashboard

# Partnerships & Collaboration Dashboard

Risk & Management							Monitor & Review			
KPI	Risks Identified	Risk Score v Board Appetite	Risk Response	Number of Controls	Expected Risk Score After Control	Control Type	Number of Dates Changed?	% Complete	Control Tested & Effective	Have Risks Been Reassessed
Percentage strategic partnerships v proportion of external engagements	Lack of standard adaptive process in place for strategic partnerships		Mitigate	1		Preventative	0	0%	n/a	
	Products do not meet customer requirements		Mitigate	1		Corrective	0	0%	n/a	
Commercial AOP / Commercial Income (per college area)	Inability to capitalise on market opportunities		Mitigate	5		Preventative Detective Preventative Corrective Preventative	0	0% 0% 0% 0% 0%	n/a n/a n/a n/a n/a	
	Costs are higher than projected and/or than competitors		Mitigate	1		Corrective	0	0%	n/a	

# Partnerships & Collaboration Dashboard cont..

Risk & Management							Monitor & Review			
KPI	Risks Identified	Risk Score v Board Appetite	Risk Response	Number of Controls	Expected Risk Score After Control	Control Type	Number of Dates Changed?	% Complete	Control Tested & Effective	Have Risks Been Reassessed
Commercial AOP / Commercial Income (per college area) cont..	New competitors/ competitors activity		Mitigate	1		Detective	0	0%	n/a	
	Do not achieve the customer numbers projected		Mitigate	4		Preventative Corrective Preventative Preventative	0	0% 0% 0% 0%	n/a n/a n/a n/a	

# Sustainability

## Risk Dashboard

# Sustainability Dashboard

Risk & Risk Management							Monitor & Review			
KPI	Risks Identified	Risk Score v Board Appetite	Risk Response	Number of Controls	Expected Risk Score After Control	Control Type	Number of Dates Changed?	% Complete	Control Tested & Effective	Have Risks Been Reassessed
Staff/ income ratios 70%	Reduction in SFC funding		Mitigate	1		Preventative	0	0% 0%	n/a n/a	
	Student numbers not achieved as planned for		Mitigate	3		Preventative Corrective Corrective	0	0% 0%	n/a n/a	
	Reduction in SFC Credits and or FTE's		Mitigate				0	0% 0% 0%	n/a n/a n/a	
	Increase in staff costs due to national bargaining outcome		Mitigate				0	0% 0%	n/a n/a	
	Increase in staff headcount		Mitigate	3		Preventative Corrective	0	0% 0%	n/a n/a	
	Increase in staff costs driven by government e.g. NI		Mitigate	3		Detective Corrective Corrective	0	0% 0%	n/a n/a	
	Increase in top slice by EO		Mitigate	1		Preventative	0	0% 0%	n/a n/a	

# Sustainability Dashboard Cont....

Risk Management							Monitor & Review			
KPI	Risks Identified	Risk Score v Board Appetite	Risk Response	Number of Controls	Expected Risk Score After Control	Control Type	Number of Dates Changed?	% Complete	Control Tested & Effective	Have Risks Been Reassessed
Staff/ income ratios 70% cont.	Job evaluation outcome		Mitigate	1		Preventative	0	0% 0%	n/a n/a	
Non-Staff/ income ratios 21%	<b>See Staff Costs/Income for all income related risk</b>									
	Inflation		Mitigate				0	0%	n/a	
	Procurement Policy		Mitigate	1		Preventative	0	0% 0%	n/a n/a	
	Costs are not reviewed and managed		Mitigate	1		Preventative	0	0% 0%	n/a n/a	

# Sustainability Dashboard Cont..

Risk Management							Monitor & Review			
KPI	Risks Identified	Risk Score v Board Appetite	Risk Response	Number of Controls	Expected Risk Score After Control	Control Type	Number of Dates Changed?	% Complete	Control Tested & Effective	Have Risks Been Reassessed
Percentage carbon footprint reduction	Condition of estates/fabric of building		Accept	2		Corrective Corrective	0	0% 0%	n/a n/a	
	Ineffective waste policies		Mitigate	3		Preventative Preventative Preventative	0	0% 0%	n/a n/a	
	Ineffective carbon management planning		Mitigate	2		Preventative Corrective	0	0% 0%	n/a n/a	
	Changes to standard carbon measurement requirements		Mitigate	1		Preventative	0	0%	n/a	
	Unreliable baseline		Mitigate	1		Corrective	0	0%	n/a	



Action Grade:		Priority 1	Issue subjecting the organisation to material risk and which requires to be brought to the attention of management and the Audit Committee.						
		Priority 2	Issue subjecting the organisation to significant risk and which should be addressed by management.						
		Priority 3	Matters subjecting the organisation to minor risk or which, if addressed, will enhance efficiency and effectiveness						
Audit Report	Topic	Recommendation	Owner	Agreed Date	New Date	Status	May 2023 Progress	March 2023 Progress	November 2022 Progress
	Payroll	As part of the procurement process for the new HR and Payroll System, management should explore the potential inclusion of a timesheet module which will automate the submission and approval of timesheets for effective and efficient review and processing by the HR and Payroll teams.	Head of HR and Payroll Manager	31/12/2024	tbc	Not yet started	Procurement of a new HR and Payroll System has been delayed and will recommence from September 2023	No update	n/a
	Payroll	Timesheet Guidelines should be documented and communicated to all SDDs, line managers and staff paid through timesheets, to enhance general awareness and remove the current ambiguity. In the absence of a digital process, every effort should be made by line managers to ensure that staff submit timesheets in a timely fashion for the month they have worked by actively warning staff of the consequences of non-submission within the agreed timelines.	Head of HR and Payroll	31/03/2023	n/a	Complete	Forms redesigned to provide clarity about when timesheets need to be returned.	This process is underway and timesheets are being updated to support the requirement for timely submission	n/a
	Payroll	Records keeping arrangements for leavers should be strengthened to ensure that the full suite of relevant information (such as leaver forms or contract extensions) are retained on file. Consideration should be given to the recording of file contents on a checklist. In the absence of automated controls typically found in a document management system.	Head of HR and Payroll	31/03/2023	n/a	Complete	Leaver checklist process put in place	HR Team have been reminded of the need to ensure all paperwork is completed and recorded on staff files	
	Building Maintenance	We recommend that the FRC and the Board should be provided with an annual update report on Estates issues and risks, which should include a summary of expected costs for ongoing maintenance requirements and any maintenance backlog and provide explicit assurances to confirm that statutory building inspections and works have been completed.	Head of Estates	30/06/2023	31/08/2023	In progress	Estates have requested we are included in the UHI facilities management software tender and will provide recommendations to SMT.	Should make target date. Estates will produce an annual report that will include 1. Estates issues and risks, 2. Summary of costs for ongoing maintenance requirements, 3. Backlog maintenance, 4. Confirmation of statutory building inspections and other statutory works. In addition, Estates will evaluate facilities management software and provide recommendations to SMT.	
	Building Maintenance	Consideration should also be given to future investment in facilities management software to make estates maintenance information more easily accessible (via a dashboard format for example) and will enhance the ease of monitoring and reporting on the entire repair and maintenance programme	Head of Estates & ICT	30/06/2023	31/08/2023	In progress	Estates have requested we are included in the UHI facilities management software tender and will provide recommendations to SMT.	Should make target date. Estates will produce an annual report that will include 1. Estates issues and risks, 2. Summary of costs for ongoing maintenance requirements, 3. Backlog maintenance, 4. Confirmation of statutory building inspections and other statutory works. In addition, Estates will evaluate facilities management software and provide recommendations to SMT.	
	Building Maintenance	The College should develop a proactive rolling five-year programme of building condition surveys to identify and meet future estate maintenance needs.	Head of Estates	31/03/2023	31/08/2023	In progress	No further update.	The new Head of Estates took up his role on 20/2/23. He has started the process of developing a 5 year program of building condition surveys to meet future maintenance needs.  <b>Revised completion date 30/06/23</b>	
2021/04	Asset Management	The College should develop a comprehensive approach to the identification, maintenance and security of all of its assets held. The revised approach should ensure that a complete asset register is created and maintained for all College assets and not just those with a capitalised value or assets which are IT related.	Head of Finance	31/03/2023	31/07/2023	In progress	Analysis of historical grouped assets is essential for points 2 & 3 to be possible. There is a resourcing issue to achieve this albeit more time available in Q4.	A single asset register is not appropriate. An IT asset register is already held for a different purpose and it is not appropriate for it to be mixed with a fixed asset register. The priority is to update the college capitalised assets register (fixed asset register) to ensure:  1) Historical grouped assets are properly identified, split into detail and assessed for whether they are still in use. This will ensure the existing asset balances are correct for cost, depreciation and Net Book Value.  2) All areas of the college will be reviewed to identify the existence of assets already capitalised and assets not properly capitalised on purchase. The fixed asset register will be updated for this work but it is a substantial piece of work and a contractor will be needed to enable it to happen in a timely manner.  3) The process will be developed to allow for a continuous review of assets and the process to facilitate capitalisation of relevant assets at purchase. This will use a system based register but requires the addition of the systems accountant to develop along with the other system requirements.	The College have started this process, utilising a Foundation Apprentice however they are only available one day a week so it's expected this could take some time to complete.  <b>Revised completion 31 December 2023 with a growing percentage cover through the year.</b>
2021/04	Asset Management	To support the implementation of a revised approach to maintain a complete asset register in the College (see R1 above), guidance should also be prepared and implemented to support the revised approach. This guidance should outline the revised approach and detail roles and responsibilities for - Identification of current assets and their inclusion within a College wide register - Additions to the register - Amendments to assets held on the register, including change of the asset location - Loans from the asset registers - Disposal of assets; and - Security of the assets with regular audits in place to confirm their continued existence.	Head of Finance	31/03/2023	31/07/2023	Little or no progress	As above. Analysis of historical grouped assets is essential for points 2 & 3 to be possible. There is a resourcing issue to achieve this albeit more time available in Q4.	As above (resource is required)	We are awaiting the completion of the exercise above before setting the policy and procedures to maintain a better asset register moving forwards.  <b>Revised completion: It's expected this will be completed Q1 23.</b>
2021/04	Asset Management	Until a full asset management solution has been developed and put in place (as described in R1 and R2), Finance should be informed by the Procurement team when a new asset is purchased over the capitalised value of £5,000 and the asset register should be updated on at least a quarterly basis.	Head of Finance	31/01/2023	n/a	Complete		As above (resource is required)	The College are currently in the process of changing the PO system. This will allow Procurement to work with Finance and have complete control in this area.  <b>Revised completion: It's expected that this will be completed January 2023.</b>
2021/04	Asset Management	The College should develop a programme of regular inspections to confirm assets are still held and in operational use or identify where they are lost or missing. As part of this approach a process should be developed on how to identify, report and investigate any missing assets. This approach should be aligned to align with the guidance described in R2 within this report.	Head of Finance	31/12/2022	n/a	Little or no progress	Remains a resourcing issue but can be dealt with as part of process improvements	As above (resource is required)	The College have started this process, utilising a Foundation Apprentice however they are only available one day a week so it's expected this could take some time to complete.  <b>Revised completion: 31 December 2023 with a growing percentage cover through the year.</b>
2021/06	Student Recruitment & Retention	A lessons learned review of the Cyber Incident should be completed and contingency measures for monitoring student attendance and performance during scenario events, such as where the BRAG is not accessible. Contingency processes should also be documented to ensure that a consistent approach is used across the College. The online Attendance and Performance Monitoring Procedures should be updated with business continuity arrangements and in line with good version-controlled practices	Head of Student Experience	30/04/2023	31/08/2023	Partial Completion	The work on the BRAG system is now fully complete and will be in place for the new AY 23/24.  The Attendance and Performance Monitoring Procedure is in progress of being updated - completely revamped with a view to implement for 2023/24 (Still WIP)	The BRAG system has been completely revamped and risk will now be reduced. Access is via Sharepoint.  The Attendance and Performance Monitoring Procedure is in progress of being updated - completely revamped with a view to implement for 2023/24	BRAG – complete overview has taken place and a newly developed system is being launched imminently. We have gone through a rigorous DIPA including Data Security etc. where there is minimal risk of the system not being accessible – it is being stored and supported on the Cloud. The Procedure surrounding this will be reviewed and updated accordingly, this is still WIP.  <b>Revised completion: 30 April 2023</b>
2013/07	Health & Safety	Risk assessments should be reviewed annually by College managers. The H&S Adviser should also perform an annual review of risk assessments in place to ensure that these have been updated.	Head of HR and Payroll	30/04/2023	30/06/2023	Partial Completion	Report went to H&S committee on the 11 May 2023. <b>Revised completion date of 30/06/2023</b>	No further update	An audit of Risk Assessments across the College during formal internal audits conducted by the Health, Safety and Wellbeing Adviser (HSWA) has identified areas where improvements must be made.  Risk assessment review is in line with guidance and advice to undertake annually. New task process, activity assessments completed as and when required. Estimated that the College is now 75% compliant with its procedures with regards to assessment completion and currency.  Training for competent risk assessors continues with 90 having been trained in the last 3 years.  <b>Revised Date of Completion: 30 April 2023</b>
2020/05	Health & Safety	The College should ensure that all health and safety policies are reviewed and updated in line with the agreed review schedule	Head of HR and Payroll	31/03/2023	30/06/2023	Partial Completion	Three policies outstanding, will be done by end of June 2023.	Three policies outstanding, will be done by end of June 2023.  <b>Revised date: 30/06/2023</b>	The Policies and Procedures Group, which is a sub-committee of the Health and Safety Committee have been reviewing policies and procedures with consultation and review from the H&S Committee, and have amended review period to 2 years with the exception of the Health & Safety policy which is reviewed annually.  Of the 23 documents falling under Policy and Procedures, 20 have been reviewed. There are three documents outstanding, Stress Management and Drug and Alcohol which will be reviewed and finalised in early 2023 and Overseas Travel. Our policies will reflect current practice and be approved by management and staff representatives.  <b>Revised date: 31 March 2023</b>

