

Audit Committee

Agenda

Meeting reference: Audit 2023-24/02

Date: Monday 12 December at 6.00pm

Location: Boardroom (Braham Room 019)

Purpose: Scheduled meeting/Joint meeting with Finance & Resources Committee

* 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.

	Agenda Items	Author	Led by	Paper
	Joint Meeting with Finance & Resources Committee			
1	Joint Welcome & Apologies		Chairs of F&R and Audit Committees	
2	Declaration of a Conflict of Interest in any Agenda Item			
*3	Draft Perth College Group Report & Financial Statements for the Year ended 31 July 2023	Vice Principal Operations	Vice Principal Operations	Paper 1 Not available
*4	Draft External Audit Annual Report 2022-23	External Auditors	External Auditors	Paper 2 Not available
*5	Draft Internal Audit Annual Report 2022-23	Internal Auditors	Internal Auditors	Paper 3
*6	Draft Audit Committee Annual Report to the Board of Management	Head of Finance	Head of Finance	Paper 4 Not available
*7	Code of Good Governance Compliance Checklist	Clerk	Clerk	Paper 5
	Scheduled Audit Committee Business			
8	Additions to the Agenda		Chair	
9	Declaration of a Conflict of Interest in any Agenda Item		Chair	

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	Agenda Items	Author	Led by	Paper
10	Minutes of the Meeting of Audit Committee held on 04 October 2023		Chair	Paper 6
11	Actions arising from previous minutes		Chair	
12	Reporting & Compliance			
*12.1	Enterprise Risk Management Report	Vice Principal Operations	Vice Principal Operations	Paper 7
13	Audit Plans, Reports & Updates			
13.1	IA Report 2023/04 – Follow-Up Reviews	Internal Auditor	Internal Auditor	Paper 8
13.2	IA Report 2023/05 – Performance Management & KPIs	Internal Auditor	Internal Auditor	Paper 9
13.3	IA Report 2023/08 – Space Management & Room Utilisation	Internal Auditor	Internal Auditor	Paper 10
13.4	IA Report 2023 – Student Activity Data	Internal Auditor	Internal Auditor	Paper 11
13.5	IA Report 2023 – Student Support Funds	Internal Auditor	Internal Auditor	Paper 12
13.6	Draft Annual Internal Audit Plan	Internal Auditor	Internal Auditor	Paper 13
13.2	Procurement/Creditors/Purchasing Audit Report (process overview)		Vice Principal Operations	Verbal
14	FOI & Data Protection			
14.1	Freedom of Information & Data Protection quarterly update	Clerk	Clerk	Paper 14
15	Date and time of next meeting: <ul style="list-style-type: none"> Tuesday 19 March 2024, 5pm 	Clerk		
*16	Review of Meeting (Committee to check against the Terms of Reference to ensure all competent business has been covered)			Paper 15

Perth College

Annual Report to the Board of Management and the Principal on the Provision of Internal Audit Services for 2022/23

Internal Audit report No: 2023/10

Draft issued: 1 December 2023

Final issued: 1 December 2023



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Annual Report and Opinion

Introduction

- 1.1 We were re-appointed in July 2021 as internal auditors of UHI Perth ('the College') for the period 1 August 2021 to 31 July 2024, with the option for the College to extend for a further two 12-month periods, subject to mutual agreement. This report summarises the internal audit work performed during 2022/23.
- 1.2 The annual operating plan was based on a comprehensive Audit Needs Assessment (ANA) and three-year Strategic Plan, which involved dialogue with senior management, the Chair of the Board and the Chair of the Audit Committee. The Strategic Plan was approved by the Audit Committee at its meeting on 31 May 2022.
- 1.3 The work undertaken in the year followed that set out in the approved Annual Internal Audit Plan for 2022/23 (Internal Audit Report 2023/01, issued in December 2022).
- 1.4 The reports submitted are listed in Section 2 of this report and a summary of results and conclusions from each assignment is given at Section 3.
- 1.5 An analysis of time spent against budget is set out at Section 4.

Public Sector Internal Audit Standards (PSIAS) Reporting Requirements

- 1.6 The College has responsibility for maintaining an effective internal audit activity. You have engaged us to provide an independent risk-based assurance and consultancy internal audit service. To help you assess that you are maintaining an effective internal audit activity we:
 - Confirm our independence;
 - Provide information about the year's activity and the work planned for next year in this report; and
 - Provide quality assurance through self-assessment and independent external review of our methodology and operating practices.
- 1.7 Self-assessment is undertaken through:
 - Our continuous improvement approach to our service. We will discuss any new developments with management throughout the year;
 - Ensuring compliance with best professional practice, in particular the PSIAS;
 - Annual confirmation from all staff that they comply with required ethical standards and remain independent of clients;
 - Internal review of each assignment to confirm application of our methodology which is summarised in our internal audit manual; and
 - Annual completion of a checklist to confirm PSIAS compliance.

Public Sector Internal Audit Standards (PSIAS) Reporting Requirements (continued)

- 1.8 External assessment is built into our firm-wide quality assurance procedures. Henderson Loggie LLP is a member of Prime Global, a global association of independent accountancy firms. Continued membership of Prime Global is dependent on maintaining a high level of quality and adhering to accounting and auditing standards in the provision of our services. Annual quality reviews are conducted to confirm our continuing achievement of this quality. The independent review conducted in March 2019, when we were part of the MHA network, included our internal audit service. Overall, the review confirmed that the firm's policies and procedures relating to internal audit were compliant with the PSIAS in all material respects.
- 1.9 In the intervening years between formal external assessment against PSIAS we conduct our own self-assessment annually. The result of our latest self-assessment, conducted in May 2023, confirms that our service is independent of the College and continues to comply with the PSIAS.

Significant Issues

- 1.10 All work conducted in 2022/23 assessed systems as either 'Good' or 'Satisfactory' and provided an unqualified audit opinion on College returns. There were no significant issues identifying major internal control weaknesses arising from our internal audit work. In general, procedures were operating well in the areas selected, but a few areas for further strengthening were identified and action plans have been agreed to address these issues.

Opinion

- 1.11 In our opinion, the College has adequate and effective arrangements for risk management, control, and governance. This opinion has been arrived at taking into consideration the work we have undertaken during 2022/23 and in previous years since our initial appointment.



Reports Submitted

Number	Title	Overall Grade	Recommendations	Priority 1	Priority 2	Priority 3
2023/01	Annual Plan	N/A	-	-	-	-
2023/02	2021/22 Student Activity Data	Audit opinion unqualified	6	-	-	6
2023/03	Student Support Funds 2021/22	Audit opinion unqualified	1	-	-	1
2023/04	Follow Up	N/A	21 of 35 recommendations required further action	-	9	12
2023/05	Performance Reporting / KPIs	Good	1	-	-	1
2023/06	Procurement & Creditors / Purchasing – Sustainable Procurement	Satisfactory	6	-	1	5
2023/07	Data Protection	Satisfactory	3	-	-	3
2023/08	Teaching Space Management / Room Utilisation Business Process Review	N/A	-	-	-	-
2023/09	Business Continuity	Satisfactory	3	-	-	3

Overall gradings are defined as follows:

Good	System meets control objectives.
Satisfactory	System meets control objectives with some weaknesses present.
Requires improvement	System has weaknesses that could prevent it achieving control objectives.
Unacceptable	System cannot meet control objectives.



Recommendation grades are defined as follows:

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.

Summary of Results and Conclusions

Report No 2023/01 – Internal Audit Annual Plan 2022/23

Final Issued – December 2022

The purpose of this document was to present for consideration by management and the Audit Committee the annual operating plan for the year ended 31 July 2023. The plan was based on the proposed allocation of audit days for 2022/23 as set out in the Internal Audit Strategic Plan 2021 to 2024. The preparation of the Strategic Plan involved dialogue with senior management, the Chair of the Board and the Chair of the Audit Committee.

The outline scope, objectives and audit approach for each audit assignment to be undertaken, arrived at following discussion with a range of senior managers across the SMT and CMT, were set out in the report. The outline scopes were refined and finalised after discussion with responsible managers in each audit area.

Annual Internal Audit Report 2022/23

Report No 2023/02 – 2021/22 Student Activity Data

Final Issued – November 2022

In accordance with the Credits Audit Guidance, we reviewed and recorded the systems and procedures used by the College in compiling the returns and assessed and tested their adequacy. We carried out further detailed testing, as necessary, to enable us to conclude that the systems and procedures were working satisfactorily as described to us.

Detailed analytical review was carried out, including a comparison with last year's data, obtaining explanations for significant variations by Price Group.

Our testing was designed to cover the major requirements for recording and reporting fundable activity identified at Annex C to Credits Audit Guidance, COVID-19 related guidance at Annex D and the key areas of risk identified in Annex E.

Our report was submitted to the SFC on 23 November 2022. We reported that, in our opinion:

- the student data returns have been compiled in accordance with all relevant guidance.
- adequate procedures are in place to ensure the accurate collection and recording of the data; and
- we can provide reasonable assurance that the FES return is free from material misstatements.

Six recommendations were identified from our audit testing for 2021/22 including that the College should: ensure that Credits claimed for students are based upon the value of the units listed on the student course record, which reflect the activity delivered in the year, and not based upon a default tariff; ensure that non-fundable programmes are identified and removed from the Credits claim; ensure evidence of progression and participation / engagement is retained to evidence eligibility of the Credits claimed for open / distance learning students. Where curriculum staff identify that no evidence is available, or that students are no longer engaging, this should be notified to the Student Records team to ensure that the Credits are removed from the Credits claim; and introduce checks to ensure that fee waivers are correctly classified.



Annual Internal Audit Report 2022/23

Report No 2023/03 – Student Support Funds 2021/22

Final Issued – December 2022

For the 2021/22 academic year two specific fund statements were required for audit:

- Further Education Discretionary Fund, Further and Higher Education Childcare Fund and Bursary Return; and
- Education Maintenance Allowance (EMA) Return.

The audit objectives were to ensure that:

- The College complies with the terms, conditions and guidance notes issued by SFC, SAAS and the Scottish Government;
- Payments to students are genuine claims for hardship, bursary or EMA, and have been processed and awarded in accordance with College procedures; and
- The information disclosed in each of the returns for the year ending 31 July 2022, is in agreement with underlying records.

We were able to certify both fund statements for the year and submit these to the SFC without reservation.

We noted during the course of our audit an issue with EMA attendance checks. As part of the EMA acceptance process, the EMA Team should add any accepted students to the EMA attendance group so that they are picked up during attendance checks. For one student in our sample selected for testing that did not happen until late April / early May 2022 and the bi-weekly EMA Attendance records were not available for the period selected for testing (25 October 2021 to 5 November 2021). We were provided with the standard attendance records from CELCAT covering this period and noted that the student had three unauthorised absences out of eight registers during the period 25 to 29 October 2021 and full attendance during the period 1 to 5 November 2021. During our audit, the Student Funding Adviser emailed the team dealing with EMA applications stressing the importance that this is carried out timeously for all students otherwise the College runs the risk of paying students who should not be paid. A monthly check has been put in place to ensure that the attendance list matches up with accepted EMA students. Given the action already taken by the College, we did not make any further recommendations in this area.

One recommendation was raised in our report, in relation to EMA spot checks. The College should ensure that EMA spot check testing of 5% of applications is carried out throughout the year to give regular and timely updates on the operation of the systems.



Annual Internal Audit Report 2022/23

Report No 2023/04 – Follow Up Reviews

Final Issued: December 2023

We carried out a follow-up review of the recommendations made in the following Internal Audit reports finalised during 2021/22, which included recommendations from earlier reports where previous follow-up identified that the recommendations were outstanding:

- Internal Audit Report 2022/03 - Payroll Double Payment
- Internal Audit Report 2022/05 - Partnership Working
- Internal Audit Report 2022/06 - Income and Debtors
- Internal Audit Report 2022/07 – Payroll
- Internal Audit Report 2022/08 - Building Maintenance
- Internal Audit Report 2022/09 – Quality
- Internal Audit Report 2022/10 – Follow Up 2021/22

The College had made some progress in implementing the recommendations followed-up as part of this review with 14 of 35 (40%) recommendations being categorised as 'fully implemented', 12 recommendations (34%) assessed as 'partially implemented', seven recommendations (20%) assessed as 'little or no progress made', and two recommendations (6%) as 'not past agreed completion date'. These recommendations will be subject to follow-up at a later date.

Our findings from each of the follow-up reviews has been summarised below:



Annual Internal Audit Report 2022/23

Report No 2023/04 – Follow Up Reviews (Continued)

From Original Reports			From Follow-Up Work Performed				
Area	Rec. Priority	Number Agreed	Fully Implemented	Partially Implemented	Little or No Progress Made	Not Past Agreed Completion Date	Considered But Not Implemented
2022/03 - Payroll Double Payment	1	-	-	-	-	-	-
	2	1	1	-	-	-	-
	3	1	1	-	-	-	-
Total		2	2	-	-	-	-
2022/05 - Partnership Working	1	-	-	-	-	-	-
	2	1	-	-	-	1	-
	3	3	1	2	-	-	-
Total		4	1	2	-	1	-
2022/06 - Income and Debtors	1	-	-	-	-	-	-
	2	-	-	-	-	-	-
	3	2	-	1	1	-	-
Total		2	-	1	1	-	-
2022/07 - Payroll	1	-	-	-	-	-	-
	2	1	1	-	-	-	-
	3	3	2	-	-	1	-
Total		4	3	-	-	1	-
2022/08 - Building Maintenance	1	-	-	-	-	-	-
	2	1	-	1	-	-	-
	3	2	1	1	-	-	-
Total		3	1	2	-	-	-
2022/09 - Quality	1	-	-	-	-	-	-
	2	-	-	-	-	-	-
	3	1	1	-	-	-	-
Total		1	1	-	-	-	-
2022/10 - Follow Up 2021/22	1/A	-	-	-	-	-	-
	2/B	11	4	4	3	-	-
	3/C	8	2	3	3	-	-
		19	6	7	6	-	-
Grand Totals		35	14	12	7	2	-



Report No 2023/05 – Performance Reporting / KPIs

This audit considered the format, content and timeliness of management information, provided to senior management and to the Board. We also considered whether the information reported to the Board is appropriate, and whether such information is accurate and easy to understand for those who rely on it.

The table opposite notes each separate objective for this review and records the results.

Strengths

The audit identified the following areas of good practice:

- The inclusive process to develop the UHI Perth Strategy 2022 – 2027 was designed to avoid staff disconnect with the delivery of the College strategic objectives. This had allowed the development of a much more fluid approach to the definition of strategic objectives and their delivery (which can change over time), alongside a more target driven culture.;
- The College had a suite of 36 Performance Indicators (PIs) covering the key learning functions of the College such as: student recruitment, student retention, successful completion against enrolments etc. which were aligned with the strategic objectives and were developed through a lengthy consultation process with staff from academic areas and support functions;
- The responsibility for assigning lead authors to each of the performance measures was delegated to CMT and a series of meetings were held to reach agreement on who the lead author (or authors) would be. Where the particular performance measure was a cross-cutting measure then two lead authors were assigned. In addition, an SMT sponsor was identified for all 36 of the performance measures;
- The College had sub-committees to monitor performance in specific areas, which then fed into the overarching College Board of Management;
- A mapping document had been produced which aligned the 36 performance measures with strategic objectives and showed how lead authors fed into reporting to Board sub committees;
- Recognising the impact which a move to a more target based culture would have on individual staff members two groups were engaged to consider the impact on staff;
- We were also advised that the changes to the performance management framework had been extremely beneficial in meeting the needs of Education Scotland during their annual visits;

Final Issued – December 2023

The objective of our audit was to ensure that:	
1. The management information needs of users have been identified and the information provided meets those needs.	Good
2. The management information is clearly set out, easily accessible, accurate, provided on a timely basis and readily understood by users.	Good
3. Management information is available which: - Reports on appropriate key performance indicators and, where applicable, on outputs, outcomes and impacts; - Enables the impacts of key strategic and operational decisions to be measured; - Assists in forecasting.	Good
4. Processes in place to provide and disseminate management information are efficient.	Good
Overall Level of Assurance	Good



Report No 2023/05 – Performance Reporting / KPIs (Continued)

Strengths (continued)

- CMT discussed any exceptions highlighted in the performance data and scrutinised the master performance management document. SMT attended the CMT meetings, which provided enhanced oversight over the monitoring processes and the discussions around the key issues arising from the performance data;
- The granular analysis of data had enabled teams to feed into the target setting process, but importantly it had also allowed a greater understanding of the performance data, which would inform delivery planning at team level and would allow team level targets to be set and monitored going forward;
- A number of managers interviewed highlighted the need to maintain momentum in continuing to develop the performance culture across the College and a key component of this would be the ability to clearly articulate successes in achieving agreed objectives;
- The 36 performance measures were monitored by SMT throughout the year, with Sponsor and Lead Authors scheduled more frequently than the quarterly reporting cycle. The targets set for each performance measure were set by CMT, to ensure enhanced buy-in and to ensure that any targets set were meaningful and achievable;
- Contribution to the delivery of each strategic objective would be captured at team level and then elevated up through the relevant lead author to CMT. The ambition was to achieve a position of self-management, empowerment, and delivery;
- SMT and CMT meetings were held quarterly in advance of the Board meetings. The Balanced Scorecard, which contained 13 of the 36 performance measures, was presented to the Board four times per year and the full suite of 36 performance measures was shared once a year; and
- The performance data was discussed at the quarterly CMT meetings with SMT. This provided the opportunity to discuss the actions which had been agreed and the progress in delivering these actions.