2020/05	Health & Safety	The College should ensure that risk assessments are completed in accordance with the agreed standard approach and should also be reviewed and updated on time. The Health and Safety Committee should be provided with regular reports detailing the level of compliance with the cycle of updating of risk assessments and should be informed where there are areas of significant non-compliance with the regular review and updating process.	Head of HROD	30/04/2023	30/06/2023	Partial Completion	Report went to H&S committee on the 11 May 2023.	Report going to H&S committee on the 11 May 2023. <b>Revised date 30/06/2023</b>	An audit of Risk Assessments across the College during formal audits conducted internally have identified areas where improvements must be made. Estimated that the College is now 75% compliant with its procedures with regards to assessment completion and currency. As part of the ongoing training programme, training for competent risk assessors continues with 90 having been trained in the last 3 years to enhance capability to undertake suitable and sufficient risk assessments. <b>Revised Date of Completion:</b> 30 April 2023
2020/06	Procurement & Creditors	Staff placing an order should be required to raise a purchase order for all procurement activities, as this will ensure that the liability is accurately and timely recorded as required within accrual accounting requirements.	Head of Finance	31/07/2023	n/a	Partial Completion	Further work is required to ensure adherence to the published policies. Actions carried out that do not comply with procedure will be reported to CMT and there needs to be action taken which is supported by SMT	This is already a documented requirement and whilst there is some non-compliance it is relatively minor. The previous lack of long term planning in all areas is a greater problem.	There is no change to the ability to report on invoices without PO. That existed at the outset.  There are still invoices without PO and the improvement of this is ongoing and likely improve further when migrating PO's into BlueDube.  The quality of matching information will also be far better after the migration.  In addition to having more control over PO's a key driver was accuracy of coding purchase orders, Procurement and Finance have a process ready which will ensure the accuracy of PO coding moving forward. <b>Revised Date:</b> 31 July 2023
2020/08	AST Financial Controls	The current update of the Perth College UHI's Financial Regulations should take account of AST business requirements to ensure they are adequately addressed. Alternatively, consideration could be given to excluding AST from the Perth College UHI Financial Regulations and creating specific Financial Regulations which meet the business needs of AST, the AST Board and the governance requirements of the Perth College UHI Board of Management. Any separate Financial Regulations developed for AST will require the approval of the AST Board, as well as Perth College UHI's Board of Management, to ensure that they satisfy the public sector financial and governance requirements.	AST GM	31/07/2023	n/a	In progress	Bespoke document will not be available for May 2023 AST Board Meeting but remains on course for an end July completion.	Current assumption is to have a draft, bespoke to AST, document available for approval at the May 2023 AST Board Meeting, with higher level approval thereafter as required.	
2021/08	Staff Skills Profile, Staff Productivity and Performance Management	Management should ensure that there is a strategic workforce plan in place that reflects the vision for Perth College and aligns with its review of the Corporate Strategy and Learning, Teaching, and Assessment Strategy around the following: • Staff profile for the academic and professional services workforce • Teaching training • Digital skills • Industry standard skills • Wellbeing and resilience, • Equality and diversity agenda, • How the workforce will meet other agendas, such as STEM or industry business partnerships, • Recruitment, turnover, and retention • Performance management, • Succession planning, and • Leadership development	Head of HROD	30/06/2023	tbc	Not yet started	No further update	No further update	There has been no progress at this stage due to Strategic plan having not being in place until the start of the 2022/23 academic year <b>Revised Date:</b> 30 June 2023
2021/08	Staff Skills Profile, Staff Productivity and Performance Management	Management should develop a timeline and action plan to implement a formal succession planning process for its management and leadership teams and this should be aligned with the strategic workforce plan highlighted in R2.	Head of HROD	31/12/2023	n/a	Little or no progress	No further update	No further update	There has been no progress at this stage due to Strategic plan having not being in place until the start of the 2022/23 academic year <b>Revised Date:</b> 30 December 2023
2021/08	Staff Skills Profile, Staff Productivity and Performance Management	Management should consider developing a change process and documenting the arrangements for Sector Managers to request, and obtain formal approval, for securing outsourced staff from other departments. Outsourced staff should be accurately accounted for within the new department's budget.	Head of HROD	31/03/2023	30/06/2023	In progress	No further update	<b>Revised date: 30/06/2023</b>	There has been no progress at this stage <b>Revised date:</b> 31 March 2023
2021/08	Staff Skills Profile, Staff Productivity and Performance Management	Management should update the CPD policy and ensure that procedures are updated, and version controlled in line with good practice. This work should dovetail with the actions on developing a revised strategic workforce plan set out in R2. The governance arrangements should be updated in the revised policy, with specific reference made to the role of the Engagement Committee and the Finance and General Purposes Committee in providing ongoing oversight	Head of HROD	31/05/2023	31/10/2023	In progress		This would be a single policy within UHI, not being progressed at the current time so UHI Perth will now look at this a local policy. <b>Revised date: 31/10/23</b>	This is still being considered within UHI. Once this stage is complete, the College can consider the proposition. <b>Revised date:</b> 31 May 2023
2021/08	Staff Skills Profile, Staff Productivity and Performance Management	All line managers should ensure timely submission of completed induction documentation to the HR Department. Management should consider automating the induction process, as an integral part of the current evaluation of the HR system specification, to allow line managers to self service employee records and to allow HR to readily and effectively identify gaps or support needs for line managers and new staff.	Head of HROD	30/06/2023	n/a	In progress	Review of induction underway, this will not be part of HR system but will be considered as part of new system procurement (at a later date)	Not yet started but should make target date.	
2021/08	Staff Skills Profile, Staff Productivity and Performance Management	During the review of the new HR system (R7), management should consider automating the probationary review process so that managers are updating the new system as probation progresses. In the interim period, line management should also be reminded of their responsibilities to complete induction, in line with agreed requirements, through targeted manager training. Staff who have not completed formal reviews during the COVID-19 pandemic should be reviewed to identify any additional pay due to them and to confirm that they have had their training needs assessed. The financial consequences of any CPD requirements identified should be considered as part of the next departmental budget review exercise.	Head of HROD	30/06/2023	n/a	Complete	Procurement of a new HR and Payroll system has been delayed, all other actions completed, I propose marking this action as complete	Automatic probation triggers are in the spec for the new HR system. A manual process to manage probation is in place with reminders going out to staff. Managers at CMT have been reminded of the need to complete probation in a timely manner. There is an issue with academic probationary observations and a separate meeting is taking place to address this. Review of staff who did not have formal reviews during COVID has taken place and any issues resolved	Logging of completion of probation in CIPHR – completed Review of staff – completed Guidance in progress Tender for new HR system still in progress <b>Revised date:</b> 30 June 2023
2021/08	Staff Skills Profile, Staff Productivity and Performance Management	During the current ongoing review of the HR System (R7), management should consider the user requirements for Occupational Development and define what constitutes an effective CPD management system for UHI Perth. A process should be established to ensure all trainees is accredited within training records	Head of HROD	30/06/2023	31/12/2024	In progress	Procurement of a new HR and Payroll System has been delayed and will recommence from September 2023	Organisational development requirements have been built into spec of new HR system, but this module would be in phase 2 so that would be implemented by the end of December 2024. <b>Revised date: 30/12/24</b>	This is an ongoing action. Reminders are issued at with the last one at CMT in November 2022 Tender for new HR system still in progress <b>Revised date:</b> 30 June 2023
2021/08	Staff Skills Profile, Staff Productivity and Performance Management	Guidance made available to managers and staff should be enhanced, with explicit instructions provided on where to store the completed Review Meeting Forms. Consideration should be given to allowing Line Managers to access employee records on SharePoint to support HR in delivering the ongoing administrative tasks required. Management should seek confirmation that 2021 annual reviews have been completed by their line managers and provide an update on the status of completion rates to the SMT and appropriate Board committee	Head of HROD	31/03/2023	n/a	Complete	Final PDR completion rate for 22/23 is 83%, reported to SMT and Board.	Completion is currently at 68% (as compared to less than 40% last year) - outstanding professional reviews must be completed by the end of March 2023. All CMT Managers were spoken to by the SMT to highlight this lack of compliance. Should make target date.	Guidance completed  Professional review process underway  Completion rates will be reported at end of Professional review process <b>Revised date:</b> 31 March 2023

Action Grade:	Priority 1	Issues subjecting the organisation to material risk and which require to be brought to the attention of management and the Audit Committee.
	Priority 2	Issues subjecting the organisation to significant risk and which should be addressed by management.
	Priority 3	Matters subjecting the organisation to minor risk or which, if addressed, will enhance efficiency and effectiveness.

Audit Report	Topic	Recommendation	Owner	Date Agreed	Status	May 2023 Update	March 2023 Update	RAG Status
202008	AST	The current update of the Perth College LPI's Financial Regulations should take account of AST business requirements to ensure they are adequately addressed. Alternatively, consideration could be given to excluding AST from the Perth College LPI Financial Regulations and creating specific Financial Regulations which meet the business needs of AST, the AST Board and the governance requirements of the Perth College LPI Board of Management. Any separate Financial Regulations developed for AST will require the approval of the AST Board, as well as Perth College LPI's Board of Management, to ensure that they satisfy the public sector financial and governance requirements.	AST GM	31/07/23	In progress	<p> bespoke document will not be available for May 2023 AST Board Meeting but remains on course for an end July completion.</p> <p>Current assumption is to have a draft, bespoke to AST, document available for approval at the May 2023 AST Board Meeting, with higher level approval thereafter as required.</p>		
202008	AST	Discussions should be initiated between AST and LPI Perth regarding the feasibility of developing a Service Level Agreement detailing the specification for the service levels which will be provided for the annual £200k service charge. This should include: - What services will be provided; - Who will provide them; - Quality metrics or KPIs to assess the effectiveness of their delivery; and - Timeliness for reviewing the agreed fees and service delivery levels.	AST GM		Complete	<p>w/c 20th February 2023 saw the signature of an SLA between LPI Perth and AST covering all services and facilities required by AST in exchange for the Annual Service Fee. In addition, a second SLA was signed between AST and LPI Perth STEM covering the provision of Part 66 training by AST in support of the LPI BSc degree in Aircraft Maintenance Engineering and Management.</p>		

<b>Action Grade:</b>	<b>Priority 1</b>	Issue subjecting the organisation to material risk and which requires to be brought to the attention of management and the Audit Committee.
	<b>Priority 2</b>	Issue subjecting the organisation to significant risk and which should be addressed by management.
	<b>Priority 3</b>	Matters subjecting the organisation to minor risk or which, if addressed, will enhance efficiency and effectiveness

Internal Audit Report	Internal Audit Topic	Recommendation	Owner	Date Agreed	Status	May 2023 Progress Update	March 2023 Progress Update	RAG Status
2022/08	Building Maintenance	We recommend that the FRC and the Board should be provided with an annual update report on Estates issues and risks, which should include a summary of expected costs for ongoing maintenance requirements and any maintenance backlog and provide explicit assurances to confirm that statutory building inspections and works have been completed.	Head of Estates	30/06/2023	In progress	In addition, Estates have requested we are included in the UHI facilities management software tender and will provide recommendations to SMT.	Should make target date. Estates will produce an annual report that will include 1. Estates issues and risks, 2. Summary of costs for ongoing maintenance requirements, 3. Backlog maintenance, 4. Confirmation of statutory building inspections and other statutory works.	
2022/08	Building Maintenance	Consideration should also be given to future investment in facilities management software to make estates maintenance information more easily accessible (via a dashboard format for example) and will enhance the ease of monitoring and reporting on the entire repair and maintenance programme	Head of Estates & Head of ICTDT	30/06/2023	In progress	In addition, Estates have requested we are included in the UHI facilities management software tender and will provide recommendations to SMT.	Should make target date. Estates will produce an annual report that will include 1. Estates issues and risks, 2. Summary of costs for ongoing maintenance requirements, 3. Backlog maintenance, 4. Confirmation of statutory building inspections and other statutory works.	
2022/08	Building Maintenance	We recommend that the Estates master budget template should be amended to include a breakdown of all planned funded repairs and maintenance. In the future, the maintenance budget position should be discussed at monthly meetings between the Finance business partner and the Head of Estates. Any actions agreed should be recorded and subsequently followed up, and a summary of these actions should be included in the updates provided to FRC meetings	Head of Estates/ Head of Finance	28/02/2023	Complete		Although there has been a delay in completion due to the change in Head of Estates, the budget process was amended, models have been issued and are now being costed up for SMT review. Monthly reviews are now taking place using the approved budget detail.	
2022/08	Building Maintenance	The College should develop a proactive rolling five-year programme of building condition surveys to identify and meet future estate maintenance needs.	Head of Estates	31/03/2023	In progress		The new head of estates took up his role on 20/2/23. He has started the process of developing a 5 year program of building condition surveys to meet future maintenance needs. This will be under review due to the proposed restructuring which may priorities other areas	
							<b>Revised completion date 31/08/23</b>	

<b>Action Grade:</b>	<b>Priority 1</b>	Issue subjecting the organisation to material risk and which requires to be brought to the attention of management and the Audit Committee.
	<b>Priority 2</b>	Issue subjecting the organisation to significant risk and which should be addressed by management.
	<b>Priority 3</b>	Matters subjecting the organisation to minor risk or which, if addressed, will enhance efficiency and effectiveness