Report No 2023/05 – Performance Reporting / KPIs (Continued)

Area for Improvement

The audit also identified one area for improvement as follows:

- In order to ensure consistency in approach, and to maintain both management and Board trust in the validity and accuracy of the figures presented, we recommended that periodic spot checks were conducted to check the source data and the calculation methodology.



Report No 2023/06 – Procurement & Creditors / Purchasing – Sustainable Procurement

This audit focussed on the systems of internal control in place for the ordering of goods and services and the payment of invoices. We also considered whether the procurement strategy followed and procedures in place support best value purchasing across the College in relation to non-pay spend.

The table opposite notes each separate objective for this review and records the results.

Strengths

- A Financial Regulations document was in place and available to all staff;
- A Procurement Policy & Strategy were in place and available to all staff;
- There was a step-by-step procurement document in place which outlined the process to be undertaken;
- A full contracts register was in place to record all current contracts held by the College;
- The College followed the APUC framework approach for procurement exercises;
- A stakeholders' pre-tender pack was in place for the relevant contract managers to utilise in order to ensure that they performed the procurement process correctly;
- User groups were in place for procurement exercises to help ensure that sufficient expertise was obtained, with the Data Protection Officer (DPO) also involved;
- From a sample of five procurement exercises reviewed, to establish whether these followed agreed procedures, no issues were identified;
- With the exception of a procurement exercise completed in 2007, the authorisations of the contract from the Principal were in line with procedures;
- From a sample of 10 purchase orders (POs) examined, it was established that controls were in place, including electronic sign off, and that there were no significant variances between the POs sampled and the invoices prior to being processed for payment;
- All current historical liabilities were noted as being recorded accurately to reflect the amounts due to be paid / what had already been paid (for historical liabilities);
- Payments runs were reviewed by the Head of Finance or finance business partner prior to payment; and
- An informal checking process was in place for changes to standing supplier data.

Final Issued – September 2023

The objective of the audit was to obtain reasonable assurance that:	Level of Assurance
1. The organisation's Procurement Policy, Strategy and procurement guidance are comprehensive, kept up-to-date and in line with the Procurement Reform (Scotland) Act 2014 ('the Act') and The Procurement (Scotland) Regulations 2016 ('the Regulations').	Satisfactory
2. Procurement procedures ensure that: - areas of high spend across the organisation are monitored appropriately; - opportunities for pooling of expenditure are identified in order to achieve best value; - collaborative procurement and frameworks available to the organisation are utilised where appropriate.	Good
3. The organisation's procurement guidance on quotes and tenders are being complied with.	Satisfactory
4. Purchase orders are completed for relevant purchases and are approved by members of staff with sufficient delegated authority prior to issue to suppliers, with the risk of unauthorised and excessive expenditure being minimised.	Satisfactory
5. All liabilities are fully and accurately recorded.	Satisfactory
6. All payments are properly authorised, processed and recorded.	Satisfactory



Report No 2023/06 – Procurement & Creditors / Purchasing – Sustainable Procurement (Continued)

Weaknesses

- The College's Procurement Strategy aligned with the College's previous Strategic Plan and was noted as being overdue for review against the scheduled review date;
- From inspection of the procurement evidence, it was noted that one of the contracts was procured in 2007 and as such, there was minimal evidence in place to demonstrate the procurement process undertaken;
- From inspection of the sample of purchases, there was no evidence of the Board approving the expenditure for the refurbishment of the hair salon, with the total order exceeding £180k;
- There was no invoice approval / goods received check undertaken in the Finance system to ensure that all payments made were for goods/services which had been confirmed as having been provided to the College;
- There was no comprehensive system control in place to ensure that invoice amounts agreed to PO amounts (and therefore the amounts approved for purchase), with the Finance Assistant manually inspecting and querying any variances between the PO value and the invoice value; and
- Changes to standing data were manually checked by the Finance team, with no system controls in place to ensure that all changes were reviewed and independently approved prior to being actioned.

The objective of the audit was to obtain reasonable assurance that (continued):	Level of Assurance
7. Appropriate controls are in place over the amendment of standing supplier data on the finance system.	Requires Improvement
Overall level of Assurance	Satisfactory



Report No 2023/07 – Data Protection

We carried out a review of the College's implementation of the Data Protection Act 2018, including the UK GDPR, to ensure that processes and procedures are in place to allow compliance with this.

The table opposite notes each separate objective for this review and records the results.

Strengths

- The College had established a data protection compliance framework, which included a mandatory programme of training for all staff supported by a suite of policies, procedures, guidance, privacy notices, data breach and Subject Access Request reporting monitoring arrangements, and mechanisms for identifying and assessing data protection risks.
- An internal data protection team was in place responsible for all operational aspects of data protection, which was supported by an external DPO accessed through HEFESTIS; and
- Governance structures were in place to maintain oversight of data protection compliance across the organisation and these arrangements were working effectively.

Opportunities

No significant weaknesses were identified during our review; however, we did identify several opportunities to strengthen existing practices, including:

- Consider establishing a network of data protection champions to support the data protection team and DPO, comprising of a data protection lead within each support department / academic team responsible for communicating training to team members and for assisting the data protection team with data breaches, subject access requests, data retention and general data protection queries.
- There was an opportunity for data protection metrics reported to the Audit Committee to be expanded to include details of SAR responses being completed within statutory timescales and compliance rates achieved for staff data protection training.

Final Issued – September 2023

The objective of this audit was to obtain reasonable assurance that:	Level of Assurance
1. appropriate action has been taken by the College to comply with the Data Protection Act 2018, including the UK GDPR.	Good
2. adequate procedures are in place for the ongoing monitoring of compliance with data protection legislation.	Satisfactory
Overall level of Assurance	Satisfactory



Report No 2023/07 – Data Protection (Continued)

Opportunities (continued)

- Formalise a data protection compliance monitoring procedure and audit plan which reflects and builds upon existing practices which identifies the form, frequency and method of compliance monitoring and describes how the results of this activity should be reported.



Report No 2023/08 – Teaching Space Management / Room Utilisation Business Process Review

Final Issued: December 2023

The scope of this assignment was to carry out a review of the current processes used by staff for the completion of course unit information, timetabling (courses, staffing and room allocation), dissemination of timetables, and calculation of room and staff utilisation.

The specific objectives of the review were to ensure that:

- The College is aware of how teaching and support space is currently being utilised;
- The time-tabling process takes sufficient cognisance of space utilisation, ensuring efficient use is being made of College teaching rooms;
- There are appropriate monitoring and reporting frameworks in place;
- The anticipated outcomes for all stakeholders from processes are clearly defined;
- The steps in the value chain (processes) are identified;
- Steps that do not add value are identified with a view to eliminating them; and
- Steps that create value occur in the right sequence.

The review identified several areas for further investigation or improvement. All the identified actions were designed to enhance efficiency and effectiveness and no control issues were identified during our review that would subject the College to material or significant risk.

The high priority areas for investigation or improvement noted during the review (from the eight improvement points identified) were:

- There was an established approach for space utilization. However, the approach required to be enhanced to ensure it was consistently adopted across curriculum areas. Good practice would suggest that:
 - The staff establishment and budget cycle are aligned to an annual timetabling process.
 - An internal communications plan is established to communicate requirements to timetabling staff during the planning cycle.
 - Timetabling for the whole academic year is completed in a single planning cycle, with the caveat that there will be minor room changes.
 - A refresher training programme is developed for timetabling staff and that the training programme clearly communicates roles and responsibilities, timetabling rules, key deadlines, how to use Celcat, and the financial and non-financial impact to the College and its students of non-compliance.
 - A quality assurance process, and respective reports from Celcat, is developed to allow management to monitor compliance of curriculum areas, and to proactively identify any areas requiring additional support during the timetabling process. Good practice would have Sector Managers complete audits at the end of the timetabling period (before summer holidays) and the early stages of Semester 1 and 2 to ensure consistency, and
 - A process that centralises room changes on Celcat to ensure that systems are accurately updated throughout the year.
- An Estates Strategy and Masterplan should be developed that sets out the vision for the campus. This vision should consider the needs from the curriculum from the physical campus, i.e., should dovetail into the College's / UHI's Learning and Teaching Strategy and changing needs of students and staff. Any changes to the existing infrastructure should have the sustainability of the investment appraised via a business case by the Infrastructure Working Group.
- The remit of the Infrastructure Working Group should be formalized to support the College in space management and to assist in the review of any estate investment needs arising from new curriculum developments and associated business cases.



Report No 2023/08 – Teaching Space Management / Room Utilisation Business Process Review (Continued)

- There should be a clear process for communicating timetables for blocks to students and staff, with a timeline for publishing timetables e.g., before the summer break for Semester 1. Currently, communication of timetabling to students and staff varies and can often be in hard copy.
- Managers identified an opportunity for ICT and Estates staff to work together more closely on supporting the virtual campus needs and in the appraisal of new digital hardware supply to curriculum areas and students.



Report No 2023/09 – Business Continuity

We undertook a review of business continuity planning to allow us to consider whether there are adequate plans in place to minimise disruption to the College's operations following loss of life, buildings or equipment. This included a specific focus around the work that was undertaken to allow College operations to continue during the COVID-19 pandemic and reopen College campuses as the lockdown was eased. The review also looked at the student experience through the lockdown period.

The table opposite notes each separate objective for this review and records the results.

Strengths

- A Business Continuity Short Life Working Group was in place to refine the existing processes and add any new processes where relevant, to comply with the latest ISO standard. This work was ongoing at the time of this audit;
- The Incident Management Plan had been updated and action cards were in place to define the approach to a variety of major incidents and the key personnel responsible for managing them;
- Plans had been prepared to map out the fibre internet cables across the campus to assess risk of loss of cables to each building on the College campus;
- An emergency contact list was in place for out of hours incidents;
- Business continuity plans were made available on the College's Sharepoint site for ease of access;
- Response plans had been tested following the recent loss of water to the Braham building;
- Lessons learned exercises had been undertaken following events, with changes communicated to the relevant staff and documentation also updated;
- The College reacted to the COVID-19 pandemic via ongoing engagement between SMT and staff and students, with the Scottish Government guidance acting as a basis for the College's decisions;
- The College arranged for laptops / devices to be provided to all staff and students to allow for continuation of teaching and learning at the beginning of the COVID-19 lockdown;
- A COVID-19 Response Group was put in place, including members from the CMT / SMT, Board, Health & Safety and Trade Unions;

Final Issued – September 2023

The objective of the audit was to obtain reasonable assurance that:	Level of Assurance
1. Business Continuity / Contingency Plans are in place covering all of the College's activities and locations.	Satisfactory
2. The Business Continuity Plans / Contingency Plans are workable, properly communicated to members of staff, and have been adequately tested.	Satisfactory
3. The processes and procedures in place follow recommended good practice.	Good
4. The work that was undertaken to allow College operations to continue during the COVID-19 pandemic minimised, as far as possible, the impact on the student experience.	Good
5. Appropriate preparations were made, and robust plans developed to ensure that College campuses could safely reopen when the COVID-19 lockdown was eased, taking into account all Scottish Government and Health and Safety Executive Guidance relevant to education providers.	Good
Overall level of Assurance	Satisfactory



Report No 2023/09 – Business Continuity (Continued)

Strengths (continued)

- Engagement with students during the pandemic was ongoing between the Vice Principal Academic, CMT and Curriculum staff;
- Practical courses were prioritised for the return to campus following the initial lockdown based on the course requirements, with 'time pressured' courses also returned and the remaining students continuing to study remotely;
- Health Risk Assessments were undertaken for all staff to identify those most suitable for physical return, with those considered to be at risk not permitted to return to College based work;
- The College reviewed all Government guidance as it was issued, and issued College specific guidance to staff and students via the College website; and
- A text message system was in place to notify students to refer directly to the College website.

Weaknesses

- The College's IT Business Continuity plan was in the initial stages of preparation. However, as a result of the College's reliance on IT infrastructure to deliver academic and non-academic activity, this was key to the wider business continuity processes, and as such, should be prioritised;
- The physical copies of the business continuity plans were not up to date, for use in the event of a loss of power / internet connectivity; and
- There was no testing program in place for the business continuity documentation to help ensure that the College's staff sufficiently understood, and could implement, the plans in the event of a major incident.



Time Spent – Budget v Actual 2022/23

	Report number	Planned days	Actual days feed	Days to fee at Nov 2023	Days to spend / WIP	Variance
Estates and Facilities						
<i>Space management / room utilisation BPR</i>	2023/08	5	5	-	-	-
Financial Issues						
<i>Procurement and creditors / purchasing – Sustainable procurement</i>	2023/06	5	5	-	-	-
Organisational Issues						
<i>Business Continuity</i>	2023/09	5	5	-	-	-
<i>Performance reporting / KPIs</i>	2023/05	4	-	4	-	-
Information and IT						
<i>Data protection / records management</i>	2023/07	5	5	-	-	-
Other Audit Activities						
Credits Audit	2023/02	5	-	5	-	-
Bursary, Childcare and Hardship Funds Audit	2023/03	4	-	4	-	-
EMA Audit	2023/03	1	-	1	-	-
Management and Planning)	2023/01 & 2023/10	3	2	1	-	-
External audit / SFC)						
Attendance at Audit Committee)						
Follow-up reviews	2023/04	2	-	2	-	-
Total		<u>39</u> =====	<u>22</u> =====	<u>17</u> =====	<u>-</u> =====	<u>-</u> =====



Operational Plan for 2023/24

- 5.1 Following our re-appointment as internal auditors for the period 1 August 2021 to 31 July 2024, a Strategic Plan was formulated, covering the three-year internal audit cycle from 2021 to 2024. The preparation of the Strategic Plan involved dialogue with senior management, the Chair of the Board and the Chair of the Audit Committee, and it was approved by the Audit Committee at its meeting on 31 May 2022.
- 5.2 The proposed annual operating plan below for 2023/24 reflects the allocation set out in Year 3 of the approved Strategic Plan 2021 to 2024.

Proposed Allocation of Audit Days

	Category	Priority	Planned 23/24 Days
Reputation			
<i>Publicity and Communications</i>	Gov	M	
<i>Health and Safety / Wellbeing</i>	Gov	H	5
Student Experience			
<i>Curriculum</i>	Perf	M	
<i>Quality</i>	Perf	M	
<i>Student support</i>	Perf	M	
<i>Student recruitment and retention</i>	Fin/Perf	M/H	
<i>Student welfare – Duty of Care</i>	Perf	M	
<i>Students Association</i>	Gov	L/M	
Staffing Issues			
<i>Staff recruitment and retention</i>	Perf	M	
<i>Staff development</i>	Perf	M	
<i>Payroll</i>	Fin	M/H	
<i>Teaching staff utilisation</i>	Perf / Fin	M	
Estates and Facilities			
<i>Building maintenance</i>	Fin/Perf	M/H	
<i>Estates strategy / capital projects</i>	Fin/Perf	M	
<i>Space management / room utilisation</i>	Perf	H	
<i>BPR</i>			
<i>Asset / fleet management</i>	Perf	M	
Financial Issues			
<i>Budgetary control</i>	Fin	M	
<i>Student invoicing and debt management</i>	Fin	M	
<i>General ledger</i>	Fin	L	
<i>Procurement and creditors / purchasing – Sustainable procurement</i>	Fin	M/H	
<i>Debtors / Income</i>	Fin	M/H	
<i>Cash & Bank / Treasury management</i>	Fin	M	
<i>Fraud Prevention, Detection and Response</i>	Fin	M	4
<i>Financial sustainability</i>	Fin	H	

Proposed Allocation of Audit Days (continued)

	Category	Priority	Planned 23/24 Days
Commercial Issues			
<i>Business Development</i>	Fin/Perf	M	
<i>External Activities</i>	Gov/Fin/Perf	M	
Organisational Issues			
<i>Risk Management</i>	Perf	M/H	5
<i>Business Continuity</i>	Perf	M	
<i>Corporate Governance</i>	Gov	M	
<i>Corporate Planning</i>	Perf	M	
<i>Performance reporting / KPIs</i>	Perf	M/H	
<i>Partnership Working (incl. Regional Engagement)</i>	Gov/Perf	H	
<i>Equalities</i>	Gov	L/M	
<i>Environmental Sustainability</i>	Gov/Perf	M	
Information and IT			
<i>Cyber security</i>	Perf	M/H	5
<i>Data protection / records management</i>	Gov	H	
<i>FOI</i>	Gov	M	
<i>ICT and Digital Transformation Strategy implementation (with specific focus on digital capability)</i>	Perf	M/H	4
<i>Licencing</i>	Perf	L	
Other Audit Activities			
Credits Audit	Required		5
Bursary, Childcare and Hardship Funds Audit	Required		4
EMA Audit	Required		1
Management and Planning)			3
External audit / SFC)			
Attendance at Audit Committee)			
Follow-up reviews			2
Payroll Double Payment			
Audit Needs Assessment			
Total			38
			=====

Category: Gov – Governance; Perf – Performance; Fin – Financial

BPR = Business process review

Aberdeen 45 Queen's Road AB15 4ZN
Dundee The Vision Building, 20 Greenmarket DD1 4QB
Edinburgh Ground Floor, 11-15 Thistle Street EH2 1DF
Glasgow 100 West George Street, G2 1PP

T: 01224 322 100 **F:** 01224 327 911
T: 01382 200 055 **F:** 01382 221 240
T: 0131 226 0200 **F:** 0131 220 3269
T: 0141 471 9870

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Committee	Audit Committee
Subject	Code of Good Governance - Compliance Checklist
Date of Committee meeting	07/12/2023
Author	Ian McCartney, Clerk to the Board of Management
Date paper prepared	30/11/2023
Executive summary of the paper	<p>This paper presents the approved checklist of items of assurance required to meet Code of Good Governance, together with summary of current compliance, for discussion and recommendation.</p> <p>Committee are advised that of the 83 items listed for compliance, 82 have been assessed as "Effective", with one item (C27 – Staff Governance Standard) assessed as "Partial".</p> <p>Committee are advised that the Checklist is normally scheduled to submitted annually to 1st Audit Committee of each Board cycle to ensure compliance ahead of annual audit and financial statements being prepared.</p>
Consultation How has consultation with partners been carried out?	n/a
Action requested	<input type="checkbox"/> For information <input checked="" type="checkbox"/> For discussion <input checked="" type="checkbox"/> For recommendation <input type="checkbox"/> For approval
Resource implications (If yes, please provide details)	No
Risk implications (If yes, please provide details)	Items of non- or reducing compliance will inform Risk Register

Perth College UHI

Link with strategy Please highlight how the paper links to the Strategic Plan, or assist with: <ul style="list-style-type: none"> • Compliance • National Student Survey • partnership services • risk management • other activity [e.g. new opportunity] – please provide further information 	No
<u>Equality and diversity</u> Yes/ No If yes, please give details:	No
<u>Data Protection</u> Does this activity/ proposal require a Data Protection Impact Assessment?	No
Status (e.g. confidential/non confidential)	Non-Confidential
Freedom of information Can this paper be included in “open” business?	Open Business

* If a paper should **not** be included within ‘open’ business, please highlight below the reason.