Audit Report	Internal Audit Topic	Recommendation	Owner	Date Agreed	Status	May 2023 Update	March 2023 Update	RAG Status
2021/04	Asset Management	The College should develop a comprehensive approach to the identification, maintenance and security of all of its assets held. The revised approach should ensure that a complete asset register is created and maintained for all College assets and not just those with a capitalised value or assets which are IT related.	Head of Finance	31/7/23	In progress	Analysis of historical grouped assets is essential for points 2 & 3 to be possible. There is a resourcing issue to achieve this albeit more time available in Q4.	<p>A single asset register is not appropriate. An IT asset register is already held for a different purpose and it is not appropriate for it to be mixed with a fixed asset register.</p> <p>The priority is to update the college capitalised assets register (fixed asset register) to ensure:</p> <p>1) Historical grouped assets are properly identified, split into detail and assessed for whether they are still in use. This will ensure the existing asset balances are correct for cost, depreciation and Net Book Value;</p> <p>2) All areas of the college will be reviewed to identify the existence of assets already capitalised and assets not properly capitalised on purchase. The fixed asset register will be updated for this work but it is a substantial piece of work and a contractor will be needed to enable it to happen in a timely manner.</p> <p>3) The process will be developed to allow for a continuous review of assets and the process to facilitate capitalisation of relevant assets at purchase. This will use a system based register but requires the addition of the systems accountant to develop along with the other system requirements.</p>	Priority 2
2021/04	Asset Management	To support the implementation of a revised approach to maintain a complete asset register in the College (see R1 above), guidance should also be prepared and implemented to support the revised approach. This guidance should outline the revised approach and detail roles and responsibilities for: • Identification of current assets and their inclusion within a College wide register; • Additions to the register; • Amendments to assets held on the register, including change of the asset location; • Loans from the asset registers; • Disposal of assets; and • Security of the assets with regular audits in place to confirm their continued existence.	Head of Finance	31/7/23	Little or no progress	As above	As above, resource is required to complete this.	Priority 2
2021/04	Asset Management	Until a full asset management solution has been developed and put in place (as described in R1 and R2), Finance should be informed by the Procurement team when a new asset is purchased over the capitalised value of £5,000 and the asset register should be updated on at least a quarterly basis.	Head of Finance	31/01/2023	Complete		Already happens through the budget process and ongoing discussions in the team	Priority 3
2021/04	Asset Management	The College should develop a programme of regular inspections to confirm assets are still held and in operational use or identify where they are lost or missing. As part of this approach a process should be developed on how to identify, report and investigate any missing assets. This approach should be aligned to align with the guidance described in R2 within this report.	Head of Finance	31/12/23	Little or no progress	Remains a resourcing issue but can be dealt with as part of process improvements	As above, resource is required to complete this.	Priority 2
2020/06	Procurement & Creditors	Staff placing an order should be required to raise a purchase order for all procurement activities, as this will ensure that the liability is accurately and timeously recorded as required within accrual accounting requirements.	Head of Finance	31/7/23	Partial Completion	Further work is required to ensure adherence to the published policies. Actions carried out that do not comply with procedure will be reported to CMT and there needs to be action taken which is supported by SMT	This is already a documented requirement and whilst there is some non-compliance it is relatively minor. The previous lack of long term planning in all areas is a greater problem.	Priority 3

<b>Action Grade:</b>	<b>Priority 1</b>	Issue subjecting the organisation to material risk and which requires to be brought to the attention of management and the Audit Committee.			
	<b>Priority 2</b>	Issue subjecting the organisation to significant risk and which should be addressed by management.			
	<b>Priority 3</b>	Matters subjecting the organisation to minor risk or which, if addressed, will enhance efficiency and effectiveness			

Audit Report	Topic	Recommendation	Owner	Date Agreed	Status	New Date	May 2023 Update	March 2023 Update	RAG Status
	Payroll	As part of the procurement process for the new HR and Payroll System, management should explore the potential inclusion of a timesheet module which will automate the submission and approval of timesheets for effective and efficient review and processing by the HR and Payroll teams.	Head of HROD and Payroll Manager	31/12/2024	Not yet started		Procurement of a new HR and Payroll System has been delayed and will recommence from September 2023		
	Payroll	Timesheet Guidelines should be documented and communicated to all SDDs, line managers and staff paid through timesheets, to enhance general awareness and remove the current ambiguity. In the absence of a digital process, every effort should be made by line managers to ensure that staff submit timesheets in a timely fashion for the month they have worked by actively warning staff of the consequences of non-submission within the agreed timelines.	Head of HROD	31/03/2023	Complete		Forms redesigned to provide clarity about when timesheets need to be returned.	This process is underway and timesheets are being updated to support the requirement for timely submission	
	Payroll	Record keeping arrangements for leavers should be strengthened to ensure that the full suite of relevant information (such as leaver forms or contract extensions) are retained on file. Consideration should be given to the recording of file contents on a checklist, in the absence of automated controls typically found in a document management system.	Head of HROD	31/03/2023	Complete		Leaver checklist process put in place	HR Team have been reminded of the need to ensure all paperwork is completed and recorded on staff files	
	Payroll	The process for communicating starter dates should be improved to ensure that any red flags can be identified promptly by HR. Discussions have been initiated between HR management and SDDs on the importance of timely communication of new starters and the process to be adopted. A further discussion is scheduled to remind SDD and hiring managers of requirements before the beginning of Semester 2. SDDs must remind line managers of the need for all staff to have a signed contract in place; for the staff member to have completed onboarding tasks; and have completed due diligence checks, such as PVG checks, before commencing employment within the College.	Head of HROD	31/01/2023	Complete			Managers have been reminded of the process. SDD's have been asked to remind their line managers of these requirements as well. This is being managed as an ongoing matter, and any concerns are being raised with the relevant Head of Department by their HR & OD Business partner.	
2013/07	Health & Safety	Risk assessments should be reviewed annually by College managers. The H&S Adviser should also perform an annual review of risk assessments in place to ensure that these have been updated.	Head of HROD	30/04/2023	In progress	30/06/2023	Report went to H&S committee on the 11 May 2023. Revised completion date of 30/06/2023		
2020/05	Health & Safety	The College should ensure that all health and safety policies are reviewed and updated in line with the agreed review schedule	Head of HROD	31/03/2023	Partial Completion	30/06/2023	In progress	3 policies outstanding, will be done by end of June 23. Revised deadline to 30/06/2023	
2020/05	Health & Safety	The College should ensure that risk assessments are completed in accordance with the agreed standard approach and should also be reviewed and updated on time. The Health and Safety Committee should be provided with regular reports detailing the level of compliance with the cycle of updating of risk assessments and should be informed where there are areas of significant non-compliance with the regular review and updating process.	Head of HROD	30/04/2023	In progress	30/06/2023	in progress	Report going to H&S committee on the 11 May 2023. Revised completion date of 30/06/2023	

<b>Action Grade:</b>	<b>Priority 1</b>	Issue subjecting the organisation to material risk and which requires to be brought to the attention of management and the Audit Committee.			
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	<b>Priority 3</b>	Matters subjecting the organisation to minor risk or which, if addressed, will enhance efficiency and effectiveness			

Audit Report	Topic	Recommendation	Owner	Date Agreed	Status	New Date	May 2023 Update	March 2023 Update	RAG Status
2021/08	Staff Skills Profile, Staff Productivity and Performance Management	Management should ensure that there is a strategic workforce plan in place that reflects the vision for Perth College and aligns with its review of the Corporate Strategy and Learning, Teaching, and Assessment Strategy around the following: • Staff profile for the academic and professional services workforce • Teaching training • Digital skills • Industry standard skills • Wellbeing and resilience, • Equality and diversity agenda, • How the workforce will meet other agendas, such as STEM or industry/ business partnerships, • Recruitment, turnover, and retention • Performance management, • Succession planning, and • Leadership development	Head of HROD	30/06/2023	Not yet started	31/12/2023	To commence over the summer, revised completion date of 31/12/2023		
2021/08	Staff Skills Profile, Staff Productivity and Performance Management	Management should develop a timeline and action plan to implement a formal succession planning process for its management and leadership teams and this should be aligned with the strategic workforce plan highlighted in R2.	Head of HROD	31/12/2023	Little or no progress				
2021/08	Staff Skills Profile, Staff Productivity and Performance Management	Management should consider developing a change process and documenting the arrangements for Sector Managers to request, and obtain formal approval, for securing outsourced staff from other departments. Outsourced staff should be accurately accounted for within the new department's budget.	Head of HROD	31/03/2023	In progress	30/06/2023		Revised completion date of 30/06/2023	
2021/08	Staff Skills Profile, Staff Productivity and Performance Management	Management should update the CPD policy and ensure that procedures are updated, and version controlled in line with good practice. This work should dovetail with the actions on developing a revised strategic workforce plan set out in R2. The governance arrangements should be updated in the revised policy, with specific reference made to the role of the Engagement Committee and the Finance and General Purposes Committee in providing ongoing oversight	Head of HROD	31/05/2023	In progress	31/10/2023	In progress	This would be a single policy within UHI, not being progressed at the current time so UHI Perth will now look at this a local policy.  Revised completion date 31/10/23	
2021/08	Staff Skills Profile, Staff Productivity and Performance Management	All line managers should ensure timely submission of completed induction documentation to the HR Department. Management should consider automating the induction process, as an integral part of the current evaluation of the HR system specification, to allow line managers to self service employee records and to allow HR to readily and effectively identify gaps or support needs for line managers and new staff.	Head of HROD	30/06/2023	In progress		Review of induction underway, this will not be part of HR system but will be considered as part of new system procurement (at a later date)	Not yet started but should make target date.	
2021/08	Staff Skills Profile, Staff Productivity and Performance Management	During the review of the new HR system (R7), management should consider automating the probationary reviews process so that managers are updating the new system as probation progresses. In the interim period, line management should also be reminded of their responsibilities to complete induction, in line with agreed requirements, through targeted manager training. Staff who have not completed formal reviews during the COVID-19 pandemic should be reviewed to identify any additional pay due to them and to confirm that they have had their training needs assessed. The financial consequences of any CPD requirements identified should be considered as part of the next departmental budget review exercise.	Head of HROD	30/06/2023	Complete		Procurement of a new HR and Payroll system has been delayed, all other actions completed, I propose marking this action as complete	Automatic probation triggers are in the spec for the new HR system. A manual process to manage probation is in place with reminders going out to staff. Managers at CMT have been reminded of the need to complete probation in a timely manner. There is an issue with academic probationary observations and a separate meeting it taking place to address this. Review of staff who did not have formal reviews during COVID has taken place and any issues resolved	
2021/08	Staff Skills Profile, Staff Productivity and Performance Management	During the current ongoing review of the HR System (R7), management should consider the user requirements for Occupational Development and define what constitutes an effective CPD management system for Perth College UHI. A process should be established to ensure all training is accredited within training records.	Head of HROD	30/06/2023	In progress	30/12/2024		Organisational development requirements have been built into spec of new HR system, but this module would be in phase 2 so that would be implemented by the end of December 2024.  Revised completion date 30/12/24	

<b>Action Grade:</b>	Priority 1	Issue subjecting the organisation to material risk and which requires to be brought to the attention of management and the Audit Committee.			
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Audit Report	Topic	Recommendation	Owner	Date Agreed	Status	New Date	May 2023 Update	March 2023 Update	RAG Status
2021/08	Staff Skills Profile, Staff Productivity and Performance Management	Guidance made available to managers and staff should be enhanced, with explicit instructions provided on where to store the completed Review Meeting Forms. Consideration should be given to allowing Line Managers to access employee records on SharePoint to support HR in delivering the ongoing administrative tasks required. Management should seek confirmation that 2021 annual reviews have been completed by their line managers and provide an update on the status of completion rates to the SMT and appropriate Board committee	Head of HROD	31/03/2023	Complete		Final PDR completion rate for 22/23 is 83%, reported to SMT and Board.	Completion is currently at 68% (as compared to less than 40% last year) , outstanding professional reviews must be completed by the end of March 2023. All CMT Managers were spoken to by the SMT to highlight this lack of compliance. Should make target date.	



<b>Action Grade:</b>	Priority 1	Issue subjecting the organisation to material risk and which requires to be brought to the attention of management and the Audit Committee.
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Audit Report	Topic	Recommendation	Owner	Agreed Completion Date	Status	May 2023 Progress Update	March 2023 Progress Update	March 2023 Progress Update	RAG Status
2021/06	Student Recruitment & Retention	The online Attendance and Performance Monitoring Procedures should be updated with business continuity arrangements and in line with good version-controlled practices	Head of Student Experience	30/04/2023	In progress	Partial Completion	Still work in progress	The Attendance and Performance Monitoring Procedure is in progress of being updated - completely revamped with a view to implement for 2023/24	

**UHI Perth**  
**Audit Committee**  
**Thursday 30 May 2023**

**Paper 4 - External Audit Plan 2022-23**



## Perth College

Planning report to the Audit Committee on the 2022/23 audit – Issued on 23 May 2023 for the meeting on 30 May 2023

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# Introduction

## The key messages in this report

Audit quality is our number one priority. We plan our audit to focus on audit quality and have set the following audit quality objectives for this audit:

- A robust challenge of the key judgements taken in the preparation of the financial statements.
- A strong understanding of your internal control environment.
- A well planned and delivered audit that raises findings early with those charged with governance.

I have pleasure in presenting our planning report to the Audit Committee (“the Committee”) of Perth College (“the College”) for the 2022/23 audit. I would like to draw your attention to the key messages of this paper:

### **Audit plan**

We have gained an understanding of the College following a handover from your previous auditors, discussion with management and review of relevant documentation from across the College.

Based on these procedures, we have developed this plan in collaboration with the College to ensure that we provide an effective audit service that meets your expectations and focuses on the most significant areas of importance and risk to the College.

### **Key risks**

We have taken an initial view as to the significant audit risks the College faces. These are presented as a summary dashboard on page [12](#).

### **Wider scope requirements**

Reflecting the fact that public money is involved, public audit is planned and undertaken from a wider perspective than in the private sector. The wider-scope audit specified by the Code of Audit Practice broadens the audit of the accounts to include consideration of additional aspects or risks.

In carrying out our risk assessment, we have considered the arrangements in place for each area, building on any findings and conclusions from the previous auditor, planning guidance from Audit Scotland and developments within the organisation during the year. Our wider scope significant risks are presented on pages [19 to 20](#). As part of this work, we will consider the arrangements in place to secure Best Value (BV).