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"/>

For how long must the paper be withheld? Click or tap here to enter text.

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

REVIEW OF COMPLIANCE WITH THE [CODE OF GOOD OF GOVERNANCE FOR SCOTLAND'S COLLEGES](#)

Code Principal		Evidence	Assessment	Action required
A1	Every college and regional strategic body must be governed by an effective board that is collectively responsible for setting, demonstrating and upholding the values and ethos of the organisation.	Perth College has an established Board which works collectively to set, demonstrate and uphold the values and ethos of the organisation. It meets a minimum of 4 times a year and holds development evenings and strategy days.	Effective	None
A2	Every board member must ensure that they are familiar with and their actions comply with the provisions of their board's Code of Conduct.	New Board Members receive induction on the Code of Conduct and other good practice guidance, and attend CDN Board Member induction events.	Effective	None
A3	<p>The Nine Principles of Public Life in Scotland, which incorporate the seven Nolan principles, must be the basis for board decisions and behaviour. These key principles, which apply individually and collectively are:</p> <ul style="list-style-type: none"> • Duty/Public Service • Selflessness • Integrity • Objectivity • Accountability and Stewardship • Openness • Honesty • Leadership • Respect 	The Board works collectively and follow the nine principles in its meetings and those of the Standing Committees. No issues have been raised in the operation of meetings which always start with declarations of conflicts of interest, and conclude with assessment against the Terms of Reference.	Effective	None
A4	The board is responsible for determining their institution's vision, strategic direction, educational character, values and ethos. Regional strategic bodies must also determine the regional strategy for colleges assigned to them. The board of an assigned college must have regard to the strategy determined by the regional strategic body. Board members have a collective leadership role in fostering an environment that enables the body to fulfil its mission and meet Scottish Government priorities, for the benefit of students and the community it serves.	<p>The Board were regularly consulted in the development of the 2022-27 Strategic Plan for Perth College UHI.</p> <p>A new Standing Committee (Strategic Development Committee) was established in January 2022 to give an appropriate forum to discuss areas of non-core strategic income-raising activities for the College.</p>	Effective	None
A5	The board must develop and articulate a clear vision for the region or college. This should be a formally agreed statement of its aims and desired outcomes which should be used as the basis for its overall strategy and planning processes.	The College's Vision is outlined within the Strategic Plan.	Effective	None
A6	The board provides overall strategic leadership of the region or college. The board is responsible for formulating and agreeing strategy by identifying strategic priorities and providing direction within a structured planning framework.	See A5	Effective	None
A7	The board must ensure that a comprehensive performance measurement system is in place which identifies key performance indicators. It must ensure that it scrutinises performance measures and reports these on their website in a manner that is both timely and accessible to stakeholders. This will allow the board to determine whether or not the vision and mission of the region or the college are being fulfilled and that the interests of stakeholders are being met.	<p>Key Performance Indicators are included within the Strategic Plan 2022-27 document available on the UHI Perth website: https://www.perth.uhi.ac.uk/about-us/our-college/strategic-plan/</p> <p>An extensive review of how KPIs are monitored took place within 2022-23 to ensure Board Members were receiving the correct information via the Balanced Scorecard to allow appropriate Board scrutiny and monitor progress against key priorities.</p>	Effective	KPIs to be uploaded to website

Code Principal		Evidence	Assessment	Action required
A8	The board (except in the case of assigned college boards) is responsible for overseeing the negotiation of its outcome agreement with SFC, to meet the needs of the college or region and make best use of available funding, consistent with national strategy. The board must ensure effective engagement with all relevant stakeholders in the development of its outcome agreement and monitor performance in achieving the agreed outcomes.	N/A		
A9	The roles and responsibilities of the boards of assigned colleges should be undertaken in the context of the roles and responsibilities of their regional strategic body. Assigned college boards must contribute constructively to the development of the outcome agreement led in its region by the regional strategic body and support the regional strategic body to monitor performance in achieving the agreed outcomes.	The Chair is a member of the UHI Finance Committee, the Chair and Principal regularly attend additional UHI meetings to discuss key issues affecting the Partnership.	Effective	None
A10	The board must demonstrate high levels of corporate social responsibility by ensuring it behaves ethically and contributes to economic development while seeking to improve the quality of life of the local community, society at large and its workforce.	The Strategic Development Committee receives updates from the Vice Principal (External) and this includes discussion about business and stakeholder engagement. Opportunities for the local community to make more active use of the Academy for Sport and Wellbeing is promoted to the local community and staff.	Effective	None
A11	The board must exercise its functions with a view to improving economic, cultural and social wellbeing in the locality of the college or region. It must have regard to social and economic needs and social inclusion.	An active programme of evening classes and classes at the ASW is in place. The Board also supports the wider use of the ASW facility for national and international sport events. ASW is competitively priced within the region for the facilities and classes provided, and pricing policies are regularly reviewed to ensure affordability, including student discounts.	Effective	None
A12	The board must provide leadership in equality and diversity.	An Equality, Diversity & Inclusion Officer is employed by the College, who brings equality and diversity matters from the Equality and Diversity Committee to the Learner Experience Committee. The board reviews, suggests modifications and ultimately endorses all College policies related to equality and diversity, and is proactive in encouraging the college to seek enhancement opportunities to further demonstrate our commitment.	Effective	None
A13	The board must seek to reflect in its membership, the make-up of the community through offering maximum opportunity of membership to a range of potential members and removing potential barriers to membership, in partnership with its regional strategic body, as appropriate.	In 2021, the Board commissioned a Short-Life Working Group to address issues of race equality throughout the organisation. A report was approved by Board and an Action Plan developed to take these issues forward Recent Board recruitment processes highlight the fact the College would welcome applications from under-represented groups, and the College advertises any Board vacancies through the "Public Appointments Scotland". "Women On Boards" and "Change the Chemistry" websites.	Effective	None
A14	The board must appoint one of the non-executive members to be the senior independent member to provide a sounding board for the chair and to serve as an intermediary for the principal, other board members and the board secretary when necessary (see Annex 1 for the definition of 'non-executive'). The senior independent member should also be available where contact through the normal channels of chair, principal or secretary has failed to resolve an issue or for which such contact is inappropriate. Further information on the role of the senior independent member can be found in The Guide for Board Members in the College Sector	The board has a nominated Senior Independent Board Member.	Effective	None

Code Principal		Evidence	Comments	Action required
B1	The board must have close regard to the voice of its students and the quality of the student experience should be central to all board decisions.	The HISA Perth President and a Depute President attend meetings of the Board, Finance & Resources, Audit, Strategic Development and Learner Experience Committees and provide robust student input to all Committees.	Effective	None
B2	The board must lead by example in relation to openness, by ensuring that there is meaningful on-going engagement and dialogue with students, the students' association and as appropriate staff and trade unions in relation to the quality of the student experience. Consultation is essential where significant changes are being proposed.	See B1. An annual Partnership Agreement between HISA and UHI is also agreed, and monitored via Learner Experience Committee.	Effective	None
B3	The board must consider the outcome of student surveys and other student engagements, and monitor action plans that could impact on the quality of the student experience.	Learner Experience Committee considers the outcomes from student surveys. Action Plans are developed and monitored for courses where outcomes may be a cause for concern.	Effective	None
B4	The college board must have regard to the Framework for the Development of Strong and Effective College Students' Associations in Scotland . It must put in place robust partnership procedures (e.g. partnership agreement) to work together to achieve change and which are supported by regular and open communications.	A Partnership Agreement between HISA and UHI is in place and projects are reported on via the Learner Experience Committee.	Effective	None
B5	The college board must encourage a strong and autonomous students' association and ensure that the students' association is adequately resourced.	HISA Perth employ 1 full-time and 2 part-time elected officers, plus 1 full time and 1 part-time permanent staff members. In addition, funding has been approved for additional resources where required and budgets have allowed, such as a communications intern.	Effective	None
B6	The college board must ensure that the students' association operates in a fair and democratic manner and fulfils its responsibilities.	Regular meetings are held between HISA Perth representatives and the Chair and Principal & Senior Management Team.	Effective	None
B7	The college board must review the written constitution of its students' association at least every five years.	UHI is responsible for reviewing HISA's Constitution, however consideration is being given to how best to include Academic Partners in this process to ensure that local representation includes some form of local input.	Effective	Review to be timetabled during 2022/23
B8	The board must seek to secure coherent provision for students, having regard to other provision in the region or college's locality. The board must be aware of external local, national and international bodies and their impact on the quality of the student experience, including community planning partners, employers, skills development and enterprise agencies and employer bodies. The board must seek to foster good relationships and ensure that the body works in partnership with external bodies to enhance the student experience, including employability and the relevance of learning to industry needs.	The College received a very positive Progress Report from Education Scotland in April 2023. Education Scotland presented this Report to the Board in June 2023.	Effective	None
B9	The board must ensure appropriate mechanisms are in place for the effective oversight of the quality and inclusivity of the learning experience in the college or region. The board must ensure that the college works in partnership with sector quality agencies and other appropriate bodies to support and promote quality enhancement and high-quality services for students.	Quality processes are managed by a dedicated quality team who work with other agencies to promote quality enhancement. Audit Committee reviews all aspects of the Quality activities and actively promotes a culture of continuous improvement	Effective	None

Code Principal		Evidence	Comments	Action required
C1	The board is primarily accountable to its main funder, either SFC or its regional strategic body. Through the chain of funding, the body is ultimately responsible to the Scottish Ministers who are accountable to the Scottish Parliament.	The Board delegates the operational running of the College to the Principal & CEO, who ensures delivery of all agreed funding outcomes. Progress is regularly reviewed at Finance & Resources Committee and at Board level	Effective	None
C2	The board must ensure delivery of its outcome agreement or in the case of an assigned college, its agreed contribution to the region's outcome agreement.	See C1	Effective	None
C3	The board must ensure it fulfils its statutory duties and other obligations on it, and that the terms and conditions of its grant are being met.	In addition to the provisions noted above, all statutory duties are fulfilled by the Board directly or through its standing committees. In particular the statutory- required Audit and Remuneration committees are established and meet regularly. The Finance & Resources committee reviews outcomes against commitments at each meeting.	Effective	None
C4	Scottish Ministers have powers to remove by order any or all board members of an incorporated college (except the principal) or a regional board for serious or repeated breaches of a term and condition of grant.	Through board induction and ongoing development, the Board remain aware of its duties and obligations.	Effective	None
C5	The board also has a wider accountability to a range of stakeholders including students (both current and prospective), its staff, the wider public, employers and the community it serves, for the provision high quality education that improves people's life chances and social and economic well-being.	All elements mentioned are addressed at the various board standing committees and directly by the Board when circumstances require. The Board sets the tone and agenda for the College - a central importance is given to "putting the student experience and journey at the heart of everything we do". The board is proactive in encouraging policies that facilitate active engagement and influence with all stakeholders with a view to continuously refining the fitness of the College offers to students and the wider community.	Effective	None
C6	Incorporated colleges and regional boards must maintain and publicly disclose a current register of interests for all board members. Board members should declare any conflicts of interest in the business of the meeting prior to the commencement of each meeting of the board and its committees and withdraw from meetings as appropriate.	A Register of Interests is regularly reviewed and published on the College's website. Declaration of interests are sought at the beginning of all Board and subcommittee meetings.	Effective	None
C7	The board must ensure that its decision-making processes are transparent, properly informed, rigorous and timely, and that appropriate and effective systems of financial and operational control, quality, management of staff, risk assessment and management are established, monitored, continuously improved and appropriately impact assessed. This includes: a) the prompt production, dissemination and online publication of board/committee agendas, minutes and papers to the public b) every board meeting and every committee meeting having a well-structured agenda circulated timeously in advance c) the retention of all key documentation which help justify the decisions made by the board and its committees.	In place and covered in College's Governance Manual. Members of the Board and Committees typically receive papers a week before meetings, and papers and approved minutes are published on the College's website in a timeous manner. Electronic and hard copies of all Board papers are retained.	Effective	None
C8	The board may delegate responsibilities to committees for the effective conduct of board business. As a minimum the committees required are Audit, Remuneration, Finance and Nominations/Appointments. Delegation of responsibilities from and matters reserved to the board and its committees must be set out in a scheme of delegation including the functions delegated by the board to the chair, committees, the principal and the board secretary (and any other members of staff). Incorporated college boards and regional boards have no powers to delegate functions to an individual board member (except the chair who has no authority to act out with their delegated powers).	Delegated responsibilities are published in College Governance Manual. A review of Committee functions took place in 2021/22 resulting in a realignment of 2 committees in December 2022 to ensure strategic focus on relevant areas.	Effective	None

Code Principal		Evidence	Comments	Action required
C9	The board must ensure every board committee has a specified member of the management team to provide objective, specialist advice to support it to discharge its remit, including by explaining in an accessible way the matters under discussion and the possible implications of different options.	All members of the Senior Management Team are in attendance at Board meetings and attend standing committee meetings where their portfolio is relevant. Members of the College Management Team are also invited to attend specific meetings when their specific expertise and insight is required.	Effective	None
C10	The board must consider and have in place procedures to ensure effective working relationships and constructive dialogue amongst the board as a whole and ensure there are effective reporting and two-way communications between committees and the board. The board must ensure that discussions and decisions of every committee are accurately recorded and reported to the board, no later than the next meeting of the board.	In place with regular meeting cycles and standing agenda items. Minutes are prepared and circulated to the Committee Chairs between meetings, and formally approved (with any suggested amendments) at the next meeting.	Effective	None
C11	The board of a college or a regional body is responsible for the overall management of risk and opportunity. It must set the risk appetite of the body and ensure there is an appropriate balance between risk and opportunity and that this is communicated via the principal to the body's management team.	Audit Committee oversees the management of risk on behalf of the Board via an Enterprise Risk Management approach. Summaries of the ERM are regularly presented to the Board for information. Board utilises a risk appetite framework, which is reviewed periodically.	Effective	None
C12	The board must ensure that sound risk management and internal control systems are in place and maintained. It must ensure there is a formal on-going process for identifying, reporting, evaluating and managing the body's significant risks and review the effectiveness of risk management, business continuity planning and internal control systems.	See C11	Effective	None
C13	The Audit Committee must support the board and the principal by reviewing the comprehensiveness, reliability and integrity of assurances including the body's governance, risk management and internal control framework.	The Board receives an annual report from the Audit Committee which provide assurances on systems of internal control.	Effective	None
C14	The scope of the Audit Committee's work must be defined in its terms of reference and encompass all of the assurance needs of the board and the principal. The Audit Committee must have particular engagement with internal and external audit and must work with management and auditors to resolve any issues in relation to financial reporting.	Internal Auditors attend every Audit Committee meeting and report on the internal audit plan; External auditors are routinely invited and attend most Audit Committee meetings. The Audit Committee receive and comment on Internal Audit Reports and recommendations.	Effective	None
C15	The Audit Committee must promptly pursue recommendations arising from audit reports and must monitor their implementation.	Follow up reviews are taken forward with Internal Auditors and reported to Audit Committee.	Effective	None
C16	The membership of the Audit Committee cannot include the board chair or the principal. The role of the college executive is to attend meetings at the invitation of the committee chair and to provide information for particular agenda items.	The Principal attends Audit Committee and provides information in their executive management capacity only, not as a member.	Effective	None
C17	The Audit Committee terms of reference must provide for the committee to sit privately without any non-members present for all or part of a meeting if they so decide. The Audit Committee members should meet with the internal and external auditors without the executive team present at least annually.	The Audit Committee meets the internal and external auditors annually.	Effective	None
C18	At least one member of the Audit Committee should have recent relevant financial or audit experience.	The suitability of Independent Board members to sit on specific Committees is reviewed annually by the Chair.	Effective	None
C19	It essential that members of the Remuneration Committee understand their role and responsibilities. Members must undertake the online training module for Remuneration Committees provided by College Development Network within one month of appointment.	In place.	Effective	None

Code Principal		Evidence	Comments	Action required
C20	The board must have a formal procedure in place for setting the remuneration of the principal by a designated committee of non-executive members. The board may wish to supplement this by taking evidence from a range of sources. In particular, staff and students should have a role in gathering and submitting evidence in relation to the college principal to the relevant committee.	The Remuneration Committee fulfils this role. A procedure exists for HISA Perth to comment on draft Principal's Objectives prior to their agreement by Remunerations Committee	Effective	None
C21	The board chair cannot be the chair of the Remuneration Committee (but they can be a member of it).	Remuneration Committee is chaired by the Board of Management Vice Chair.	Effective	None
C22	The board is responsible for ensuring the financial and institutional sustainability of the body. The board must ensure compliance with its Financial Memorandum (either with SFC or the regional strategic body, depending on which is funding it), including in relation to incorporated colleges and regional boards, relevant aspects of the Scottish Public Finance Manual.	Finance & Resources Committee receives regular reports about the College's management accounts and immediate and long-term forecasts.	Effective	None
C23	The board must ensure that: <ul style="list-style-type: none"> • funds are used as economically, efficiently and effectively as possible • effective monitoring arrangements are in place • college staff report relevant financial matters to it. 	In place via Finance & Resources Committee.	Effective	None
C24	For colleges that are charitable organisations, board members are also charity trustees. The board of a college that is a charity must ensure its members are aware of their responsibilities under charity legislation and for complying with relevant provisions as set out by the Office of the Scottish Charity Regulator. See OSCR Guidance and Good Practice for Charity Trustees .	This is covered in induction for new Board members both locally and via CDN training.	Effective	None
C25	The college board as the employer, is responsible for promoting positive employee relations and for ensuring effective partnership between recognised trade unions and management.	Regular staff updates on HR business are provided to the Finance & Resources Committee.	Effective	None
C26	The board must have a system of corporate accountability in place for the fair and effective management of all staff, to ensure all legal obligations are met and all policies and agreements are implemented and identify areas that require improvement and to develop action plans to address them.	A range of College policies are available on the College's web site.	Effective	None
C27	The board must comply with the nationally agreed college sector Staff Governance Standard .	Despite negotiation with recognised unions via JNCs since late 2020 and some progress being made, the Standard has not yet been fully agreed. A meeting to discuss the next stages of implementation has been set for early December 2023.	Partial	Negotiations to continue
C28	The college board must comply with collective agreements placed on it through national collective bargaining for colleges.	The Board is apprised of national bargaining matters as appropriate and regular JNC meetings are in place and reported to the Board via Finance & Resources Committee. The Chair and CEO attend regular Employers Association meetings and workshops at which collective bargaining and other national issues are discussed.	Effective	None

Code Principal		Evidence	Comments	Action required
D1	<p>The chair is responsible for leadership of the board and ensuring its effectiveness in all aspects of its role. The chair is responsible for setting the board's agenda and ensuring that adequate time is available for discussion of all agenda items, particularly strategic issues. The chair must promote a culture of openness and debate by:</p> <ul style="list-style-type: none"> • encouraging the effective contribution of all board members • fostering constructive challenge and support to the principal, executive team and fellow board members • effective team-working • positive relations between board members. <p>The chair must engage with the principal and the board secretary in a manner which is both constructive and effective.</p>	<p>Effectiveness of Board (including culture and behaviours exemplified by the Chair) were reviewed in June 2020 via an External Effectiveness Review and shown to be positive.</p> <p>Plans are in place for an External Effectiveness Review during 2024 in order to comply with the 5-year maximum period for such reviews to be repeated.</p>	Effective	External Effectiveness Review due to be conducted between 2023 and 2025.
D2	The board and its committees must have the appropriate balance of skills, experience, independence and knowledge of the body to enable them to discharge their respective duties and responsibilities effectively.	The Board skills matrix is reviewed annually by the Chair via one-to-one meetings with all independent board members. A skills matrix is also utilised during the recruitment of new Board members.	Effective	None
D3	Each board member is collectively responsible and accountable for all board decisions. Board members must make decisions in the best interests of the college and/or region as a whole rather than selectively or in the interests of a particular group.	Board members are aware of their responsibilities via induction for new Board Members and is reinforced through Board development events and through board members attending CDN workshops.	Effective	None
D4	Staff and student board members are full board members and bring essential and unique, skills, knowledge and experience to the board. Staff and student board members must not be excluded from board business unless there is a clear conflict of interest, in common with all board members.	<p>HISA Perth President and one Deputy President are nominated by HISA Perth to act as full Board members.</p> <p>One teaching staff member and one support staff member are also elected to the Board by their peer group.</p>	Effective	None
D5	<p>Where the college is a charity, all board members, as charity trustees, including staff and student board members, have legal duties and responsibilities under the Charities Act 2005. This includes registering any personal interests that could be seen as conflicting with the interests of the body. The 'objective test' for judging if there is a conflict of interest is:</p> <p><i>"... whether a member of the public, with knowledge of the relevant facts, would reasonably regard the interest as so significant that it is likely to prejudice your decision making in your role as a member of a public body".</i></p>	Covered in Board Member induction. See also comments above on reinforcing understanding of OSCR requirements (C24).	Effective	None
D6	The college board must appoint the principal as chief executive of the college, securing approval for the appointment and terms and conditions of the appointment from the regional strategic body if necessary.	In place	Effective	None
D7	The college board must ensure there is an open and transparent recruitment process for the appointment. Students and staff must have an opportunity to contribute to the recruitment process.	In place.	Effective	None
D8	The college board must delegate to the principal, as chief executive, authority for the academic, corporate, financial, estate and human resource management of the college, and must ensure the establishment of such management functions are undertaken by and under the authority of the principal.	In place, and noted within job description.	Effective	None

Code Principal		Evidence	Comments	Action required
D9	The college board must ensure a clear process is in place to set and agree personal performance measures for the principal. This process should seek the views of students and staff. The chair, on behalf of the board, should monitor, review and record the principal's performance, at least annually, against the agreed performance measures.	See C20	Effective	
D10	The principal, as a board member, shares responsibility for good governance with the chair and all other members of the board, supported by the board secretary. The principal also enables good governance through supporting effective communication and interaction between the body and the rest of the college including staff and students.	In place	Effective	None
D11	The board provides strategic direction for the region and/or college, and the chair provides leadership to the board. The principal provides leadership to the staff of the body.	In place	Effective	None
D12	The board must provide a constructive challenge to the principal and executive team and hold them to account.	In place	Effective	None
D13	The board as a whole must appoint a board secretary who is responsible to it and reports directly to the chair in their board secretary capacity. The board secretary may be a member of the senior management team in their board secretary capacity, but they cannot hold any other senior management team position at the same time. The appointment and removal of the board secretary is a decision of the board as a whole.	In place. The Board Secretary is not a member of the senior management team and holds no other College posts.	Effective	None
D14	<p>All board members must have access to the board secretary who has an important governance role in advising the board, the committees and individual board members and supporting good governance. The distinctive board secretary role includes:</p> <ul style="list-style-type: none"> • facilitating good governance and advising board members on: <ul style="list-style-type: none"> - the proper exercise of their powers, including in relation to relevant legislation - the board's compliance with its Financial Memorandum, the Good Governance Code, its Standing Orders and Scheme of Delegation - their behaviour and conduct in relation to the board's Code of Conduct. • providing clear advice to the chair and the board/committees on any concerns the board secretary may have that board members have not been given: <ul style="list-style-type: none"> - sufficient information - information in an appropriate form - sufficient time to monitor, scrutinise or make informed and rigorous decisions in an open and transparent way. • attending and providing support to every board meeting and every meeting of every board committee. Where the board secretary is unable to attend, while the board secretary retains overall responsibility, proper arrangements must be made to 	<p>In place. The Chair encourages direct interactions of all Board members with the Board secretary.</p> <p>The Board secretary is the acknowledged expert and source of guidance on board behaviours, and this is reflected within the job description for the Board Secretary.</p> <p>The Board secretary is pro-active in provision of advice on the effective running of Board business, and regularly participates in training and workshops to maintain effectiveness.</p>	Effective	None

Code Principal		Evidence	Comments	Action required
	cover the role with a person who is fully able to discharge the role effectively. <ul style="list-style-type: none"> • having an unambiguous right to speak at board and committee meetings to convey any concerns they may have about governance. This extends to someone substituting for the board secretary. • reporting any unresolved concerns about the governance of the body to the relevant funding body (i.e. SFC or the regional strategic body). 			
D15	The board must ensure the board secretary: <ul style="list-style-type: none"> • has suitable skills, knowledge and behaviours to carry out their role effectively • receives appropriate induction, and if new to the role, is mentored by a more experienced board secretary for at least their first year • has adequate time and resources available to undertake their role effectively. 	In place.	Effective	
D16	The board must ensure arrangements are in place to deal with a board secretary's potential or real conflicts of interest.	In place - requirements on declarations of conflict of interest apply to the Board secretary as well as board members.	Effective	None
D17	For boards with responsibility for board appointments, the board must ensure a formal and open procedure is in place for recruiting and selecting new non-executive board members. Boards must have regard to all relevant Ministerial Guidance on board appointments.	Whilst the College manages the recruitment processes for new Board members, responsibility for appointment lies with the RSB. Board recruitment processes are open, and adverts are widely placed on key stakeholder websites.	Effective	None
D18	The board is responsible for ensuring appropriate arrangements are in place for the conduct of student elections and nominations, and elections of staff members to the board.	Student elections are managed by HISA and the Board receives regular briefings on the process followed and outcomes.	Effective	None
D19	The chair must ensure that new board members receive a formal induction on joining the board, tailored in accordance with their individual and collective needs. The board secretary should support the chair in the provision of relevant induction for new board members.	New Board members attend CDN led induction and attend a local induction.	Effective	None
D20	The board must ensure all board members undertake appropriate training and development in respect of their governance role. The board secretary should support the chair in the provision of relevant training and development opportunities for board members, which should be tailored to meet board members skills and needs. The board secretary must keep records of the development activity of board members, including the chair.	In place.	Effective	None
D21	The board must ensure that new committee members receive a committee induction and have their specific training needs assessed and met.	In place via new Board member induction and as a follow up to Board member/chair 1:1s.	Effective	None
D22	Extension of the term of office of board appointments requires evidence and the board must ensure appropriate mechanisms are in place to support this.	In place – a review of the board members attendance and engagement and of the skills matrix is undertaken before an extension to a Board Member's tenure is made.	Effective	None

Code Principal		Evidence	Comments	Action required
D23	The board must keep its effectiveness under annual review and have in place a robust self-evaluation process. There should also be an externally facilitated evaluation of its effectiveness at least every three years. The board must send its self-evaluation (including an externally facilitated evaluation) and board development plan (including progress on previous year's plan) to its funding body and publish them online.	Informal internal effectiveness takes place annually, led by the Chair. An External Effectiveness Review was conducted between March and June 2020 via the CDN bank of Reviewers, and reported to the Board meeting of June 2020. The next iteration of this Review is scheduled to take place no later than June 2025.	Effective	None
D24	The board must agree a process for evaluating the effectiveness of the board chair and the committee chairs. The evaluation of the board chair should normally be led by the vice-chair/senior independent member.	In place, and conducted annually.	Effective	
D25	The board must ensure all board members are subject to appraisal of their performance, conducted at least annually, normally by the chair of the board.	In place	Effective	
D26	The performance of regional college chairs will also be evaluated by the Scottish Government, as regional college chairs are appointed by the Scottish Ministers and are personally accountable to them.	N/A		
D28	The performance of assigned, incorporated college chairs will also be evaluated by the regional strategic body, as they are appointed by the regional strategic body and are personally accountable to them.	Board regularly supplies data to UHI on performance and review matters.	Effective	None

Code Principal		Evidence	Comments	Action required
E1	The board must work in partnership to secure the coherent provision of high quality fundable further and higher education in their localities.	College is in regular contact with community stakeholders to ascertain local priorities, and this is fed to Board via Strategic Development Committee.	Effective	None
E2	The board must ensure effective consultation, local and regional planning and must follow the principles of effective collaborative working: mutual respect, trust and working towards commonly agreed outcomes.	The Board encourages renewal and reinforcement of college representation at all community levels.	Effective	None
E3	The board must ensure effective partnership working with local and national bodies including businesses, public and third sector organisations to develop commonly agreed priorities following the principles of effective collaborative working.	See E1	Effective	None
E4	The board must encourage and support effective partnership working and collaboration within and across regions to address local needs and meet national priorities and specialisms.	Initiatives and changed circumstances that affect regional and national needs are regularly brought to the board for discussion and action. The Principal/CEO and others actively engage with national organisations such as Colleges Scotland.	Effective	None

Audit Committee

DRAFT Minutes

Meeting reference: Audit 2023-24/01

Date: Wednesday 4 October 2023

Location: Boardroom (Braham Room 019)

Members present: Jim Crooks, Board Member
Derek Waugh, Board Member
Alistair Wylie, Board Member
Patrick O'Donnell, Staff Board Member
Debbie McIlwraith-Cameron, Board Member

In attendance: Lorenz Cairns, Depute Principal
Iain Wishart, Vice Principal (Operations)
Veronica Lynch, Vice Principal (External)
Katy Lees, Head of HR & Organisational Development
David Archibald, Henderson Loggie, Internal Auditor
Isobel Syme, PA to Principal

Apologies: Pat Kenny, Deloitte, External Auditor
Kirsty Hair, Deloitte, External Auditor
Margaret Cook, Principal
Fiona Smith, HISA President

Chair: Jim Crooks (left at 6 pm)
Derek Waugh (from 6 pm)

Minute Taker: Isobel Syme

Quorum: 3

UHI Perth is a registered Scottish charity, number SC021209

We will act with integrity in everything we do

Student Centred + Innovative + Ambitious + Respectful + Inclusive + Collaborative

MINUTES

Item	Bo	Action
1.	Welcome and Apologies Chair welcomed those present and noted apologies.	
2.	Additions to the Agenda None received.	
3.	Declaration of Conflict of Interest in any Agenda Item None	
4.	Minutes of the meeting of Audit Committee held on 30 May 2023 The minutes were agreed as being an accurate record of the meeting.	
5.	Actions arising from previous minutes All covered in the meeting.	
6.1	Annual Health and Safety Report Head of HR and OD presented the Annual Health and Safety Report which covers the last financial year. Chair noted the amount of information provided and asked about the impact of stress on staff both internal and external during these challenging times. Head of HR and OD responded that we are doing what we can to mitigate this as much as possible. Chair asked if there had been an increase in self-referrals. Head of HR and OD responded that there had been no significant changes in the numbers. Chair acknowledged that this is a difficult time for staff. Head of HR and OD noted that short term sickness is higher than usual. The Riddor reportable target is currently zero and this will need to be amended. Any minor hospital visits re students need to be reported as students are classed as members of the public. Board member queried an action plan for Rural Skills.	