# Introduction (continued)

## The key messages in this report (continued)

### **Our commitment to quality**

We are committed to providing the highest quality audit, with input from our market leading specialists, sophisticated data analytics and our wealth of experience.

### **Added value**

Our aim is to add value to the College through our external audit work by being constructive and forward looking, by identifying areas of improvement and by recommending and encouraging good practice. In this way, we aim to help the College promote improved standards of governance, better management and decision making and more effective use of resources.

We have also shared our recent research, informed perspectives and best practice from our work across the wider public sector on pages [30](#) to [37](#) of this plan.

# Responsibilities of the Audit Committee

## Helping you fulfil your responsibilities

Why do we interact with the Audit Committee?

To communicate audit scope

To provide timely and relevant observations

To provide additional information to help you fulfil your broader responsibilities

As a result of regulatory change in recent years, the role of the Audit Committee has significantly expanded. We set out here a summary of the core areas of Audit Committee responsibility to provide a reference in respect of these broader responsibilities and highlight throughout the document where there is key information which helps the Audit Committee in fulfilling its remit.

- At the start of each annual audit cycle, ensure that the scope of the external audit is appropriate.

- Implement a policy on the engagement of the external auditor to supply non-audit services.

Oversight of external audit

Integrity of reporting

Internal controls and risks

Oversight of internal audit

Whistle-blowing and fraud

- Review the internal control and risk management systems (unless expressly addressed by separate board risk committee).

- Explain what actions have been, or are being taken to remedy any significant failings or weaknesses.

- Ensure that appropriate arrangements are in place for the proportionate and independent investigation of any concerns raised by staff in connection with improprieties.

- Impact assessment of key judgements and level of management challenge.

- Review of external audit findings, key judgements, level of misstatements.

- Assess the quality of the internal team, their incentives and the need for supplementary skillsets.

- Assess the completeness of disclosures, including consistency with disclosures on business model and strategy and, where requested by the College, provide advice in respect of the fair, balanced and understandable statement.

- Consider annually whether the scope of the internal audit programme is adequate.

- Monitor and review the effectiveness of the internal audit activities.

# Our audit explained

## What we consider when we plan the audit

### Responsibilities of management

We expect management and those charged with governance to recognise the importance of a strong control environment and take proactive steps to deal with deficiencies identified on a timely basis.

Auditing standards require us to only accept or continue with an audit engagement when the preconditions for an audit are present. These preconditions include obtaining the agreement of management and those charged with governance that they acknowledge and understand their responsibilities for, amongst other things, internal control as is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

### Financial Reporting Council (FRC) guidance on good practice

The FRC, in its Review of Governance Reporting, issued November 2021, has identified good practice as including a detailed description of the process for reviewing the effectiveness of risk management and internal control systems and clarity on what should be reported from the outcome of the review. This would include whether any weaknesses or inefficiencies were identified and explanations of what actions the board has taken, or will take, to remedy these.

### Responsibilities of the audit committee

As explained further in the Responsibilities of the Audit Committee slide on page [5](#), the Audit Committee is responsible for:

- Reviewing internal financial controls and internal control and risk management systems (unless expressly addressed by a separate board risk committee or by the board itself).
- Monitoring and reviewing the effectiveness of the internal audit function; where there isn't one, explaining the absence, how internal assurance is achieved, and how this affects the work of external audit.
- Reporting in the annual report on the annual review of the effectiveness of risk management and internal control systems.
- Explaining what actions have been, or are being taken to remedy any significant failings or weaknesses.

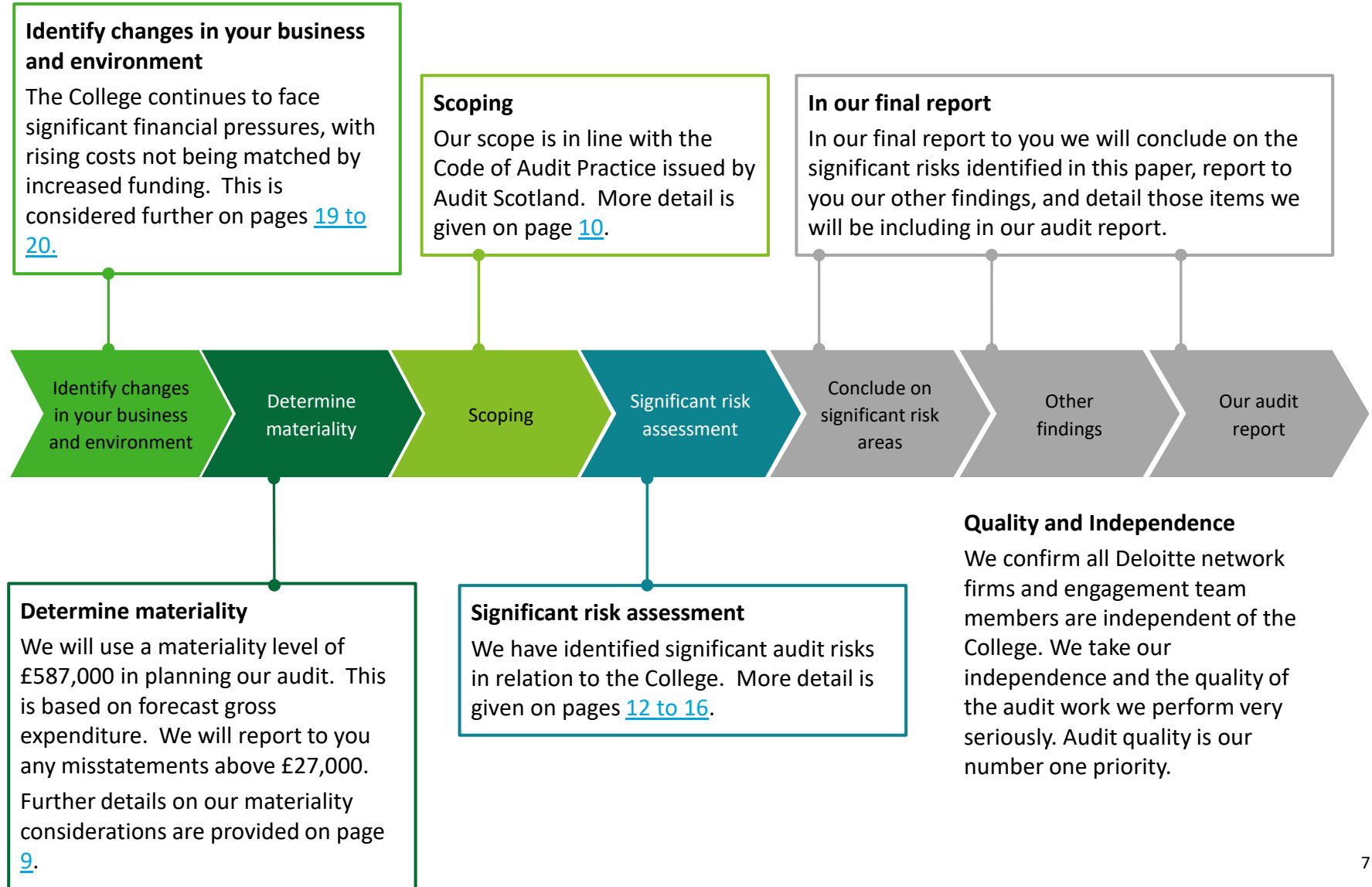
### Our response

As stakeholders tell us they wish to understand how external audit challenges and responds to the quality of an entity's control environment, we are seeking to enhance how we plan and report on the results of the audit in response. We will be placing increased focus on how the control environment impacts the audit, from our initial risk assessment, to our testing approach and how we report on misstatements and control deficiencies.



# An audit tailored to you

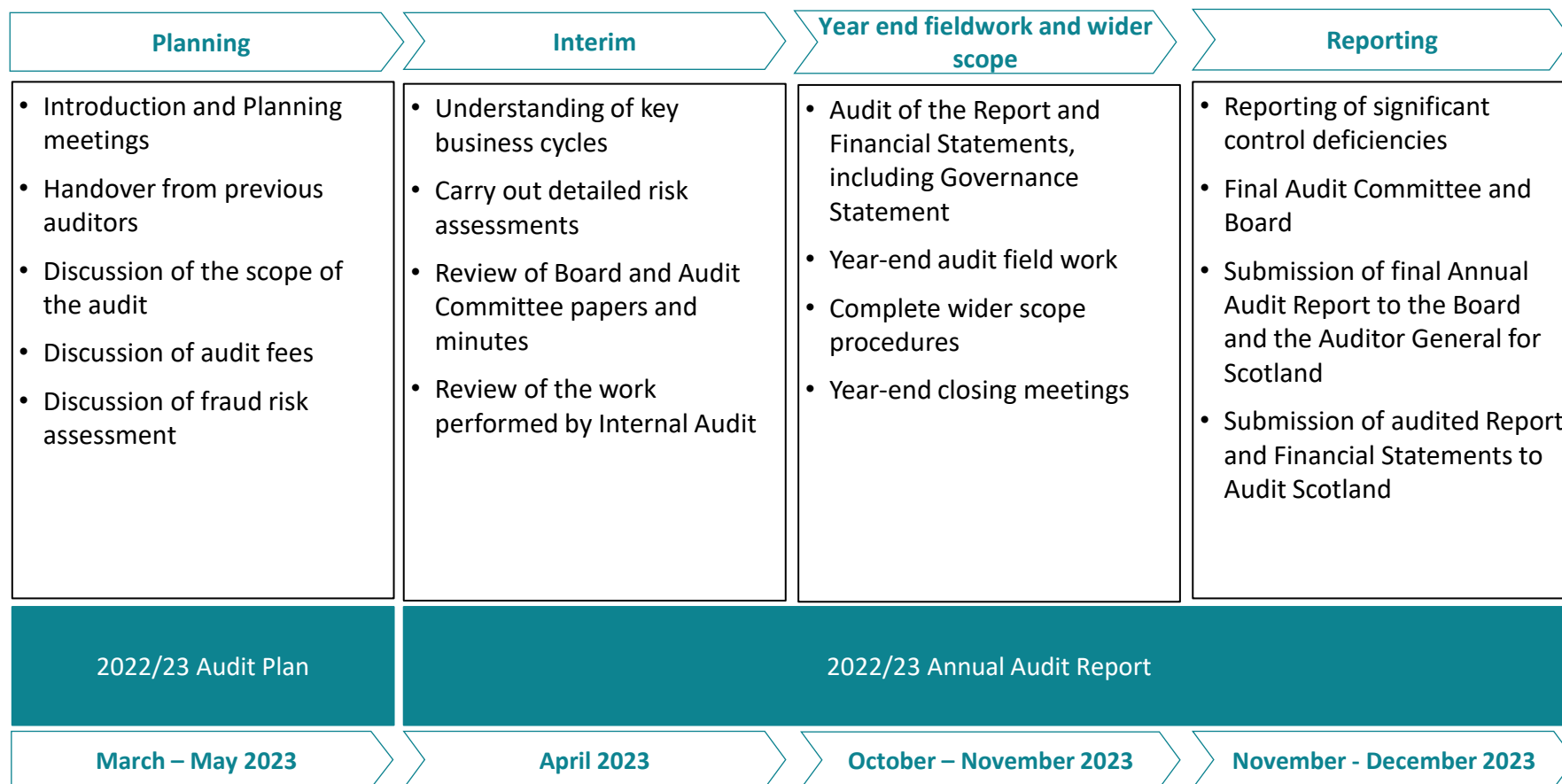
## Overview of our audit plan



# Continuous communication and reporting

## Planned timing of the audit

As the audit plan is executed throughout the year, the results will be analysed continuously and conclusions (preliminary and otherwise) will be drawn. The following sets out the expected timing of our reporting to and communication with you.



Ongoing communication and feedback

# Materiality

## Our approach to materiality

### Basis of our materiality benchmark

- The audit partner has determined group materiality as £587,000 and performance materiality of £352,000, based on professional judgement, the requirement of auditing standards and the financial measures most relevant to users of the Annual Report and Accounts.
- We have used 2% of forecast gross expenditure as the benchmark for determining materiality and applied 60% as performance materiality. We have judged expenditure to be the most relevant measure for the users of the accounts.
- For the audit of Perth College (College only), a materiality of £551,000 and performance materiality of £330,000 has been determined.

### Reporting to those charged with governance

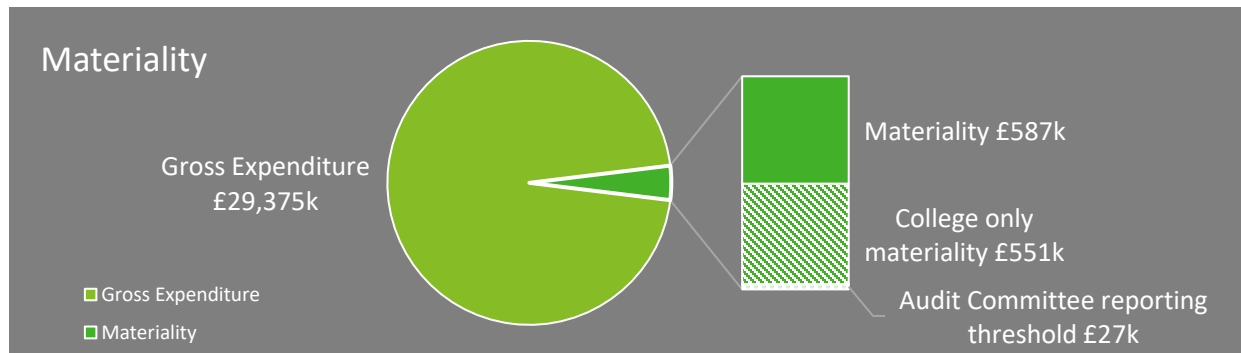
- We will report to you all misstatements found in excess of £29,000 for the group and £27,000 for the College only.
- We will report to you misstatements below this threshold if we consider them to be material by nature.

Our approach to determining the materiality benchmark is consistent with Audit Scotland guidance, which states that the threshold for clearly trivial above which we should accumulate misstatements for reporting and correction to the Audit Committee must not exceed £250,000.