	<p>Head of HR and OD clarified that every area has an action plan and audit. Priority 1 comes to the SMT and the Health Safety and Welfare Adviser will review all high risk areas.</p> <p>Board member noted the quarterly statistics on pages 33 – 34. The third quarter has higher numbers.</p> <p>Chair noted that there is higher occupational risks in certain areas eg Hairdressing.</p> <p>Chair noted that the number of sick days are down.</p> <p>Head of HR and OD clarified that some of this is down to hybrid working and presenteeism. This is known due to other indicators eg stress. Our figures are still slightly higher than other colleges.</p> <p>Chair noted that referrals to Rowan might be interesting going forward re numbers. This is an excellent provision for staff. Very comprehensive report and by and large encouraging. Mandatory training is reasonable. Commended all concerned in maintaining a good culture of health and wellbeing.</p>	
6.2	<p>Revised Terms of Reference – Health and Safety Committee</p> <p>Head of HR and OD highlighted the main change which is the change of Chair – now the Head of Estates.</p> <p>This was NOTED.</p> <p>The Board Member on the Health and Safety Committee is taking part in training.</p> <p>AST member (invited member) always attends.</p>	
7	Strategy – no items for this meeting	
8	<p>Enterprise Risk Management Report and Strategic Risk Register</p> <p>Enterprise Risk Management Report and Strategic Risk Register update - Vice Principal Operations reported on the main highlights of the general overview paper.</p> <p>Progress slower than liked due to various factors including holidays, Action Short of a Strike, the HISA Team and the restructuring process, however there has been progress with regard to some controls now being 100% complete, a further 6 Audit points have now been completed and the Risk Management and Business Continuity Team have made considerable progress notably the Project and Planning Officer.</p>	

	<p>There has been a redesign of our risk strategies from the original 3: Strategic Risk, Significant Risk and Project Risk to Academic, Compliance, Financial, Operational, Reputational and Strategic.</p> <p>Risk Management will be added to an SMT meeting each quarter and the SMT will work with the Risk Management Team to prioritise and speed up the implementation of controls.</p> <p>Chair noted the increased clarity on strategic risks and to have them categorised in this way is good. Moving towards a solid state would be good – prologue on ERM fully embedded. Helps towards focussing work and the closer scrutiny from SMT is very helpful.</p> <p>Board member noted that he is totally supportive of these changes.</p> <p>Board member queried who will be leading this work when Vice Principal Operations leaves.</p> <p>Vice Principal Operations clarified that his post will be recruited to and that the Project and Planning Officer will be undertaking some qualifications in this area and will continue to support.</p> <p>Board member commended the work that has been done and queried how the risks within the categories will this be reviewed.</p> <p>Vice Principal Operations explained that the Dashboard is currently being developed with a traffic light system and it will be part of the ERM philosophy to keep checking these. The original document may disappear by the next meeting. All risks will go in front of SMT.</p> <p>Risk Management Dashboard to be in place for the next meeting.</p> <p>The Committee APPROVED the Risk Management Dashboard as a way of reviewing controls and their effectiveness.</p> <p>Internal Auditor commented that the monitoring and review is very helpful. Visually giving information to the Board. Positive confirmation.</p>	Vice Principal Operations
9.1	<p>Procurement/Creditors/Purchasing Audit Report</p> <p>Internal Auditor informed that rather than looking at procurement as a stand-alone item, this was looked at overall in conjunction with purchasing. Chunky report looking at a number of areas including strengths and weaknesses. Recommendations – some of these are procedural and systems along with some legacy issues.</p> <p>Need a review of the delegated authorities and a tightening up of the process for the Board to formally approve expenditure eg the</p>	

	<p>expenditure on the hair salon.</p> <p>Board member queried this fundamental part of the process and the grading at green. May need an action that is more focussed.</p> <p>Internal Auditor explained the mechanism in Bluqube for this and how to record within the system.</p> <p>Vice Principal Operations will look through this process and come back to the next meeting with an overview.</p> <p>Committee NOTED the information provided.</p>	Vice Principal Operations
9.2	<p>Data Protection Audit Report</p> <p>Internal Auditor provided some context to the report and the policy and procedural framework as well as the overall governance, building on all the hard work that has already been done.</p> <p>Recommendations include training on how to report data breaches, SARs, data retention and general data protection. A data protection compliance monitoring procedure and audit plan to be developed which reflects and builds upon existing practices.</p> <p>Committee NOTED Paper 6</p>	
9.3	<p>Business Continuity Audit Report</p> <p>Internal Auditor noted that this is focussing on work that has already been done in this area eg business critical areas. The IT business continuity plan grade discussed with regard to priority. Strengths and weaknesses noted and thanks given to staff at UHI Perth who helped with this report.</p> <p>The report was NOTED by Committee.</p>	
9.4	<p>Internal Audit Strategic Plan – update</p> <p>Committee NOTED Paper 8.</p>	
10	<p>Freedom of Information and Data Protection quarterly update</p> <p>Committee NOTED the information provided.</p>	
11	<p>Health and Safety Committee – 11 May 2023</p> <p>Paper 10 was NOTED.</p>	
12	<p>Date & Time of Next Meeting</p>	

	<ul style="list-style-type: none"> Thursday 7 December 2023 at 6 pm 	
13	<p>Review of Meeting</p> <p>Committee confirmed that the meeting had been conducted in line with its Terms of Reference.</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.7

Name of Committee	Audit Committee
Subject	ERM Risk Register
Date of Committee meeting	07/12/2023
Author	Iain Wishart
Date paper prepared	30/11/2023
Executive Summary Please provide a concise summary of the Paper outlining the purpose, impact and recommended future actions if approved	There are 3 documents: 1. A new list of risks and causes. This document requests Audit review and feedback. 2. New risk register (old risk register is now gone). 3. A reworking of the Board appetite. Not the finished article but Audit comments are welcome at this initial stage.
Committee Consultation Please note which Committees this paper has previously been tabled at, and a brief summary of the outcomes/actions arising from this.	First review
Action requested	<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)
Strategic Impact Please highlight how the paper links to the Strategic Objectives of UHI Perth or the UHI Partnership: Strategic-Plan-2022-27.pdf If there is no direct link to Strategic Objectives, please provide a justification for inclusion	The management of risks is important to ensure the best chance of delivering strategic objectives.

Committee Cover Sheet

of this paper to the nominated Committee.	
Resource implications Does this activity/proposal require the use of College resources to implement? If yes, please provide details.	Yes, how resources are used to protect against risk.
Risk implications Does this activity/proposal come with any associated risk to UHI Perth, or mitigate against existing risk? If yes, please provide details.	Yes Click or tap here to enter text.
Equality & Diversity Does this activity/proposal require an Equality Impact Assessment? If yes, please provide details.	No
Data Protection Does this activity/proposal require a Data Protection Impact Assessment? If yes, please provide details.	No Click or tap here to enter text.
Island communities 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)?	No If yes, please give details: Click or tap here to enter text.

Committee Cover Sheet

Status (ie confidential or non-confidential)	Non-Confidential 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: Click or tap here to enter text.
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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



UHI Perth

Risk and Cause Review

November 2023

Overview

This document sets out what the SMT believe is a complete coverage of Board level risk. The document below has been reconciled to our previous version of the strategic risk register.

Each risk will have at least one cause next to it. The causes are a list of high-level events that could cause the risk to materialise.

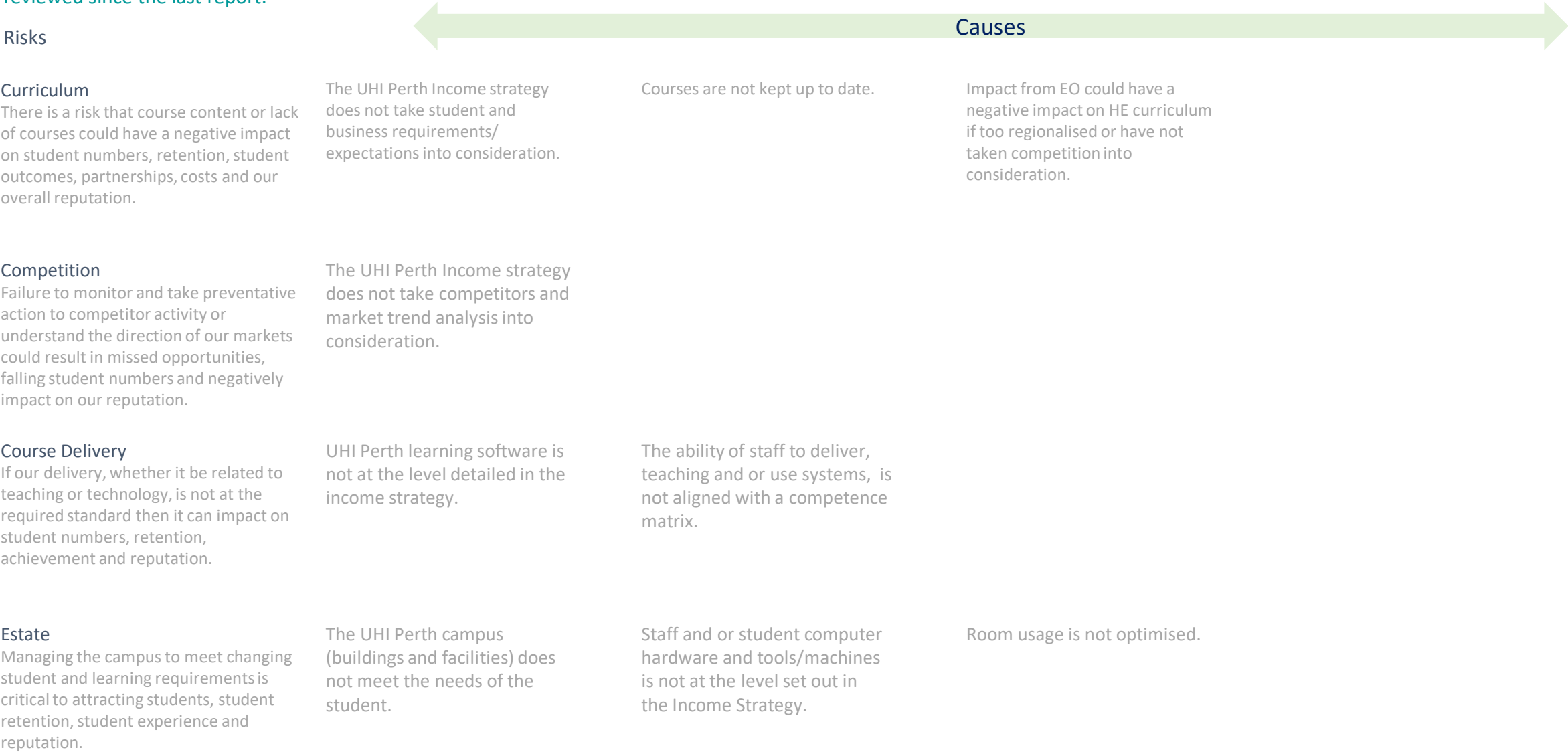
Mitigations are put in place to prevent or minimise the impact from an event happening. The Audit Committee are requested to:

1. Give feedback on whether the risks set out in this document give complete coverage and are appropriate at Board level or whether additions, deletions or adjustments are required.
2. Give feedback on whether all causes set out in the document are correct or whether additions, deletions or adjustments are required.

Academic Risk Overview

October 2023

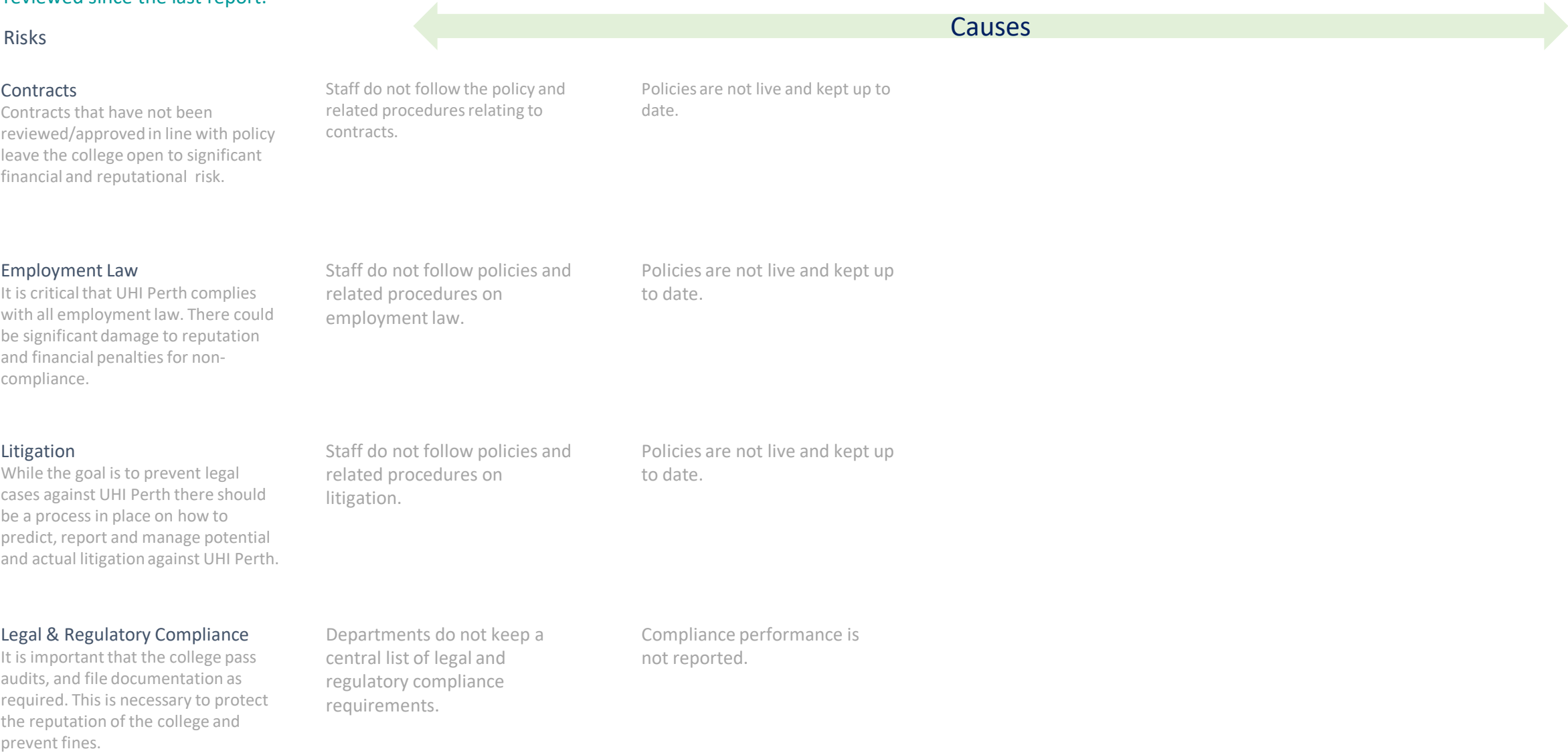
All risks, causes and controls have been fully reviewed since the last report.



Legal & Compliance Risk Overview

October 2023

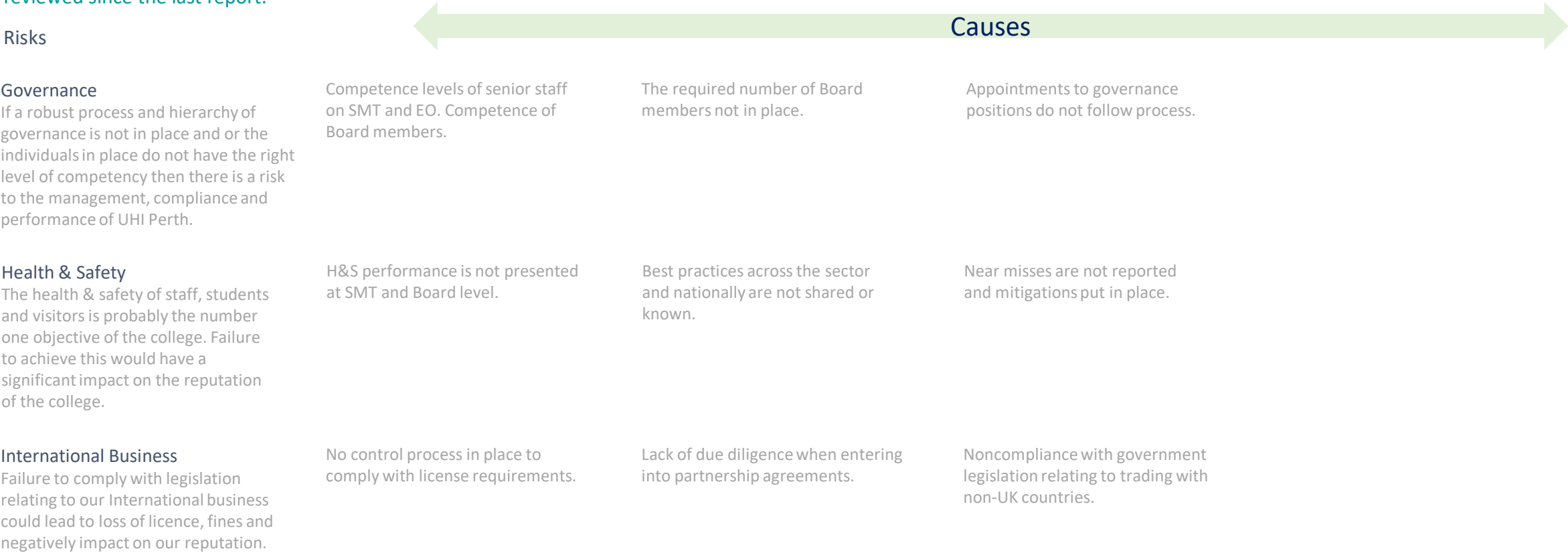
All risks, causes and controls have been fully reviewed since the last report.



Legal & Compliance Risk Overview

October 2023

All risks, causes and controls have been fully reviewed since the last report.



Financial Risk Overview

October 2023

All risks, causes and controls have been fully reviewed since the last report.

Risks

Cash
To ensure financial sustainability it is essential that UHI Perth forecast their cash position and manage their cash to ensure that the college does not run out of money.

Financial Management
It is essential that the college has a budget and forecast process in place provides management accounting information, all the way up to Board of Management level, on our performance versus target.

Controls
The effective control of significant financial risks, through an ERM process, need to be in place. These controls should be designed to prevent or detect fraud, theft and/or loss of college assets.

Pension
If pension rates increase and are unfunded then it can threaten the financial sustainability of the college.

There isn't a cash flow forecast created and shared with groups above SMT level.

There isn't a budget and forecast process in place and being actioned.

Significant financial risks are not identified. Controls are not in place and being checked for effectiveness.

Triennial valuation.

Budget and forecast information is not presented to the SMT and Finance & Resources Committee.

National court cases that impact on sector schemes and result in an increase in employer rates.

Causes

No quarterly Financial Performance Review is presented to the SMT and Finance & Resources Committee.

Operational Risk Overview

October 2023

All risks, causes and controls have been fully reviewed since the last report.

Risks

Systems/Technology

Poor systems, the inability to optimise current systems or data corruption/loss would result in poor outcomes for staff and students and could have a negative impact on student numbers, and reputation.

Staff

If staff are unsure what their role is or are not competent and/or motivated to carry out their role it could result in poor performance for staff and students, loss of staff, poor strategic outcomes etc.

Processes

Poor processes can add significant cost and result in poor outcomes for staff and students. It is important that the college implements a system of continuous improvement to maximise performance

Staff do not have the competence to maximise the use of existing systems.

Managers are not at the required level of competence.

There is no continuous improvement team operating in the UHI Perth.

Systems are no longer fit for purpose.

Staff are not at the required level of competence.

Key processes threaten college success e.g., recruitment, delivery of income streams etc,

Causes

Risk of data corruption/loss due to external (cyber) or internal attack.

Career progression is not mapped out.

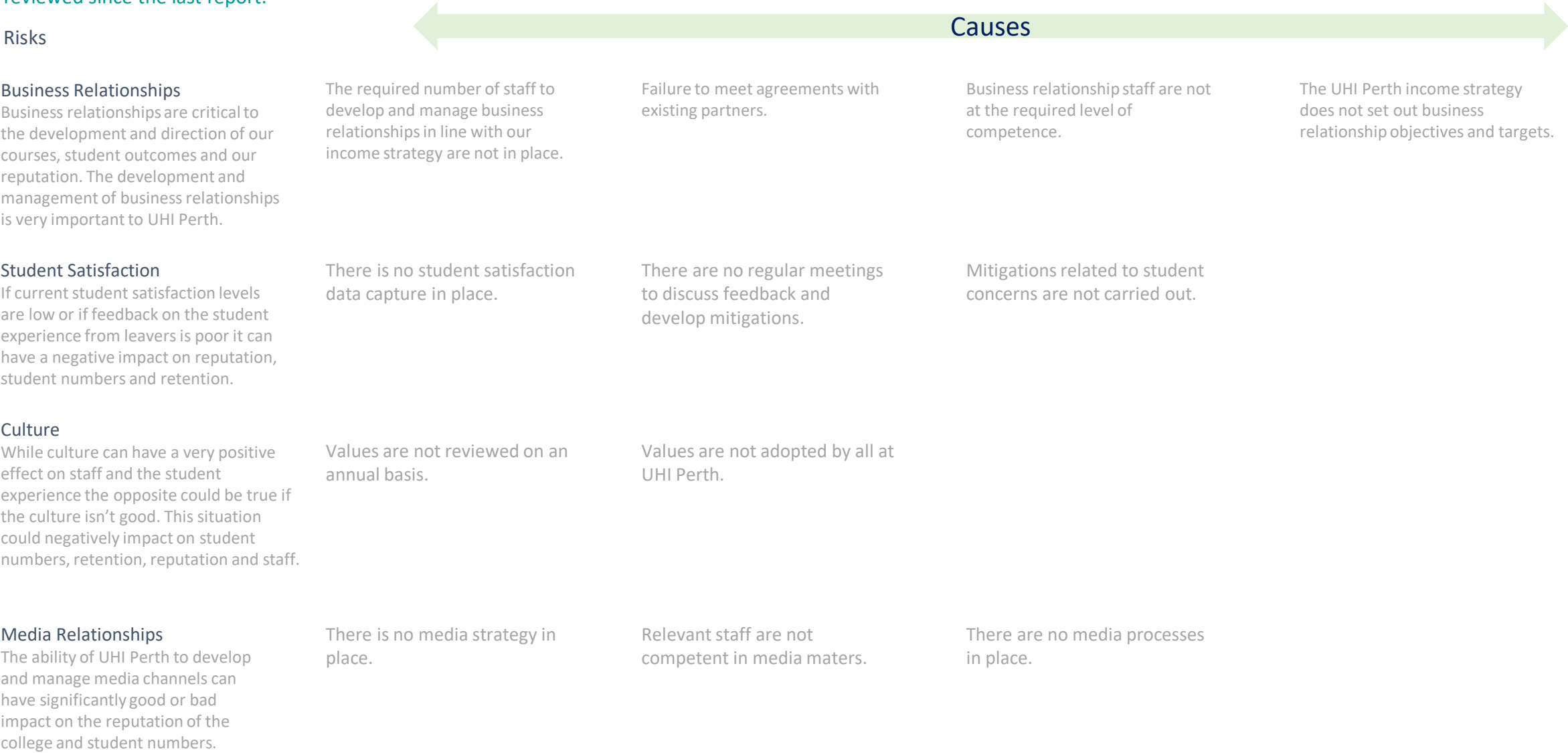
Operating licenses not in place.

Succession plans are not in place.

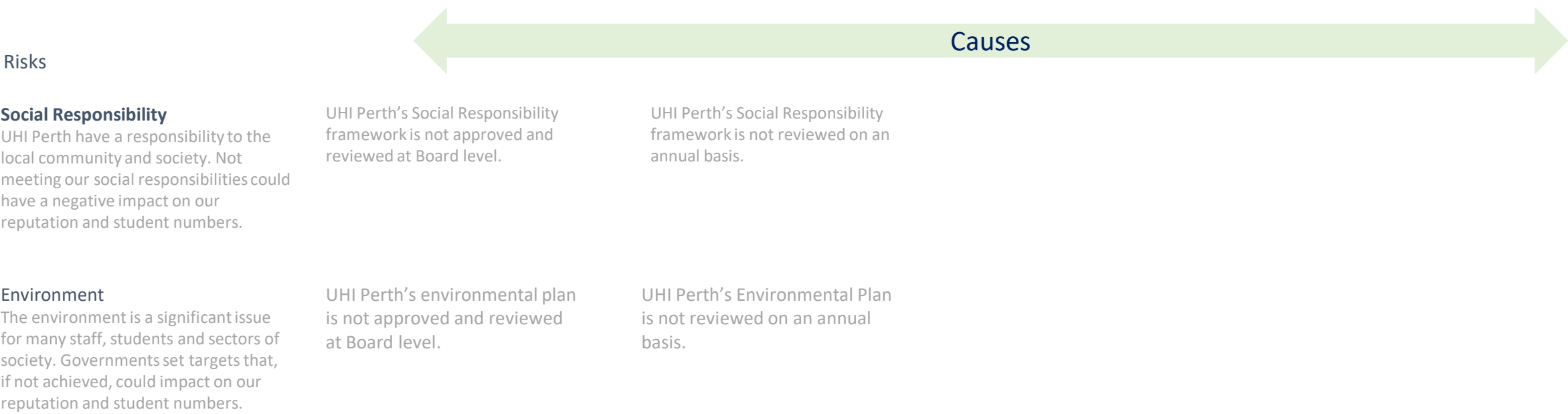
Reputational Risk Overview

October 2023

All risks, causes and controls have been fully reviewed since the last report.



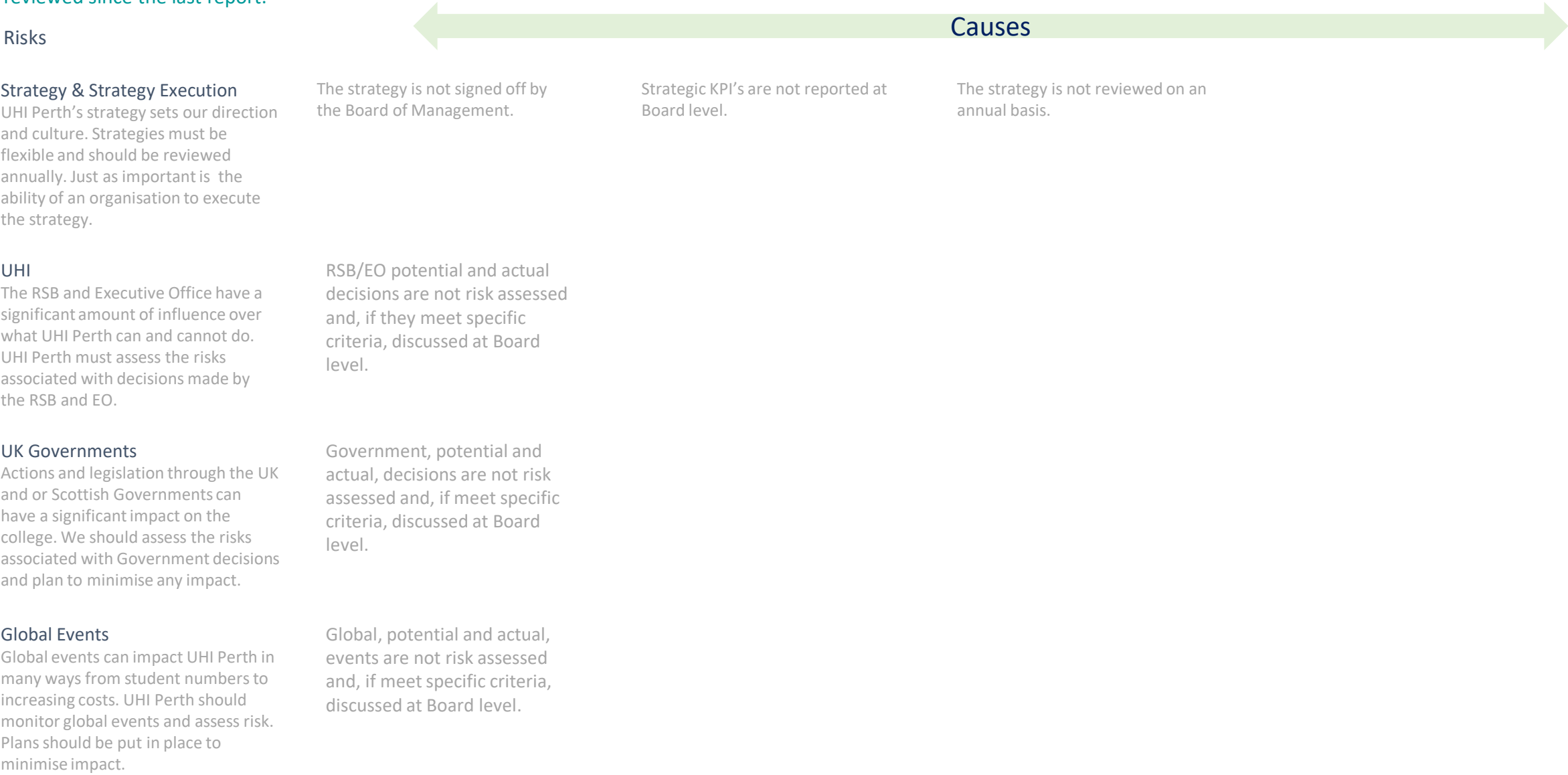
Reputational Risk Continued October 2023



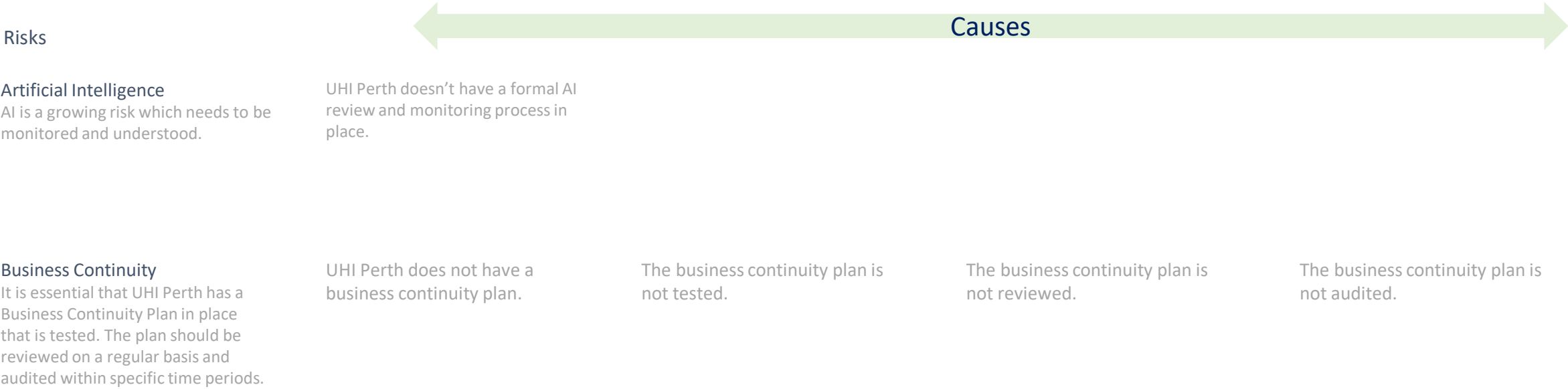
Strategic/External Risk Overview

October 2023

All risks, causes and controls have been fully reviewed since the last report.



Strategic/External Risk **Continued** October 2023





UHI Perth

Risk Report

November 2023

Risk Overview November 2023

Overview

- Since the last Audit Committee meeting, we have:
- Replaced the old strategic risk register with this document.
 - Met with all control owners to understand their progress (see below)
 - Created a detailed list of risks and causes in the new format agreed last month.
 - Redesigned this report to be more informative and shorter.
 - Moved our "strategic" controls into the format of this report.
 - Worked on the Board Risk Appetite (see separate report).

Al though we have met with all control owners, progress has been mixed with restructuring impacting on focus and time not least in the form 5 project groups set up to determine how we can save over £3M of cost before Aug 1 2023. The same group have also been involved in a visioning exercise. All of this on top of their day jobs. Overall progress status for the 48 "strategic" controls that were set up are:

44% <50% complete
21% 50-75% complete
35% >75% complete

Before the next Audit Committee in March there should be some positive progress with 8 strategic controls now 100% complete will be tested for effectiveness and 7 further strategic controls expected to be 100% complete. In addition, a number of new controls specific to this format will also be 100% complete.

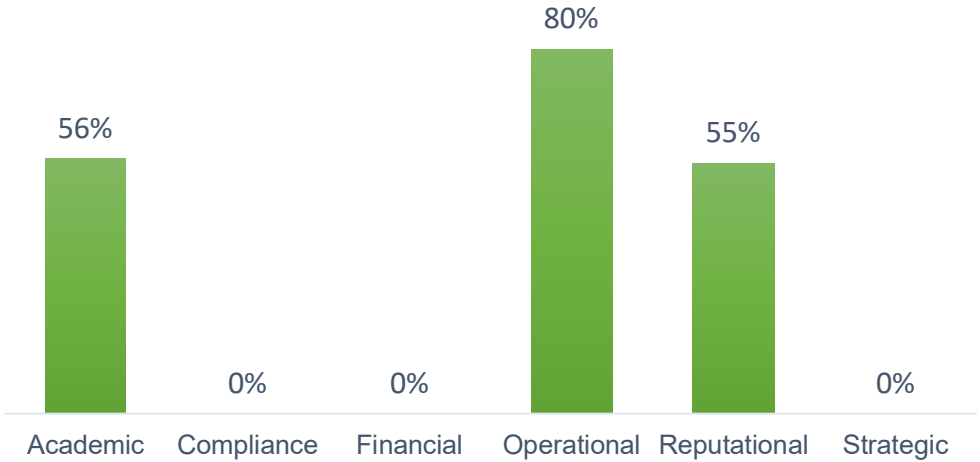
During the next reporting period work will continue with identifying controls across all risk areas and introducing the SMT (tone at the top) into the process.

All individual risk sheets, can be accessed via the following link: [ERM Risk Register 2023-24](#).

% of Controls in Place & Operating Effectively

0%	0%	0%	0%	0%	0%
Academic	Compliance	Financial	Operational	Reputational	Strategic

% of Preventative Controls



Academic Risk Overview November 2023

All risks, causes and controls have been fully reviewed since the last report.

Risks

Curriculum

There is a risk that course content or lack of courses could have a negative impact on student numbers, retention, student outcomes, partnerships, costs and our overall reputation.

Since the last report.....

There has been progress, but control owners feel that work needs to slow until it is clear what the outcomes of the academic reorganisation workstream is. Some of the output from the workstream will be controls that mitigate risk in this area.

Last Report

Current

< 50% Complete

50%- 75% Complete

> 75% Complete

Risk Causes

2

2

Controls Identified

11

10

Controls 100% Complete & Effective

0

0

Progress Status of Incomplete Controls



Competition

Failure to monitor and take preventative action to competitor activity or understand the direction of our markets could result in missed opportunities, falling student numbers and negatively impact on our reputation.

Since the last report

Progress has been paused to allow the outputs from workstreams 1 and 5 to realign the focus for this risk area as part of the overall organisational restructure.

1

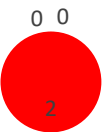
1

2

2

0

0



Course Delivery

If our delivery, whether it be related to teaching or technology, is not at the required standard then it can impact on student numbers, retention, achievement and reputation.

Since the last report

Progress has paused to allow the output from workstream 1 - Academic Structure including the work on course profitability to realign the focus for this risk area.