### Our Annual Audit Report

We will:

- Report group and College only materialities, and the range we use for component materialities.
- Provide comparative data and explain any changes compared to prior year.
- Explain any normalised or adjusted benchmarks we use.
- Explain the concept of performance materiality and state what percentage of materiality we used for the group and parent company audits, with our rationale.



Although materiality is the judgement of the audit partner, the Audit Committee must satisfy themselves that the level of materiality chosen is appropriate for the scope of the audit.

# Scope of work and approach

Our key areas of responsibility under the Code of Audit Practice

Auditors activity	Planned output	Proposed reporting timeline to the Committee	Audit Scotland/ statutory deadline
Audit of Report and Financial Statements	Annual Audit Plan Independent Auditor's Report Annual Audit Report	30 May 2023 TBC December 2023 TBC December 2023	30 June 2023 31 December 2023 31 December 2023
Wider-scope areas	Annual Audit Plan Annual Audit Report	30 May 2023 TBC December 2023	30 June 2023 31 December 2023
Consider and report on Best Value arrangements	Annual Audit Plan Annual Audit Report	30 May 2023 TBC December 2023	30 June 2023 31 December 2023

# Scope of work and approach

## Our approach

### Liaison with internal audit and local counter fraud

The Auditing Standards Board's version of ISA (UK) 610 "Using the work of internal auditors" prohibits use of internal audit to provide "direct assistance" to the audit. Our approach to the use of the work of Internal Audit has been designed to be compatible with these requirements.

We will review their reports and meet with them to discuss their work where necessary. We will discuss the work plan for internal audit, and where they have identified specific material deficiencies in the control environment we consider adjusting our testing so that the audit risk is covered by our work.

Using these discussions to inform our risk assessment, we can work together with internal audit to develop an approach that avoids inefficiencies and overlaps, therefore avoiding any unnecessary duplication of audit requirements on the College's staff.

### Approach to controls testing

Our risk assessment procedures will include obtaining an understanding of controls considered to be 'relevant to the audit'. This involves evaluating the design of the controls and determining whether they have been implemented ("D&I").

The results of our work in obtaining an understanding of controls and any subsequent testing of the operational effectiveness of controls will be collated and the impact on the extent of substantive audit testing required will be considered.

### Promoting high quality reporting to stakeholders

We view the audit role as going beyond reactively checking compliance with requirements: we seek to provide advice on evolving good practice to promote high quality reporting.

We use and continually update Financial Reporting Standards ("FRS102") disclosure checklists in conjunction with the requirements of the Further and Higher Education SORP and FReM to support the College in preparing high quality drafts of the Report and Financial Statements, which we would recommend the College complete during drafting.

















### Other reporting prescribed by the Auditor General

In addition to the opinion on the financial statements, we are also required to provide an opinion on the following:




- The regularity of expenditure and income;
- Whether the audited part of the Remuneration and Staff Report has been properly prepared; and
- Whether the Performance Report and Governance Statement are consistent with the financial statements and have been properly prepared.

# Significant risks

## Significant risk dashboard

Risk	Fraud risk	Planned approach to controls	Level of management judgement	Management paper expected	Page no.
Risk 1 – Management override of controls					<a href="#">13</a>
Risk 2 – Property valuations					<a href="#">14</a>
Risk 3 – Operating within funding provided					<a href="#">15</a>
Risk 4 – Completeness of income					<a href="#">16</a>

### Level of management judgement

-  Limited management judgement
-  A degree of management judgement
-  Significant management judgement

### Controls approach adopted

-  Assess design & implementation

# Significant risks

## Risk 1 – Management override of controls

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**Risk identified**

In accordance with ISA (UK) 240 management override is a significant risk. This risk area includes the potential for management to use their judgement to influence the Report and Financial Statements as well as the potential to override the College's controls for specific transactions.

The key judgments in the Report and Financial Statements are those which we have selected to be the significant audit risks – income recognition and operating within the funding provided. These are inherently the areas in which management has the potential to use their judgment to influence the Report and Financial Statements.

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**Our response**

In considering the risk of management override, we plan to perform the following audit procedures that directly address this risk:

- We will consider the overall control environment and 'tone at the top';
  - We will test the design and implementation of controls relating to journals and accounting estimates;
  - We will make inquiries of individuals involved in the financial reporting process about inappropriate or unusual activity relating to the processing of journal entries and other adjustments;
  - We will test the appropriateness of journals and adjustments made in the preparation of the Report and Financial Statements. We will use Spotlight data analytics tools to select journals for testing, based upon identification of items of potential audit interest;
  - We will review accounting estimates for biases that could result in material misstatements due to fraud and perform testing on key accounting estimates as discussed above;
  - We will obtain an understanding of the business rationale of significant transactions that we become aware of that are outside of the normal course of business for the entity, or that otherwise appear to be unusual, given our understanding of the entity and its environment.
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# Significant risks (continued)

## Risk 2 – Property Valuation

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**Risk identified** The College held £39.910m of property assets (land and buildings) at 31 July 2021 which increased to £43.113m as at 31 July 2022, due to upwards revaluations as a result of the College undertaking an interim valuation in the year. In 2022/23 the College will perform a full independent valuation of its estate as at 31 July 2023.

The College is required to hold property assets within Property, Plant and Equipment at existing use value provided that an active market for the asset exists. Where there is no active market, because of the specialist nature of the asset, a depreciated replacement cost approach may be needed which provides the current cost of replacing an asset with its modern equivalent asset. The valuations are by nature significant estimates which are based on specialist and management assumptions and which can be subject to material changes in value.

Perth College's land and buildings are revalued every 5 years for the purposes of the financial statements with an interim valuation after 3 years. Land and buildings were valued as at 31 July 2022 (interim valuation) on the basis of depreciated replacement cost by the College's appointed external valuer. Due to the significance of the balance and reliance on assumptions, we have identified a significant risk in relation to property valuation.

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**Our response** We will test the design and implementation of key controls in place around the property valuation and impairment assessment performed by management.

We will engage early with the College, using our valuation specialists to challenge the assumptions applied by management in the valuations.

We will test the inputs to the valuation and the key asset information provided by the College to the valuer back to supporting documentation.

We will use our valuation specialists, Deloitte Real Asset Advisory, to review and challenge the appropriateness of the assumptions used in the year-end valuation of the College's Land and Buildings.

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# Significant risks (continued)

## Risk 3 – Operating within the funding provided

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**Risk identified** In accordance with Practice Note 10 (Audit of Annual Accounts of public sector bodies in the United Kingdom), in addition to the presumed risk of fraud in revenue recognition set out in ISA (UK) 240, auditors of public sector bodies should also consider the risk of fraud and error on expenditure. This is on basis that most public bodies are net spending bodies, therefore the risk of material misstatement due to fraud related expenditure may be greater than the risk of material misstatement due to fraud related to revenue recognition.

We consider this fraud risk to be focused on how management operate within the funding available. The risk is that Perth College could materially misstate expenditure in relation to year end transactions, in an attempt to align with its tolerance target or achieve a breakeven position.

The significant risk is therefore pinpointed to the completeness of accruals and the existence of prepayments made by management at the year end and invoices processed around the year end as this is the area where there is scope to manipulate the final results. Given the financial pressures across the whole of the public sector, there is an inherent fraud risk associated with the recording of accruals and prepayments around year end.

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**Our response** We will evaluate the results of our audit testing in the context of the achievement of the limits set by the Scottish Funding Council (SFC). Our work in this area will include the following:

- Evaluating the design and implementation of controls around monthly monitoring of financial performance and the estimated accruals and prepayments made at the year-end;
  - Obtain independent confirmation of the funding allocated to the College by the SFC and UHI;
  - Perform focused testing of a sample of accruals and prepayments made at the year end; and
  - Performing focused cut-off testing of a sample of invoices received and paid around the year end.
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# Significant risks (continued)

## Risk 4 – Completeness of income

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**Risk identified** ISA (UK) 240 states that when identifying and assessing the risks of material misstatements due to fraud, the auditor shall, based on a presumption that there are risks of fraud in revenue recognition, evaluate which types of revenue, revenue transactions or assertions give rise to such risks.

We have assessed the income streams for Perth College and concluded that the risk of a material misstatement due to fraud can be pinpointed to the non-recurrent funding as there is no judgement in respect of the recurrent grants from the SFC and UHI. We have pinpointed the non-recurrent funding risk to be in relation to:

- Incorrect income cut-off recognition, as there is a risk that the College can manipulate its financial position around the year-end;
- Incorrect recognition applied to grant income with conditions attached; and
- Incorrect recognition where performance conditions are in place.

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**Our response** We will perform the following procedures:

- Test the design and implementation of key controls in place around the recognition of non-recurrent funding;
  - Perform focused cut-off testing of a sample of invoices raised and income received around the year-end;
  - Test a sample of grants for any evidence of clawback of income where conditions of entitlement have not been met; and
  - Test a sample of grants with performance conditions to ensure income is recognised correctly in line with the outlined requirements.
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## Other areas of audit focus

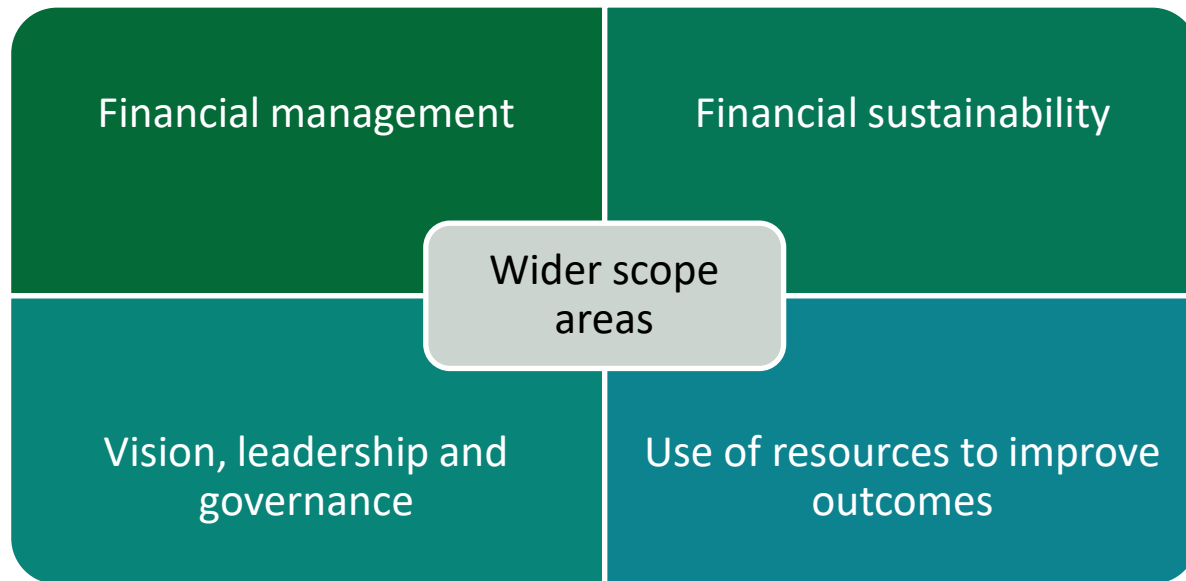
We have identified the below areas of audit interest, although do not consider these to be significant risks

Risk identified	Pension Liability
<b>Summary</b>	<p>Retirement benefits to employees of the College are provided by the Tayside Pension Fund, which administers the Local Government Pension Scheme (LGPS) and managed by Dundee City Council, and the Scottish Teachers Superannuation Scheme (STSS), which is administered by the Scottish Public Pensions Agency (SPPA).</p> <p>The net pension liability decreased from £6,848k in 2020/21 to £731k in 2021/22. The decrease is a combination of a decrease in the fair value of the assets and a decrease in the liabilities as a result of demographic changes and financial assumptions. The liability also continues to be affected by the McCloud and Goodwin legal cases.</p> <p>Barnett Waddingham are the College's appointed actuary, who produce a detailed report outlining the estimated liability at the year-end along with the associated disclosure requirements. The pension liability valuation is an area of audit focus due to the material value and significant assumptions used in the calculation of the liability. The valuations are prepared by a reputable actuary using standard methodologies and no significant changes in the membership of the scheme or accrued benefits are expected in the current year. As a result, we have not identified this as a significant risk.</p>
<b>Deloitte response</b>	<p>We will perform the following procedures to address the risk:</p> <ul style="list-style-type: none"><li>• Engage early with the Pension Fund Auditor to ensure timetables are aligned to provide the required assurances;</li><li>• Assess the independence and expertise of the actuary supporting the basis of reliance upon their work;</li><li>• Review and challenge the assumptions made by Barnett Waddingham;</li><li>• Obtain assurance from the auditor of the pension fund over the controls for providing accurate data to the actuary;</li><li>• Assess the reasonableness of the College's share of the total assets of the scheme with the Pension Fund annual accounts and the Funds estimated asset position at 31 July 2023;</li><li>• Review and challenge the calculation of the impact of the McCloud and Goodwin cases on pension liabilities;</li><li>• Review the disclosures within the accounts against the FE SORP; and</li><li>• Engage Deloitte's internal pensions experts to assist with the above procedures.</li></ul>

# Wider scope requirements

## Overview

Reflecting the fact that public money is involved, public audit is planned and undertaken from a wider perspective than in the private sector. The wider-scope audit specified by the Code of Audit Practice broadens the audit of the accounts to include consideration of additional aspects or risks in the following areas.



The Scottish Public Finance Manual (SPFM) explains that Accountable Officers have a specific responsibility to ensure that arrangements have been made to secure Best Value. Ministerial guidance to Accountable Officers for public bodies sets out their duty to ensure that arrangements are in place to secure Best Value in public services. As part of our wider scope audit work, we will consider whether there are organisational arrangements in place in this regard.