2

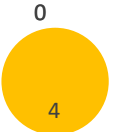
2

4

4

0

0



Estate

Managing the campus to meet changing student and learning requirements is critical to attracting students, student retention, student experience and reputation.

Since the last report

Progress has been made with many of the projects underpinning the work due to be completed over the next reporting period.

3

3

2

2

0

0



Legal & Compliance Risk Overview November 2023

■ Last Report

■ Current

■ < 50% Complete

50%- 75% Complete

 > 75% Complete

All risks, causes and controls have been fully reviewed since the last report.

Risks		Risk Causes		Controls Identified		Controls 100% Complete & Effective		Progress Status of Incomplete Controls	
Contracts Contracts that have not been reviewed/approved in line with policy leave the college open to significant financial and reputational risk.	Since the last report This is a new risk area identified since the last report with controls to be identified and put in place over the next reporting period.	0	2	0	0	0	0	0	0
Employment Law It is critical that UHI Perth complies with all employment law. There could be significant damage to reputation and financial penalties for non-compliance.	Since the last report This is a new risk area identified since the last report with controls to be identified and put in place over the next reporting period.	0	2	0	0	0	0	0	0
Litigation While the goal is to prevent legal cases against UHI Perth there should be a process in place on how to predict, report and manage potential and actual litigation against UHI Perth.	Since the last report This is a new risk area identified since the last report with controls to be identified and put in place over the next reporting period.	0	2	0	0	0	0	0	0
Legal & Regulatory Compliance It is important that the college pass audits, and file documentation as required. This is necessary to protect the reputation of the college and prevent fines.	Since the last report This is a new risk area identified since the last report with controls to be identified and put in place over the next reporting period.	0	2	0	0	0	0	0	0

Legal & Compliance Risk **Continued** November 2023

 Last Report

 Current

 < 50% Complete

 50%- 75% Complete

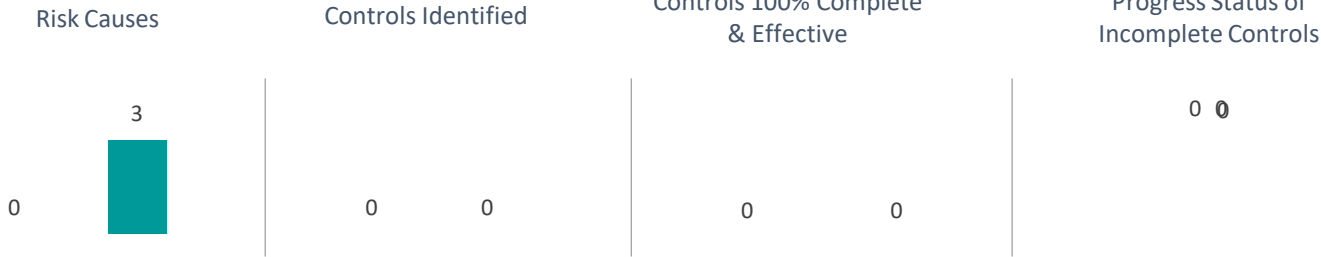
 > 75% Complete

All risks, causes and controls have been fully reviewed since the last report.

Risks

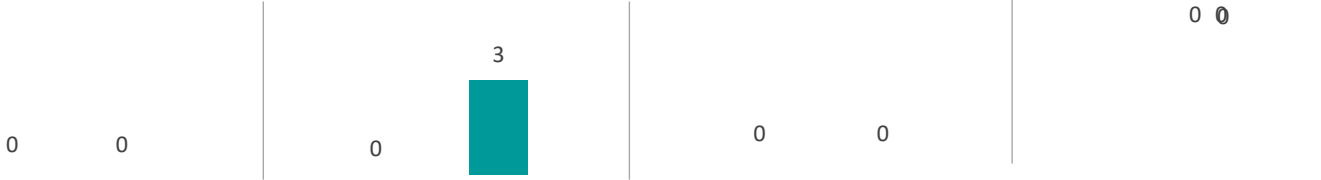
Governance
If a robust process and hierarchy of governance is not in place and or the individuals in place do not have the right level of competency then there is a risk to the management, compliance and performance of UHI Perth.

Since the last report
This is a new risk area identified since the last report with controls to be identified and put in place over the next reporting period.



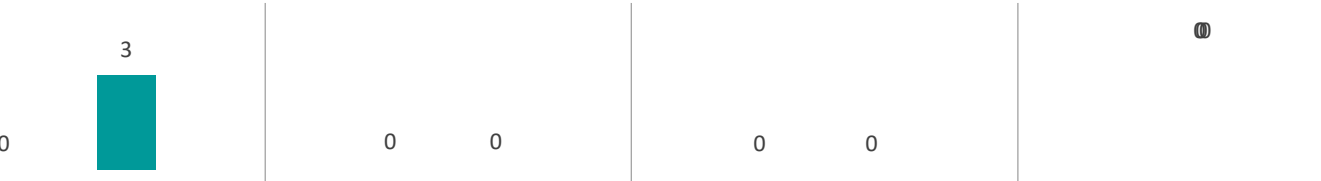
Health & Safety
The health & safety of staff, students and visitors is probably the number one objective of the college. Failure to achieve this would have a significant impact on the reputation of the college.

Since the last report
This is a new risk area identified since the last report with controls to be identified and put in place over the next reporting period.



International Business
Failure to comply with legislation relating to our International business could lead to loss of licence, fines and negatively impact on our reputation.

Since the last report
This is a new risk area identified since the last report with controls to be identified and put in place over the next reporting period.



Financial Risk Overview November 2023

All risks, causes and controls have been fully reviewed since the last report.

Risks

Cash
To ensure financial sustainability it is essential that UHI Perth forecast their cash position and manage their cash to ensure that the college does not run out of money.

Since the last report
This is a new risk area identified since the last report with controls to be identified and put in place over the next reporting period.

Financial Management
It is essential that the college has a budget and forecast process in place provides management accounting information, all the way up to Board of Management level, on our performance versus target.

Since the last report
This is a new risk area identified since the last report with controls to be identified and put in place over the next reporting period.

Controls
The effective control of significant financial risks, through an ERM process, need to be in place. These controls should be designed to prevent or detect fraud, theft and/or loss of college assets.

Since the last report
This is a new risk area identified since the last report with controls to be identified and put in place over the next reporting period.

Pension
If pension rates increase and are unfunded then it can threaten the financial sustainability of the college.

Since the last report
This is a new risk area identified since the last report with controls to be identified and put in place over the next reporting period.



Operational Risk Overview November 2023

All risks, causes and controls have been fully reviewed since the last report.

Risks

Systems/Technology

Poor systems, the inability to optimise current systems or data corruption/loss would result in poor outcomes for staff and students and could have a negative impact on student numbers, and reputation.

Since the last report

Progress on the control has included the addition to training and updating the induction processes. Further progress will be made over the next reporting period by Workstream 4 looking at continuous improvement.

Staff

If staff are unsure what their role is or are not competent and/or motivated to carry out their role it could result in poor performance for staff and students, loss of staff, poor strategic outcomes etc.

Since the last report

This is a new risk area identified since the last report with controls to be identified and put in place over the next reporting period.

Processes

Poor processes can add significant cost and result in poor outcomes for staff and students. It is important that the college implements a system of continuous improvement to maximise performance

Since the last report

Progress has been paused to allow the outputs from workstream 4 continuous improvement to realign the focus for this risk area as part of the overall organisational restructure.

 Last Report

 Current

 < 50% Complete

 50%- 75% Complete

 > 75% Complete



Reputational Risk Overview November 2023

All risks, causes and controls have been fully reviewed since the last report.

Risks

Business Relationships

Business relationships are critical to the development and direction of our courses, student outcomes and our reputation. The development and management of business relationships is very important to UHI Perth.

Since the last report
Progress has been paused to allow the outputs from workstreams 1 and 5 to reset the focus for this risk area as part of the overall organisational restructure.

Student Satisfaction

If current student satisfaction levels are low or if feedback on the student experience from leavers is poor it can have a negative impact on reputation, student numbers and retention.

Since the last report
All controls have made progress and are above 75% complete. New student survey system in place to help improve response rates.

Culture

While culture can have a very positive effect on staff and the student experience the opposite could be true if the culture isn't good. This situation could negatively impact on student numbers, retention, reputation and staff.

Since the last report
Good progress had already been made within the 2 identified controls, this has paused to allow for the outputs from the Visioning workstream on our current vision and values.

Media Relationships

The ability of UHI Perth to develop and manage media channels can have significantly good or bad impact on the reputation of the college and student numbers.

Since the last report
This is a new risk area identified since the last report with 3 controls that will be put in place over the next reporting period.



Reputational Risk Continued November 2023

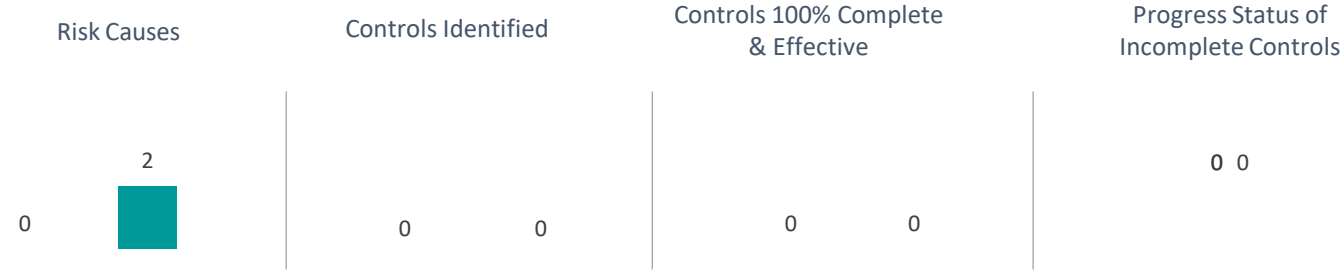


Risks

Social Responsibility

UHI Perth have a responsibility to the local community and society. Not meeting our social responsibilities could have a negative impact on our reputation and student numbers.

Since the last report
This is a new risk area identified since the last report with controls to be identified and put in place over the next reporting period.



Environment

The environment is a significant issue for many staff, students and sectors of society. Governments set targets that, if not achieved, could impact on our reputation and student numbers.

Since the last report
Progress made against all 8 controls with only 2 below 50% complete. Milestones have been identified to implement all controls working to a March 2024 timeline.



Strategic/External Risk Overview November 2023

All risks, causes and controls have been fully reviewed since the last report.

Risks

Strategy & Strategy Execution

UHI Perth’s strategy sets our direction and culture. Strategies must be flexible and should be reviewed annually. Just as important is the ability of an organisation to execute the strategy.

Since the last report

This is a new risk area identified since the last report with controls to be identified and put in place over the next reporting period.



UHI

The RSB and Executive Office have a significant amount of influence over what UHI Perth can and cannot do. UHI Perth must assess the risks associated with decisions made by the RSB and EO.

Since the last report

This is a new risk area identified since the last report with controls to be identified and put in place over the next reporting period.

UK Governments

Actions and legislation through the UK and or Scottish Governments can have a significant impact on the college. We should assess the risks associated with Government decisions and plan to minimise any impact.

Since the last report

This is a new risk area identified since the last report with controls to be identified and put in place over the next reporting period.

Global Events

Global events can impact UHI Perth in many ways from student numbers to increasing costs. UHI Perth should monitor global events and assess risk. Plans should be put in place to minimise impact.

Since the last report

This is a new risk area identified since the last report with controls to be identified and put in place over the next reporting period.

Strategic/External Risk **Continued** November 2023



Risks

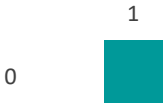
Artificial Intelligence

AI is a growing risk which needs to be monitored and understood.

Since the last report

This is a new risk area identified since the last report with controls to be identified and put in place over the next reporting period.

Risk Causes



Controls Identified

00

Controls 100% Complete & Effective

00

Progress Status of Incomplete Controls

00

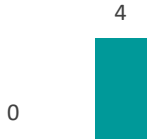
Business Continuity

It is essential that UHI Perth has a Business Continuity Plan in place that is tested. The plan should be reviewed on a regular basis and audited within specific time periods.

Since the last report

This is a new risk area identified since the last report with controls to be identified and put in place over the next reporting period.

00



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Likelihood			Impact				
			Insignificant	Minor	Significant	Major	Catastrophic
	Almost Certain	> 80%	5	10	15	20	25
	Likely	61% - 80%	4	8	12	16	20
	Possible	31% - 60%	3	6	9	12	15
	Unlikely	10% - 30%	2	4	6	8	10
	Very Rare	< 10%	1	2	3	4	5
Risk Appetite		Risk Range	Risk Appetite Description				
Averse		1-3	The Board of Management are averse to risk in this Risk Category which means that decisions by managers or staff that would create a combined risk score (Likelihood x Impact) which is higher than the maximum "Risk Range", for this Risk Category, should make an approval request to the Audit Committee before proceeding.				
Minimal		1-6	The Board of Management will allow minimal risk in this Risk Category which means that decisions by managers or staff that would create a combined risk score (Likelihood x Impact) which is higher than the maximum "Risk Range", for this Risk Category, should make an approval request to the Audit Committee before proceeding.				
Cautious		1-10	The Board of Management will allow a cautious approach to risk in this Risk Category which means that decisions by managers or staff that would create a combined risk score (Likelihood x Impact) which is higher than the maximum "Risk Range", for this Risk Category, should make an approval request to the Audit Committee before proceeding.				
Open		1-15	The Board of Management are open to risk in this Risk Category. Any decisions by managers or staff that would create a combined risk score (Likelihood x Impact) which is higher than the maximum "Risk Range", for this Risk Category, should make an approval request to the Audit Committee before proceeding.				
Eager		1-25	The Board of Management are very comfortable to take risks in this Risk Category. Any decisions by managers or staff that would create a combined risk score (Likelihood x Impact) which is higher than the maximum "Risk Range", for this Risk Category, should make an approval request to the Audit Committee before proceeding.				

Risk Category	Risk Description	Risk Appetite	Risk Appetite Description	Risk Appetite Range
Academic	Academic risk relates to the potential negative impact on student numbers, student retention, student outcomes, business partnerships and student experience.	Cautious	The Board of Management will allow a cautious approach to risk in this Risk Category which means that decisions by managers or staff that would create a combined risk score (Likelihood x Impact) which is higher than the maximum "Risk Range", for this Risk Category, should make an approval request to the Audit Committee before proceeding.	1-10
Legal & Compliance	Legal & compliance risk relates to any situation that would create a legal issue for UHI Perth or its partners or non compliance with statutory or regulatory requirements. This category includes health and safety.	Averse	The Board of Management are averse to risk in this Risk Category which means that decisions by managers or staff that would create a combined risk score (Likelihood x Impact) which is higher than the maximum "Risk Range", for this Risk Category, should make an approval request to the Audit Committee before proceeding.	1-3
Financial	Financial risk relates to any financial matter that could have a significant negative impact on the cash position of UHI Perth. This area also covers the financial management of UHI Perth.	Minimal	The Board of Management will allow minimal risk in this Risk Category which means that decisions by managers or staff that would create a combined risk score (Likelihood x Impact) which is higher than the maximum "Risk Range", for this Risk Category, should make an approval request to the Audit Committee before proceeding.	1-6
Operational	Operational risk relates to risks associated with the operational building blocks of systems, management of staff, staff competence and processes.	Open	The Board of Management are open to risk in this Risk Category. Any decisions by managers or staff that would create a combined risk score (Likelihood x Impact) which is higher than the maximum "Risk Range", for this Risk Category, should make an approval request to the Audit Committee before proceeding.	1-15
Reputational	Reputational risk relates to areas that could have a negative impact on the reputation of UHI Perth and includes Business Relationships, student Satisfaction, Culture, Media Relationships, Social Responsibility and Environment,	Averse	The Board of Management are averse to risk in this Risk Category which means that decisions by managers or staff that would create a combined risk score (Likelihood x Impact) which is higher than the maximum "Risk Range", for this Risk Category, should make an approval request to the Audit Committee before proceeding.	1-3
Strategic/External	Strategic/External risk relates to external areas that could impact on the ability of UHI Perth to achieve its strategy or to the financial sustainability of organisation.	Minimal	The Board of Management will allow minimal risk in this Risk Category which means that decisions by managers or staff that would create a combined risk score (Likelihood x Impact) which is higher than the maximum "Risk Range", for this Risk Category, should make an approval request to the Audit Committee before proceeding.	1-6