As part of our risk assessment, we have considered the arrangements in place for the wider-scope areas and have summarised the significant risks and our planned response on the following pages

# Wider scope requirements (continued)

## Significant risks

Area	Significant risks identified	Planned audit response
Financial management	<p>The College's finance team has faced ongoing resourcing challenges. Staffing changes pose a risk to the continued effectiveness of the finance function, and the previous auditors highlighted that the team had insufficient knowledge and experience.</p> <p>Furthermore, the previous auditors noted that an improvement to the finance team capacity could enable an improvement to financial controls.</p>	<p>We will assess the financial controls in place at the College and whether these are impacted by capacity within the Finance team. We will also review and assess the adequacy of financial monitoring throughout the year to ensure that appropriate and effective arrangements are in place. Our review of internal audit plans and reports will also inform our work in this area.</p>
Financial sustainability	<p>The financial environment in which the College operates is challenging, with the impact of declining student numbers, together with inflationary pressures and national pay negotiations continuing to exacerbate an already challenging financial position. This creates a risk that the College will not be able to develop viable and sustainable financial plans. The College submitted a 5 year Financial Forecast Return (FFR) in October 2022 to the Scottish Funding Council which outlines a cumulative underlying operating deficit position over the five years to 2026/27 of £11.1 million. This included a projected £871k deficit for 2022/23.</p>	<p>We will assess the development of the 2023/24 budget and the impact on the medium and longer term financial outlook.</p> <p>We will also assess the work being done by the College to address the projected deficit position, including consideration of the College's commercial income strategy and engagement with UHI across the partnership.</p>

# Wider scope requirements (continued)

## Significant risks

Area	Significant risks identified	Planned audit response
<p>Vision, leadership and governance</p>	<p>The previous auditor concluded in 2021/22 that the key features of good governance were in place at the College and operating effectively. However, it was noted that the Governance Statement continues to identify weaknesses in internal control. There is an increased risk around the effectiveness of the governance arrangements in place.</p>	<p>We will review the work of the Board and its committees to assess whether the arrangements are operating effectively, including assessing whether there is effective scrutiny, challenge and informed decision making.</p> <p>We will follow-up on progress made to action the weaknesses in internal control identified in the 2021/22 Governance Statement.</p>
<p>Use of resources to improve outcomes</p>	<p>The 2021/22 audit report highlighted that performance had improved across the majority of Key Performance Indicators. However, it was noted that performance reporting was not made available on the College's website in a timely manner.</p> <p>As discussed under financial sustainability, there is a significant risk that the College does not have plans in place to manage its finances sustainably. Linked to this, there is a risk that performance management systems are not sufficient to demonstrate how resources are being directed to improve outcomes.</p>	<p>We will follow up on the prior year recommendation that performance information should be published in a more timely manner.</p> <p>We will also review the performance reports presented to the Board against the College's strategic objectives to assess how the College is demonstrating the best use of resources to improved outcomes.</p>

# Wider scope requirements (continued)

## National risks

In its planning guidance, Audit Scotland has highlighted the following national or sectoral risks that the Audit General and Accounts Commission wish auditors to consider at all bodies during the 2022/23 audit.

Area	Risk	Audit response
<b>Climate change</b>	<p>Tackling climate change is one of the greatest global challenges. The Scottish Parliament has set a legally binding target of becoming net zero by 2045 and has interim targets including a 75% reduction in greenhouse gas emissions by 2030. The public sector in Scotland has a key role to play in ensuring these targets are met and in adapting to the impact of climate change.</p>	<p>Public audit has an important and clear role to play in:</p> <ul style="list-style-type: none"><li>• Helping drive change and improvement in this uncertain and evolving area of work</li><li>• Supporting public accountability and scrutinising performance</li><li>• Helping identify and share good practice</li></ul> <p>The Auditor General and Accounts Commission are developing a programme of work on climate change. This involves a blend of climate change-specific outputs that focus on key issues and challenges as well as moving towards integrating climate change considerations into all aspects of audit work.</p> <p>For the 2022/23 audit, we are required to provide responses to a series of questions supplied by Audit Scotland to gather basic information on the arrangements for responding to climate change in each body.</p>
<b>Cyber security</b>	<p>There continues to be a significant risk of cyber-attacks to public bodies, and it is important that they have appropriate cyber-security arrangements in place. A number of recent incidents have demonstrated the significant impact that a cyber-attack can have on both the finances and operations of an organisation.</p>	<p>As discussed further on page <a href="#">31</a>, the revised ISA (UK) 315 includes enhanced requirements for auditors to understand a body's use of IT in its business, the related risks and the system of internal control addressing such risks. The Auditor General and Accounts Commission has confirmed that these additional requirements is likely to be sufficient consideration of cyber security in 2022/23 and therefore there is no additional work specified by Audit Scotland. This is considered on page <a href="#">26</a>.</p>

# Wider scope requirements (continued)

## Other requirements (continued)

Area	Requirements
<b>National Fraud Initiative</b>	<p>The National Fraud Initiative (NFI) in Scotland is a biennial counter-fraud exercise led by Audit Scotland, and overseen by the Cabinet Office for the UK as a whole. It uses computerised techniques to compare information about individuals held by different public bodies, and on different financial systems that might suggest the existence of fraud or error.</p> <p>All Colleges, including Perth College, are participating in the 2022/23 NFI exercise. Participating bodies should have received matches for investigation from January 2023 and these require to be investigated by 30 September 2023. We will monitor the bodies participation and progress during 2022/23 and, where appropriate, include reference to NFI in our Annual Audit Report.</p>
<b>Anti-money laundering</b>	We are required to ensure that arrangements are in place to be informed of any suspected instances of money laundering at audited bodies. Any such instances will be advised to Audit Scotland.
<b>Fraud returns</b>	<p>We are required to prepare and submit fraud returns to Audit Scotland for all frauds at audited bodies:</p> <ul style="list-style-type: none"><li>• Involving the misappropriation or theft of assets or cash which are facilitated by weaknesses in internal control.</li><li>• Over £5,000.</li></ul>



# Reporting hot topics

## Ongoing macro-economic uncertainty

### Reporting in times of uncertainty

Businesses face unprecedented uncertainty from a variety of sources, including stresses arising from energy supply and costs, inflation, foreign exchange volatility, commodity availability and pricing, global supply chain disruption, labour shortages and the impacts of climate change. Many of these issues are exacerbated by the ongoing conflict between Russia and Ukraine.

High-quality, transparent reporting that clearly explains the impact of these uncertainties on the College's financial position, performance and cash flows, as well as the College's response to these risks, remains as important as ever.



### Impact of ongoing macro-economic uncertainty – Considerations

The current macro-economic uncertainty and the resulting challenges have a pervasive impact on the financial statements and need to be considered comprehensively across all account balances and disclosures, in particular those involving estimation or judgement.

Sources of uncertainty likely to impact College's operations and corporate reporting include:

- **High energy costs and risk of energy shortages**
- **Rising interest rates**
- **Rising levels of inflation**
- **Supply chain disruptions**
- **Continued pressures on labour supply and wages**



### Impact of ongoing macro-economic uncertainty – Action

We expect all Colleges to have undertaken a comprehensive, evidence-based assessment of the risks relating to macroeconomic conditions including for example, higher energy costs, supply chain disruption, rising levels of inflation, commodity availability and labour shortages.

Consideration should be given to how those risks affect both the operations of the College and the impact on the annual report and financial statements as a whole.

We expect Colleges to have considered the pressures throughout the value chain(s) in which they operate, including an assessment of the risks relating to suppliers and operations.

# Reporting hot topics (continued)

## Climate related risks

### Deloitte view

The expectations of corporate reporting are increasing. While the focus is primarily on corporates, we highlight these areas where improved disclosures would help meet stakeholder expectations. This is also an area of interest from the Auditor General and Accounts Commission as discussed on page [21](#).



### Accounting for and reporting of climate-related risks – Considerations

#### Stakeholder expectations

Stakeholders are clear that climate-related risks could be material to businesses in all sectors. In particular, stakeholders ask for clear, specific and quantified information that describes:

- how the impacts of physical and transition risks have been considered in preparing the financial statements;
- what climate-related assumptions and estimates were used to prepare the financial statements; and
- whether narrative reporting on climate risks and the accounting assumptions are consistent, or an explanation for any divergence.

### Climate thematic reports

In July 2022, the [FCA](#) and [FRC](#) published **thematic reviews of Taskforce on Climate Related Financial Disclosures (TCFD) disclosures and climate-related impacts** reported in premium listed entities' financial statements. This follows up on the FRC's [2020 thematic review](#) of climate-related considerations.

The FRC highlighted five broad areas for improvements in climate-change reporting in their thematic review:

- giving more **granular and company specific information** about the effects of climate change on different businesses, sectors and geographies;
- ensuring that the discussion of climate-related risks and opportunities is **balanced**;
- **linking climate-related disclosures**, such as the output of climate-related scenario analysis, with other relevant narrative disclosures in the annual report, such as the business model or strategy;
- explaining how **materiality** has been applied in deciding which climate-related information should be disclosed; and
- ensuring **connectivity between TCFD disclosures and the financial statements** to help investors understand the relationship between climate-related matters and judgements and estimates applied in the financial statements – for example, explaining clearly how different climate-related scenarios and the companies' own net zero commitments have been reflected in the financial statements.

The FRC report also includes disclosure examples and detailed expectations and can be found on the FRC's website [here](#).

# Reporting hot topics (continued)

## Climate related risks



### Accounting for and reporting of climate-related risks - Action

#### *Governance*

The impacts of climate change are a strategic issue that should be on the College agenda and integrated into decision making. We expect entities to have:

- Reviewed their governance, processes and controls for identifying, and responding to, climate-related issues;
- Completed a robust climate assessment including all physical and transition risks;
- Assessed the climate change assumptions used in judgements and estimates in the financial statements;
- Evaluated the appropriateness and consistency of information in the financial statements and narrative disclosures; and
- Prepared a management paper setting out management's climate risk assessment and consideration of the impacts of climate change on the financial statements.

#### *Financial statements*

Regarding financial statement disclosures, we expect entities to consider the transparency of information about the climate-related judgements and assumptions. Information should be entity-specific and avoid boilerplate explanations.

The financial statements should clearly disclose:

- What climate-related assumptions have been used in preparing the financial statements;
- How significant climate risks or net zero transition targets have been taken into account in preparing the financial statements;
- Which climate-related scenarios have been considered in sensitivity analysis of climate-related assumptions and how they affect judgements and estimates in the financial statements.

#### *Narrative reporting*

We expect the narrative accompanying the financial statements to include the following:

- An explanation of how climate is assessed as a strategic issue.
- Clarity of whether climate change represents a principal or emerging risk and how it is being managed.
- For climate-related targets and metrics, an explanation of how those targets and metrics fit into strategic targets/approach.

# Reporting hot topics (continued)

## Cyber risk

Area	Management actions	Impact on the financial statements and annual report	Impact on our audit
Cyber risk	The College assesses cyber risks within the Strategic Risk Register which is reviewed quarterly by the Board.	<p>Cyber risk is an increasing area of focus, including a focus for the Auditor General and Accounts Commission as discussed on page <a href="#">21</a>. We recommend considering whether any additional disclosure or explanations are appropriate, including discussion of principal risks and uncertainties, or in the Annual Governance Statement.</p> <p>The AGS requires disclosure of how risks to data security are managed and controlled, as well as of any serious information governance incidents.</p>	<p>We will obtain an understanding of the College and its internal controls in relation to cyber as part of our understanding of the College's IT environment.</p> <p>We will make specific enquiries to identify whether a cyber breach has occurred during the period, and evaluate the impact of any cyber incidents, including any potential liabilities arising or impacts on compliance with laws or regulation.</p> <p>We will review the disclosures made for consistency with our understanding from our audit work.</p>

# Audit quality

## Our commitment to audit quality



Our objective is to deliver a distinctive, quality audit to you. Every member of the engagement team will contribute, to achieve the highest standard of professional excellence.

In particular, for your audit, we consider that the following steps will contribute to the overall quality:

We will apply professional scepticism on material issues and significant judgements by using our expertise in the sector and elsewhere to provide robust challenge to management.

We have obtained a deep understanding of your business, its environment and of your processes in income and expenditure recognition, payroll expenditure and fixed assets enabling us to develop a risk-focused approach tailored to the College.

Our engagement team is selected to ensure that we have the right subject matter expertise and industry knowledge. We will involve property specialists to support the audit team in our work on the valuation of property assets, IT specialists to support the audit team in our understanding of IT controls, and pension specialists to support the audit team in our work on the pension liability.

In order to deliver a quality audit to you, each member of the core audit team has received tailored learning to develop their expertise in audit skills, delivered by Pat Kenny (Associate Partner).



### **Engagement Quality Control Review**

We have developed a tailored Engagement Quality Control approach.

We have developed a tailored Engagement Quality Control approach. Our dedicated Professional Standards Review (PSR) function will provide a 'hot' review before any audit or other opinion is signed. PSR is operationally independent of the audit team, and supports our high standards of professional scepticism and audit quality by providing a rigorous independent challenge.

# Audit quality (continued)

## FRC Audit Quality Inspection and Supervision report

We are proud of our people's commitment to delivering high quality audits and we continue to have an uncompromising focus on audit quality. Audit quality is and will remain our number one priority and is the foundation of our recruitment, learning and development, promotion and reward structures.

In July 2022 the FRC issued individual reports on each of the seven largest firms, including Deloitte, on Audit Quality Inspections providing a summary of the findings of its Audit Quality Review ("AQR") team for the 2021/22 cycle of reviews.

We greatly value the FRC reviews of our audit engagements and firm wide quality control systems, a key aspect of evaluating our audit quality.

In that context, we are pleased that both the overall and FTSE 350 inspection results for our audits selected by the FRC as part of the 2021/22 inspection cycle show an improvement. 82% of all inspections in the current cycle were assessed as good or needing limited improvement, compared to 79% last year. Of the FTSE 350 audits reviewed, 91% achieved this standard (2020/21: 73%). This reflects our ongoing focus on audit quality, and we will maintain our emphasis on continuous improvement as we seek to further enhance quality.

We welcome the breadth and depth of good practice points identified by the FRC particularly those in respect of the effective challenge of management and group audit oversight, where the FRC also reports findings.

We are also pleased that previous recurring findings relating to goodwill impairment and revenue were not identified as key finding in the current FRC inspection cycle, reflecting the positive impact of actions taken in previous years. We nevertheless remain committed to sustained focus and investment in these areas and more broadly to achieve consistently high quality audits.

All the AQR public reports are available on its website:

<https://www.frc.org.uk/auditors/audit-quality-review/audit-firm-specific-reports>

### **The AQR's 2021/22 Audit Quality Inspection and Supervision Report on Deloitte LLP**

"In the 2021/22 public report, we concluded that the firm had made progress on actions to address our previous findings and made improvements in relation to its audit execution and firm-wide procedures. The firm has continued to show improvement, with an increase in the number of audits we assessed as requiring no more than limited improvements to 82% compared with 79% in the previous year and 80% on average over the past five years. It is also encouraging that none of the audits we inspected were found to require significant improvements.

The area which contributed most to the audits requiring improvement was the audit of estimates of certain provisions. There were also key findings in relation to group audits, the review and challenge by the Engagement Quality Control Review (EQCR) partner and the application of the FRC Ethical Standard."

# Purpose of our report and responsibility statement

Our report is designed to help you meet your governance duties

## What we report

Our report is designed to establish our respective responsibilities in relation to the Report and Financial Statements audit, to agree our audit plan and to take the opportunity to ask you questions at the planning stage of our audit. Our report includes:

- Our audit plan, including key audit judgements and the planned scope; and
- Key regulatory and corporate governance updates, relevant to you.

## Use of this report

This report has been prepared for the Audit Committee, as a body, and we therefore accept responsibility to you alone for its contents. We accept no duty, responsibility or liability to any other parties, since this report has not been prepared, and is not intended, for any other purpose. Except where required by law or regulation, it should not be made available to any other parties without our prior written consent.

We welcome the opportunity to discuss our report with you and receive your feedback.

## What we don't report

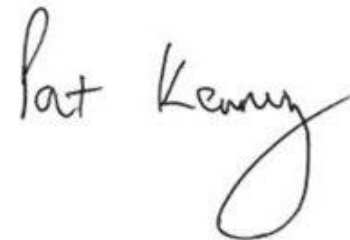
As you will be aware, our audit is not designed to identify all matters that may be relevant to the College.

Also, there will be further information you need to discharge your governance responsibilities, such as matters reported on by management or by other specialist advisers.

Finally, the views on internal controls and business risk assessment in our final report should not be taken as comprehensive or as an opinion on effectiveness since they will be based solely on the audit procedures performed in the audit of the financial statements and the other procedures performed in fulfilling our audit plan.

## Other relevant communications

We will update you if there are any significant changes to the audit plan.



**Deloitte LLP**

Glasgow | 23 May 2023



# Technical and sector developments





# Revisions to auditing standards coming into effect

## ISA (UK) 315 – Identifying and Assessing the Risks of Material Misstatement

The International Auditing and Assurance Standards Board (IAASB) issued a revised risk assessment standard in December 2019, that takes effect for periods commencing on or after 15 December 2021. For most Scottish public sector bodies, this will be March 2023 year ends and later. The FRC has adopted the standard in the UK with minimal additions.

The revision was made to respond to challenges and issues with the current standard and requires a more robust risk identification and assessment. We had already incorporated many of the changes into our methodology in advance of the standard being introduced, but we summarise on the next few slides some of the areas where this may impact our audit.

*“The IAASB recognizes the importance, and also the complexity, of the auditor’s risk assessment process”*

IAASB’s basis for conclusions, ISA 315

Area of change	Impact on our audit	Impact on the entity
New requirement to evaluate the 4 entity-level components of internal control	<p>Whilst we have always been required to gain an understanding of the entity and its environment, including its internal controls, the new standard is more prescriptive on the need to go further and evaluate the 4 entity level controls components: the entity’s control environment, risk assessment process, monitoring of internal control, and information system.</p> <p>This could lead to an increase in the number of relevant controls.</p>	<p>You will need to consider the adequacy of your entity-level controls, and documentation thereof.</p> <p>You should also expect more granular inquiries regarding the control environment.</p>
Enhanced consideration of the types of relevant controls	<p>Overall we expect to identify an increased number of relevant controls, particularly for controls designed to address risks at the higher end of the spectrum of inherent risk and controls over reconciliations. Where new relevant controls are identified, we may also identify control deficiencies and need to consider the effect of these.</p>	<p>You should expect more challenge of controls, particularly over complex accounting estimates, financial reporting and complex or highly automated business processes.</p>

# Revisions to auditing standards coming into effect (continued)

## ISA (UK) 315 – Identifying and Assessing the Risks of Material Misstatement (continued)

Area of change	Impact on our audit	Impact on the entity
Enhanced understanding of IT and General IT controls	<p>As we identify more relevant controls, it is likely there will be more relevant IT controls (e.g. automated controls) which themselves rely on underlying General IT Controls (GITCs).</p> <p>We may need more IT specialist involvement to gain an enhanced understanding of IT controls and GITCs, particularly where there are a high volume of automated transactions in the entity. Similarly, where new IT systems come into scope, the likelihood is that there will be an increase in the number of deficiencies identified and action will be needed to determine the appropriate response.</p>	You should expect more challenge over the effectiveness of your GITCs, including how these are monitored.
New approach to scoping account balances, classes of transactions and disclosures	We may now identify some account balances as “material but not significant” where we do not identify a risk of material misstatement, but where we are required to perform some substantive testing.	We may need to perform more substantive testing on balances, where previously there was no separate category of material but not significant.
Revised definition of a significant risk, focused on risks at the upper end of a spectrum of inherent risk	We do not anticipate there being a significant increase in the number of significant risks identified, but where there are more material judgements or estimates being made and a significant risk has not been identified previously, we may conclude there is a significant risk.	You should expect more challenge on audits where before there were no significant risks beyond management override of controls.
Stand back requirement and increased focus on professional scepticism	Our audit approach already acknowledges that risk assessment is an iterative process as well as emphasising the importance of professional scepticism. We will use this as an opportunity to challenge ourselves on the evidence that professional scepticism has been applied through the risk assessment processes, including as part of the stand back assessment.	You should expect more challenge of the evidence provided in respect of our risk assessment, including revisiting this towards the concluding stage of the audit.

# Revisions to auditing standards coming into effect (continued)

## ISA (UK) 240 – The Auditor's Responsibilities Relating to Fraud in an Audit of Financial Statements

The FRC issued a revised fraud standard in May 2021, that takes effect for periods commencing on or after 15 December 2021 (i.e. July 2023 year ends for Scottish Colleges).

Many of the revisions provide increased clarity as to the auditor's obligations and codify existing expectations or best practice. The updates to the ISA do not include any changes relating to proposals in the Government's White Paper regarding auditor reporting on a statement by directors on the steps they have taken to prevent and detect material fraud.

We summarise on the next few slides how this will impact our audit.

Area of change	Impact on our audit	Impact on the entity
Fraud inquiries	<p>In addition to the pre-existing required enquiries, we are now explicitly required to make inquiries of management or others at the entity who handle whistleblowing.</p> <p>We also required to discuss the risks of fraud with those charged with the governance, including those risks specific to the entity's business sector.</p>	You should expect further challenge in relation to who we speak to in relation to fraud at the entity, including more focus on entity/sector specific risks.
Engagement team discussions	<p>The revised ISA (UK) emphasises that the pre-existing audit team fraud discussion should explicitly include an exchange of ideas about fraud, incentives to commit fraud, and how management could perpetrate and conceal fraud.</p> <p>There is also an explicit requirement for the engagement partner to consider whether further fraud discussions should be held at later stages of the audit.</p>	You should expect increased challenge of the controls and processes in relation to the entity's own fraud risk assessment and the documentation of that assessment.

# Revisions to auditing standards coming into effect (continued)

## ISA (UK) 240 – The Auditor's Responsibilities Relating to Fraud in an Audit of Financial Statements

Area of change	Impact on our audit	Impact on the entity
Identified or suspected fraud by a key member of management	The revised ISA (UK) clarifies that if we identify or suspect fraud by a key member of management this may be qualitatively material.	Further challenge in relation to identified or suspected fraud by a key member of management.
Involvement of specialists	We are explicitly required to determine whether the engagement team needs specialised skills and knowledge: <ul style="list-style-type: none"><li>• To perform the fraud risk assessment procedures, to identify and assess the risk of material misstatement due to fraud, to design and perform audit procedures to respond to those risks or to evaluate the audit evidence obtained; or</li><li>• Where a misstatement due to fraud or suspected fraud is identified.</li></ul>	There is likely to be more interaction with fraud specialists as part of our planning procedures.
Journal entry testing	We were already required to test the appropriateness of journal entries and other adjustments made in the preparation of the financial statements and make inquiries of personnel.  The revised ISA (UK) clarifies that our selection process should consider specifically both automated and manual journals, consolidation adjustments (in the preparation of group financial statements), and post-closing entries.  The standard also emphasises that when making inquiries about inappropriate or unusual activity relating to the processing of journal entries and other adjustments, we should make inquiries of individuals with different levels of responsibility in the financial reporting process.	You should expect more challenge on GITCs over the identification and classification of automated and manual controls, especially where there are IT deficiencies.  There will also be more inquiries with people at different levels of responsibility at the entity.

# Revisions to auditing standards coming into effect (continued)

## ISA (UK) 240 – The Auditor's Responsibilities Relating to Fraud in an Audit of Financial Statements

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Area of change	Impact on our audit	Impact on the entity
Representations from those charged with governance	We will request an additional representations from those charged with governance regarding their responsibilities for the prevention and detection of fraud.	You should expect updated representations from those charged with governance that they believe they have appropriately fulfilled their responsibilities to design, implement and maintain internal control to prevent and detect fraud.

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# Sector developments

## The State of the State report 2022/23 – From the pandemic to a cost of living crisis

### Background and overview

The 11<sup>th</sup> edition of Deloitte and Reform's report on the UK public sector was launched in November 2022. Since 2012, we have aimed to create an annual snapshot of what's happening across government and public services to serve as an evidence base for informed discussion.

This year's State of the State finds public attitudes deeply affected by the cost of living crisis, pessimistic for the future and passionate about climate change.

After years of reacting to crises, the latest State of the State report finds officials across the public sector eager for reform and calling for bold decisions about the future of government and public services.

Some key messages:

- The public are split on the right balance between taxes, borrowing and public spending;
- The public's message to government: deal with the crises, but don't neglect net zero;
- Our survey data found that the Scottish and Welsh Governments, as well as the NHS, are among the most trusted parts of the public sector but trust has slipped overall;
- Public sector leaders are eager for reform and calling for bold decisions about the future of government and public services.



### Next steps

The full report is available at [The State of the State 2022/23 \(deloitte.com\)](https://www.deloitte.com/uk/en/insights/industry/public-sector/state-of-the-state-2022-23.html)

# Sector developments (continued)

## Good practice in annual reporting – National Audit Office (NAO)

### Background and overview

Effective annual reporting in the public sector is more important than ever. The COVID-19 pandemic and, more recently, the energy price crisis have resulted in extraordinary public spending interventions by the government to support the public and the economy. Making government spending transparent and understandable to those who fund it – taxpayers – is therefore critical. Annual reports must clearly tell the ‘story’ of how these monies have been spent and what has been achieved. Crucially, annual reports and accounts must give assurance on how effective outcomes are being secured and how the risk of fraud and loss to the public purse is being appropriately managed and controlled.

Good reporting equips stakeholders with information they can use to hold organisations to account. This is why high-quality annual reports and accounts are fundamental to effective accountability.

The NAO has published a guide setting out good practice principles that it believes underpin good annual reporting. These principles are grouped under: **Supporting accountability**, **Transparency**, **Accessibility**, and the need for the report to be **Understandable**. Against these principles, the guide highlights examples which demonstrate attributes of good-practice reporting, including:

- Joined-up reporting.
- A frank and balanced assessment of risks and opportunities facing an organisation.
- Understandable non-financial information.
- Linkage between financial and non-financial information.
- Accessibility considerations.

### Next steps

The full guide has been shared with management for consideration as part of the preparation for the 2022/23 Annual Report and Accounts and is available at [Good practice in annual reporting - National Audit Office \(NAO\) insight](#).



# Appendices





# Prior year audit adjustments

## Uncorrected misstatements

The following uncorrected misstatements were identified in relation to the prior year audit:

	Credit/(Charge) to the SOCNE £'000	Increase/ (Decrease) in net assets £'000	Increase/ (Decrease) in Reserves £'000
<b>Factual misstatements</b>			
PO Accrual	176	(176)	

# Our other responsibilities explained

## Fraud responsibilities



### **Your Responsibilities:**

The primary responsibility for the prevention and detection of fraud rests with management and those charged with governance, including establishing and maintaining internal controls over the reliability of financial reporting, effectiveness and efficiency of operations and compliance with applicable laws and regulations.



### **Our responsibilities:**

- We are required to obtain representations from your management regarding internal controls, assessment of risk and any known or suspected fraud or misstatement.
- As auditors, we obtain reasonable, but not absolute, assurance that the financial statements as a whole are free from material misstatement, whether caused by fraud or error.
- As set out in the significant risks section of this document, we have identified risks of material misstatement due to fraud in completeness of income, operating within funding provided, property valuation, and management override of controls.
- We will explain in our audit report how we considered the audit capable of detecting irregularities, including fraud. In doing so, we will describe the procedures we performed in understanding the legal and regulatory framework and assessing compliance with relevant laws and regulations.
- We will communicate to you any other matters related to fraud that are, in our judgment, relevant to your responsibilities. In doing so, we shall consider the matters, if any, regarding management's process for identifying and responding to the risks of fraud and our assessment of the risks of material misstatement due to fraud.



### **Fraud Characteristics:**

- Misstatements in the financial statements can arise from either fraud or error. The distinguishing factor between fraud and error is whether the underlying action that results in the misstatement of the financial statements is intentional or unintentional.
- Two types of intentional misstatements are relevant to us as auditors – misstatements resulting from fraudulent financial reporting and misstatements resulting from misappropriation of assets.

# Our other responsibilities explained (continued)

## Fraud responsibilities (continued)

We will make the following inquiries regarding fraud and non-compliance with laws and regulations:



### **Management and other personnel:**

- Management's assessment of the risk that the financial statements may be materially misstated due to fraud, including the nature, extent and frequency of such assessments.
- Management's process for identifying and responding to risks of fraud.
- Management's communication, if any, to those charged with governance regarding its processes for identifying and responding to the risks of fraud.
- Management's communication, if any, to employees regarding its views on business practices and ethical behaviour.
- Whether management has knowledge of any actual, suspected or alleged fraud affecting the entity.
- We plan to involve management from outside the finance function in our inquiries, in particular the Principal.
- We will also make inquiries of personnel who are expected to deal with allegations of fraud raised by employees or other parties.

### **Internal audit**



- Whether internal audit has knowledge of any actual, suspected or alleged fraud affecting the entity, and to obtain its views about the risks of fraud.

### **Those charged with governance**



- How those charged with governance exercise oversight of management's processes for identifying and responding to the risks of fraud in the entity and the internal control that management has established to mitigate these risks.
- Whether those charged with governance have knowledge of any actual, suspected or alleged fraud affecting the entity.
- The views of those charged with governance on the most significant fraud risk factors affecting the entity, including those specific to the sector.

# Independence and fees

As part of our obligations under International Standards on Auditing (UK), we are required to report to you on the matters listed below:

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**Independence confirmation** We confirm the audit engagement team, and others in the firm as appropriate, Deloitte LLP and, where applicable, all Deloitte network firms are independent of the College and will reconfirm our independence and objectivity to the Audit Committee for the year ending 31 July 2023 in our final report to the Audit Committee.

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**Fees** The expected fee for 2022/23, as communicated by Audit Scotland in December 2022 is analysed below:

£

Auditor remuneration	44,640
Audit Scotland fixed charges:	
• Pooled costs	(6,550)
• Audit support costs	1,150
• Sectoral cap adjustment	(5,660)
<b>Total expected fee</b>	<b>33,580</b>

There are no non-audit fees.

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**Non-audit services** In our opinion there are no inconsistencies between the FRC's Ethical Standard and the College's policy for the supply of non-audit services or any apparent breach of that policy. We continue to review our independence and ensure that appropriate safeguards are in place including, but not limited to, the rotation of senior partners and professional staff and the involvement of additional partners and professional staff to carry out reviews of the work performed and to otherwise advise as necessary.

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**Relationships** We have no other relationships with the College, its directors, senior managers and affiliates, and have not supplied any services to other known connected parties.

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## Committee Cover Sheet

Paper No. 5

<b>Name of Committee</b>	Audit Committee
<b>Subject</b>	FOI & Data Protection Quarterly Update
<b>Date of Committee meeting</b>	30/05/2023
<b>Author</b>	Ian McCartney, Clerk to the Board
<b>Date paper prepared</b>	22/05/2023
<b>Executive Summary</b> Please provide a concise summary of the Paper outlining the purpose, impact and recommended future actions if approved	Summary of data relating to FOI requests received and data protection issues raised for the Quarter to 30 April 2023
<b>Committee Consultation</b> Please note which Committees this paper has previously been tabled at, and a brief summary of the outcomes/actions arising from this.	Information provided in this paper is provided within quarterly statistics provided to the Scottish Information Commissioner
<b>Action requested</b>	<input checked="" type="checkbox"/> For information <input type="checkbox"/> For discussion <input type="checkbox"/> For endorsement <input type="checkbox"/> For approval <input type="checkbox"/> Recommended with guidance (please provide further information, below)
<b>Strategic Impact</b> Please highlight how the paper links to the Strategic Objectives of UHI Perth or the UHI Partnership: <a href="#">Strategic-Plan-2022-27.pdf</a>  If there is no direct link to Strategic Objectives, please provide a justification for inclusion of this paper to the nominated Committee.	College Growth & Ambition  SO4 – Our Ways Of Working

## Committee Cover Sheet

<p><b>Resource implications</b></p> <p>Does this activity/proposal require the use of College resources to implement?</p> <p>If yes, please provide details.</p>	<p>No</p>
<p><b>Risk implications</b></p> <p>Does this activity/proposal come with any associated risk to UHI Perth, or mitigate against existing risk?</p> <p>If yes, please provide details.</p>	<p>Yes</p> <p>Trends inform Enterprise Risk Management</p>
<p><b>Equality &amp; Diversity</b></p> <p>Does this activity/proposal require an Equality Impact Assessment?</p> <p>If yes, please provide details.</p>	<p>No</p>
<p><b>Data Protection</b></p> <p>Does this activity/proposal require a Data Protection Impact Assessment?</p> <p>If yes, please provide details.</p>	<p>No</p> <p>Click or tap here to enter text.</p>
<p><b>Island communities</b></p> <p>Does this activity/proposal have an effect on an island community which is significantly different from its effect on other communities (including other island communities)?</p>	<p>No</p> <p>If yes, please give details:</p> <p>Click or tap here to enter text.</p>
<p><b>Status</b></p> <p>(ie confidential or non-confidential)</p>	<p>Non-Confidential</p> <p>If a paper needs to remain confidential for a prescribed period of time before being made 'open', please advise how long must the paper be withheld:</p> <p>Click or tap here to enter text.</p>

## Committee Cover Sheet

### Freedom of Information

Please note that **ALL** papers will be included within 'open' business unless a justifiable reason can be provided.

Please select a justification from the list, below:

Its disclosure would substantially prejudice a programme of research	<input type="checkbox"/>	Its disclosure would substantially prejudice the effective conduct of public affairs	<input type="checkbox"/>
Its disclosure would substantially prejudice the commercial interests of any person or organisation	<input type="checkbox"/>	Its disclosure would constitute a breach of confidence actionable in court	<input type="checkbox"/>
Its disclosure would constitute a breach of the Data Protection Act	<input type="checkbox"/>	Other [please give further details] Click or tap here to enter text.	<input type="checkbox"/>

Further guidance on application of the exclusions from Freedom of Information legislation is available via:

<http://www.itspublicknowledge.info/ScottishPublicAuthorities/ScottishPublicAuthorities.asp>

and

[http://www.itspublicknowledge.info/web/FILES/Public\\_Interest\\_Test.pdf](http://www.itspublicknowledge.info/web/FILES/Public_Interest_Test.pdf)



# Quarterly Freedom of Information & Data Protection Update

## Academic Year 2022/23 | Quarter 3 | February 2023 – April 2023

### 1. Summary

Quarter 3 of 2022/23 saw numbers of Freedom of Information requests and Subject Access Requests remain in line with previous quarter, and full-year numbers likely to exceed historic levels.

This quarter represents the highest number of requests in a 3-month period received from Scottish Parliament, and this source is now the most frequent data requestor. The majority requests in from the Scottish Parliament have been received from the same requestor. It is anticipated that this trend will continue.

### 2. Freedom of Information

#### **a. Total Number of Requests**

2022/23 Quarter 3	2022/23 YTD	2021/22 Full Year	2019/20 Full Year	2018/19 Full Year
9	26	22	28	39

#### **b. Request Topics – 2022/23**

Type	Q3	YTD
Academic-Related	0	1
Student-Related	4	8
Compliance	0	0
Financial	2	3
Estates	0	1
HR	2	9
Operational Management	0	0
IT	1	4
<b>TOTAL</b>	<b>9</b>	<b>26</b>

#### **c. Response Times – 2022/23 Q1**

Response Time	Q2	YTD
Replied within Statutory Time	8	25
Late	0	0
To be completed	1	0
<b>TOTAL</b>	<b>9</b>	<b>26</b>

**d. Request Sources – 2022/23**

<b>Type</b>	<b>Q2</b>	<b>YTD</b>
Legal Representative	0	0
Campaigning Groups	0	2
Trade Union	1	4
Press	0	2
Scottish Parliament	4	7
Staff	0	1
Student	0	0
University Research	2	2
Industry	1	2
Unknown/Anonymous	1	6
<b>TOTAL</b>	<b>9</b>	<b>26</b>

**3. Data Protection**

**a. Total Number of Requests**

	<b>2022/23 Q3</b>	<b>2022/23 YTD</b>	2021/22 Full year	2020/21 Full Year	2019/20 Full Year	2018/19 Full Year
Subject Access Requests	2	3	5	6	6	10
Data Breaches	0	3	6	7	13	13

Ian McCartney  
22 May 2023

**Membership**

No fewer than 3 members of the Board of Management.

One place reserved by invitation for a Student Member of the Board, as nominated by HISA Perth.

One place reserved by invitation for a Student Member of the Board, to be determined by Staff Members of the Board

- Board members not eligible for appointment are the Chair of the Board, the Principal, the Chair of the Finance & Resources Committee, the Staff Board Member nominated to Finance & Resources Committee, and the Student Board Member nominated by HISA Perth to Finance & Resources Committee.
- No member of the Finance and Resources Committee shall also be a member of the Audit Committee.
- The Chair of the Board, the Principal and the Chair of the Finance & Resources Committee shall be invited to attend meetings.
- The Committee may sit privately without any non-members present for all or part of a meeting if they so decide.
- The College Executive will attend meetings at the invitation of the Committee Chair and provide information for Agenda items

**In attendance**

Vice Principal (External)

Depute Principal (Academic)

**Quorum**

The Quorum shall be 3 members.

**Frequency of Meetings**

The Committee shall meet no less than three times per year.

**Objectives**

The Audit Committee's main responsibilities include advising the Board on whether:

- There are systems in place to ensure that the College's activities are managed in accordance with legislation and regulations governing the sector.
- A system of governance, internal control and risk management has been established and is being maintained, which provides reasonable assurance of effective and efficient operations and produces reliable financial information.
- There are systems in place to ensure the Committee engages with financial reporting issues

## **Terms of Reference**

### **Internal Control**

1. Reviewing and advising the Board of Management of the internal and the external auditor's assessment of the effectiveness of the college's financial and other internal control systems, including controls specifically to prevent or detect fraud or other irregularities as well as those for securing economy, efficiency and effectiveness; and
2. Reviewing and advising the Board of Management on its compliance with corporate governance requirements and good practice guidance including a strategic overview of risk management.
3. Strategic oversight of Health and Safety, Freedom of Information and Data Protection on behalf of the Board.

### **Internal Audit**

1. Advising the Board of Management on the selection, appointment or reappointment and remuneration, or removal of the internal audit provider.
2. Advising the Board of Management on the terms of reference for the internal audit service.
3. Reviewing the scope, efficiency and effectiveness of the work of internal audit, considering the adequacy of the resourcing of internal audit and advising the Board of Management on these matters.
4. Advising the Board of Management of the Audit Committee's approval of the basis for and the results of the internal audit needs assessment and the strategic and operational planning processes.
5. Approving the criteria for grading recommendations in assignment reports as proposed by the internal auditors.
6. Reviewing the internal auditor's monitoring of management action on the implementation of agreed recommendations reported in internal audit assignment reports and internal audit annual reports.
7. Considering salient issues arising from internal audit assignment reports, progress reports, annual reports and management's response thereto and informing the Board of Management thereof.
8. Informing the Board of Management of the Audit Committee's approval of the internal auditor's annual report.
9. Ensuring establishment of appropriate performance measures and indicators to monitor the effectiveness of the internal audit service.
10. Securing and monitoring appropriate liaison and co-ordination between internal and external audit.

11. Ensuring good communication between the Committee and the internal auditors.
12. Responding appropriately to notification of fraud or other improprieties received from the internal auditors or other persons.
13. Reviewing the Risk Management Register.

## **External Audit**

The appointment of external auditors to the College is directed by Audit Scotland.

1. Considering the college's annual financial statements and the external auditor's report prior to submission to the Board of Management by the Finance Committee. Care should be taken, however, to avoid undertaking work that properly belongs to the Finance and General Purposes Committee. If within its terms of reference, the Committee should consider the external audit opinion, the Statement of Members' Responsibilities and any relevant issue raised in the external auditor's management letter.
2. Reviewing the external auditor's annual Management Letter and monitoring management action on the implementation of the agreed recommendations contained therein.
3. Advising the Board of Management of salient issues arising from the external auditor's management letter and any other external audit reports, and of management's response thereto.
4. Reviewing the statement of corporate governance.
5. Establishing appropriate performance measures and indicators to monitor the effectiveness of the external audit provision.
6. Reviewing the external audit strategy and plan.
7. Holding discussions with external auditors and ensuring their attendance at Audit Committee and Board of Management meetings as required.
8. Considering the objectives and scope of any non-statutory audit work undertaken or to be undertaken, by the external auditor's firm and advising the Board of Management of any potential conflict of interest.
9. Securing appropriate liaison and co-ordination between external and internal audit.

## **Value for Money**

1. Establishing and overseeing a review process for evaluating the effectiveness of the college's arrangements for securing the economical, efficient and effective management of the college's resources and the promotion of best practice and protocols, and reporting to the Board of Management thereon.

2. Advising the Board of Management on potential topics for inclusion in a programme of value for money reviews and providing a view on the party most appropriate to undertake individual assignments considering the required expertise and experience.
3. Advising the Board of Management of action that it may wish to consider in the light of national value for money studies in the further education sector.

### **Advice to the Board of Management**

1. Reviewing the college's compliance with the Code of Audit Practice and advising the Board of Management on this.
2. Producing an annual report for the Board of Management.
3. Advising the Board of Management of significant, relevant reports from the Scottish Funding Council and National Audit Office and successor bodies and, where appropriate, management's response thereto.
4. Reviewing reported cases of impropriety to establish whether they have been appropriately handled.

Reviewed: September 2022