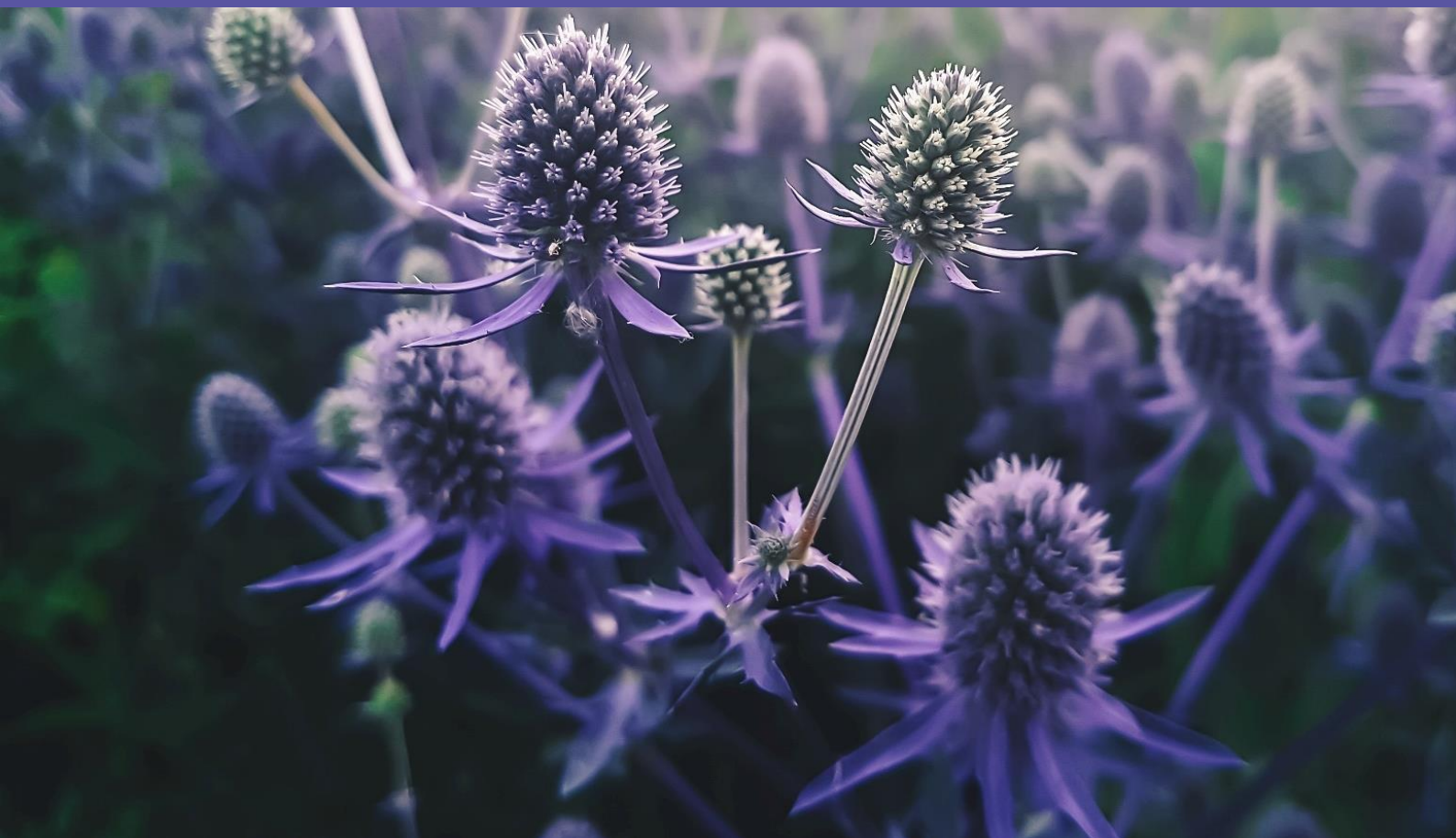
Perth College

Follow Up Reviews 2022/23

Internal Audit report No: 2023/04

Draft issued: 30 November 2023

Final issued: 1 December 2023



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Management Summary

Introduction and Background

As part of the Internal Audit programme at UHI Perth ('the College') for 2022/23 we carried out a follow-up review of the recommendations made in the following Internal Audit reports finalised during 2021/22, which included recommendations from earlier reports where previous follow-up identified that the recommendations were outstanding:

- Internal Audit Report 2022/03 - Payroll Double Payment
- Internal Audit Report 2022/05 - Partnership Working
- Internal Audit Report 2022/06 - Income and Debtors
- Internal Audit Report 2022/07 - Payroll
- Internal Audit Report 2022/08 - Building Maintenance
- Internal Audit Report 2022/09 - Quality
- Internal Audit Report 2022/10 - Follow Up 2021/22

There were no recommendations in reports 2022/04 – Strategic Plan 2021 to 2024 and Internal Audit Annual Plan 2021/22 and 2022/11 – Annual Report, and as such no follow up has been undertaken for these reports.

Recommendations raised or updated in reports 2022/01 – 2020/21 Student Activity Data and 2022/02 – Student Support Funds 2020/21 have been followed up separately in reports 2023/02 – 2021/22 Student Activity Data and 2023/03 – Student Support Funds 2021/22, and as such have not been included in this report.

Objectives of the Audit

The objective of each of our follow-up reviews is to assess whether recommendations made in previous reports have been appropriately implemented and to ensure that, where little or no progress has been made towards implementation, that plans are in place to progress them.

Audit Approach

For the recommendations made in each of the reports listed above we ascertained by enquiry whether they had been completed or what stage they had reached in terms of completion and whether the due date needed to be revised.

Action plans from the original reports, updated to include a column for progress made to date, are appended to this report.

Overall Conclusion

The College has made some progress in implementing the recommendations followed-up as part of this review with 14 of 35 (40%) recommendations being categorised as 'fully implemented', 12 recommendations (34%) assessed as 'partially implemented', seven recommendations (20%) assessed as 'little or no progress made', and two recommendations (6%) as 'not past agreed completion date'. These recommendations will be subject to follow-up at a later date.

Our findings from each of the follow-up reviews has been summarised below:

From Original Reports			From Follow-Up Work Performed				
Area	Rec. Priority	Number Agreed	Fully Implemented	Partially Implemented	Little or No Progress Made	Not Past Agreed Completion Date	Considered But Not Implemented
2022/03 - Payroll Double Payment	1	-	-	-	-	-	-
	2	1	1	-	-	-	-
	3	1	1	-	-	-	-
Total		2	2	-	-	-	-
2022/05 - Partnership Working	1	-	-	-	-	-	-
	2	1	-	-	-	1	-
	3	3	1	2	-	-	-
Total		4	1	2	-	1	-
2022/06 - Income and Debtors	1	-	-	-	-	-	-
	2	-	-	-	-	-	-
	3	2	-	1	1	-	-
Total		2	-	1	1	-	-
2022/07 - Payroll	1	-	-	-	-	-	-
	2	1	1	-	-	-	-
	3	3	2	-	-	1	-
Total		4	3	-	-	1	-
2022/08 - Building Maintenance	1	-	-	-	-	-	-
	2	1	-	1	-	-	-
	3	2	1	1	-	-	-
Total		3	1	2	-	-	-
2022/09 - Quality	1	-	-	-	-	-	-
	2	-	-	-	-	-	-
	3	1	1	-	-	-	-
Total		1	1	-	-	-	-
2022/10 - Follow Up 2021/22	1/A	-	-	-	-	-	-
	2/B	11	4	4	3	-	-
	3/C	8	2	3	3	-	-
		19	6	7	6	-	-
Grand Totals		35	14	12	7	2	-

Overall Conclusion (continued)

The grades, as detailed below, denote the level of importance that should have been given to each recommendation within the internal audit reports:

Priority 1/A	Issue subjecting the College to material risk and which requires to be brought to the attention of management and the Audit Committee.
Priority 2/B	Issue subjecting the College to significant risk and which should be addressed by management.
Priority 3/C	Matters subjecting the College to minor risk or which, if addressed, will enhance efficiency and effectiveness.

Acknowledgements

We would like to thank all staff for the co-operation and assistance we received during the course of our reviews.



Appendix I - Updated Action Plan

Internal Audit Report 2022/03 - Payroll Double Payment

Original Recommendation	Priority	Management Response	To Be Actioned By	No Later Than	Progress at November 2023
R1 We recommend that the monthly summary should be shared directly with the Principal and Vice-Chancellor of UHI, as well as the Director of Corporate Services, every month after each pay run.	3	We agree that the monthly summary should be shared directly with the Principal and Vice-Chancellor of UHI, as well as the Director of Corporate Services, every month after each pay run until all funds are recovered/resolved.	Principal and Chief Executive	An updated report will be issued by the end of first week of each calendar month until all monies have been recovered/resolved.	All monies recovered by end of FY. Monthly reports submitted to the interim VC who commended the work done by Perth to ensure all monies were recovered. Fully Implemented
R2 We recommend that future incidents, which fulfil the circumstances set out within the Financial Memorandum, are reported without delay directly to the Principal and Vice-Chancellor of UHI.	2	We agree that future incidents, which fulfil the circumstances set out within the Financial Memorandum, are reported without delay directly to the Principal and Vice-Chancellor of UHI.	Principal and Chief Executive	Each incident going forward.	This is now the process that will be followed for any future incidents. Fully Implemented

Appendix II - Updated Action Plan

Internal Audit Report 2022/05 – Partnership Working

Original Recommendation	Priority	Management Response	To Be Actioned By	No Later Than	Progress at November 2023
<p>R1 To support the College, an agreement for use of Microsoft Dynamics CRM should be reached with UHI that is mutually beneficial to both parties.</p> <p>This agreement should set out the terms and conditions for the use of Microsoft Dynamics, the information that should be retained, and what can or cannot be accessed by academic partners. It should also consider GDPR requirements.</p> <p>The use of Microsoft Dynamics CRM should be communicated to Academic and Support Services to ensure data retained is kept up to date.</p>	3	<p>Resource to manage and maintain this data would be required to ensure a successful introduction of the MS Dynamic System.</p> <p>The resource implications of this will be reviewed to ensure data integrity and data reporting is accurate and utilised to support and enhance engagements with businesses across all College Teams</p>	Head of Business Development	30 June 2023	<p>A review of all commercial activities at UHI Perth is being undertaken and due to complete in March 2024. In relation to a CRM system, Raisers Edge is already in place and has been identified as a more optimal system than MS Dynamics. The adoption of Raisers Edge will be confirmed on completion of the review.</p> <p><i>Partially Implemented</i></p> <p>Revised Completion Date: 28 June 2024</p>

Follow Up Review 2022/23

Original Recommendation	Priority	Management Response	To Be Actioned By	No Later Than	Progress at November 2023
<p>R2 Resource to deliver on the College's strategic objectives particularly in relation to partnership working and collaboration should be identified and succession planning for key roles. The associated risks for delivering on key strategic partnerships should also be identified and mitigating controls and actions identified for monitoring purposes, such as by the Curriculum Business Planning Group.</p> <p>Support for the VP External Engagement should be identified, such as deputies for attending the range of external committee forums and boards required for supporting partnership working.</p>	3	<p>The Head of Business Development, the Director of International and the Marketing Team Leader deputise for the VP External where required.</p> <p>Succession planning is an issue across the College, and this is being reviewed within the new College Strategy. A leadership development programme to support Managers to encourage the Team Leaders to participate to increase opportunities for progression throughout the College. A commercial strategy will be developed to include a resourcing plan to identify areas of commercial opportunity/ risk where investment will be required to capitalise upon diverse income streams.</p>	VP External Engagement	30 June 2023	<p>A review of all commercial activities at UHI Perth and how this should be resourced is being undertaken and due to complete in March 2024. This review will also inform whether there is a need for a separate Commercial Strategy and its focus.</p> <p><i>Partially Implemented</i></p> <p>Revised Completion Date: 28 June 2024</p>

Follow Up Review 2022/23

Original Recommendation	Priority	Management Response	To Be Actioned By	No Later Than	Progress at November 2023
R3 As part of the review of shared services at UHI, the UHI partnership should agree the optimal structure and reporting framework to streamline the UHI review and approval of commercial and international proposals raised by its academic partners, including Perth College UHI.	3	<p>The College will be involved in the UHI2024 project to review the partnership structure to optimise responsiveness and agility in relation to partnership working and capitalising upon commercial opportunities, particularly in international markets.</p> <p>The College Principal is leading on the workstream relating to shared services which will be a key part of ensuring UHI's future structure enables the delivery of efficient and effective business processes.</p>	College Principal and SMT	31 August 2024	<p>Fully participated in UHI2024 project. However the project ceased in September 2023 and has been replaced by the Principals across the partnership working up a new target operating model, this process is ongoing. The workstream relating to shared services however did have a successful outcome with 4 academic partners signing up to a single HR system which is expected to be in place by January 2024. Perth is closely involved in this project.</p> <p><i>Fully Implemented</i></p>

Follow Up Review 2022/23

Original Recommendation	Priority	Management Response	To Be Actioned By	No Later Than	Progress at November 2023
<p>R4 The UHI and Perth College UHI management require to mutually agree the financial arrangements between parties. This agreement should be documented for transparency, such as an appendix to the terms and conditions set out in their Memorandum of Understanding.</p> <p>The agreement should also document the terms and conditions of the partnership, including decision making, intellectual property, copyright, data sharing and ownership of commercial and marketing data.</p> <p>The MoU should be frequently reviewed such as every 2 years or when there is significant change in the economic operating environment in line with good practice.</p>	2	<p>The draft UHI Partnership Agreement was deemed to be insufficient in its identification of the value provided by UHI centrally in support of the Academic Partners. As a result this was rejected by Perth College UHI Board of Management as well as by other AP Boards. The UHI 2024 change process includes governance, and this is likely to be addressed as part of that workstream.</p>	Academic Partner Principal or EO senior staff lead	Projected estimated target date of 31 July 2024 (which is subject to change).	<i>Not Past Agreed Completion Date</i>

Appendix III - Updated Action Plan

Internal Audit Report 2022/06 – Income and Debtors

Original Recommendation	Priority	Management Response	To Be Actioned By	No Later Than	Progress at November 2023
R1 We recommend that a formal credit note procedure should be included in the procedural guidance which is currently being developed. This should specifically include a requirement to maintain an audit trail for credit notes approval through the consistent attachment of supporting electronic records on the bluQube system.	3	We agree that a formal credit note procedure should be included in the procedural guidance and that this guidance should specifically include a requirement to maintain an audit trail for credit notes approval through the consistent attachment of supporting electronic records on the bluQube system.	Henry Nicholson	31 December 2022	<p>This has not been commenced due to year end requirements and the lack of a systems accountant.</p> <p><i>Little or No Progress</i></p> <p>Revised Completion Date: 31 July 2024</p>
R2 We recommend that the existing debt recovery process should be documented and approved internally and incorporated within the procedural guidance (which is currently being developed) and that this guidance should be communicated to all relevant stakeholders (including students and other customers).	3	We agree that the existing debt recovery process should be documented and approved internally and incorporated within the procedural guidance and that this guidance should be communicated to all relevant stakeholders (including students and other customers).	Henry Nicholson	31 December 2022	<p>There has been a review and better understanding of existing processes but no progress on implementing a written policy as the thresholds for what the College does need to be agreed.</p> <p><i>Partially Implemented</i></p> <p>Revised Completion Date: 31 July 2024</p>



Appendix IV - Updated Action Plan

Internal Audit Report 2022/07- Payroll

Original Recommendation	Priority	Management Response	To Be Actioned By	No Later Than	Progress at November 2023
R1 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.	3	Recommendation accepted as part of Phase 2 of the HR and Payroll System project.	Head of HR & OD and Payroll Manager	31 December 2024	Procurement of the new HR and Payroll systems has been delayed, and so has the implementation of the action as a result. The ability to support the logging, calculating, approval and processing of timesheets is to be included within the new HR system. <i>Not Past Agreed Completion Date</i>
R2 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.	3	Recommendation Accepted.	HR & OD Business Partners	31 March 2023	Completed. <i>Fully Implemented</i>



Follow Up Review 2022/23

Original Recommendation	Priority	Management Response	To Be Actioned By	No Later Than	Progress at November 2023
<p>R3 The process for communicating starter dates should be improved to ensure that any red flags can be identified promptly by HR.</p> <p>Discussions have been initiated between HR management and SDDs on the importance of timely communication of new starters and the process to be adopted.</p> <p>A further discussion is scheduled to remind SDD and hiring managers of requirements before the beginning of Semester 2.</p> <p>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.</p>	2	Accepted recommendation.	SDDs	31 January 2023	Completed. Fully Implemented
<p>R4 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.</p>	3	<p>HR Team to be reminded of the need to file employee documentation on their file</p> <p>HR Team to discuss whether a checklist would assist in ensuring this process was more robust</p>	Head of HR and Organisational Development	31 March 2023	Completed. Fully Implemented



Appendix V - Updated Action Plan

Internal Audit Report 2022/08 - Building Maintenance

Original Recommendation	Priority	Management Response	To Be Actioned By	No Later Than	Progress at November 2023
<p>R1 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.</p> <p>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.</p>	3	<ol style="list-style-type: none"> Estates will produce an annual report that will include: <ul style="list-style-type: none"> Estates issues and risks Summary of costs for ongoing maintenance requirements Backlog maintenance Confirmation of statutory building inspections and other statutory works Estates and ICT will evaluate facilities management software and provide recommendations to SMT. 	<ol style="list-style-type: none"> Head of Estates. Head of estates and Head of ICT 	<ol style="list-style-type: none"> 2022/23 Board cycle 30 June 2023 	<ol style="list-style-type: none"> Management share quarterly updates to the Board and will produce an annual spend review to support this. Monthly reports are now received from finance showing the spend to date. The College has been in discussions with UHI to purchase a shared IT system and have interviewed parties and selected a provider who is planned to be appointed in the coming weeks. The shared IT system is to be rolled out in phases with the first phase going live at the start of the 2024/25 academic term. <p>Fully Implemented</p>



Follow Up Review 2022/23

Original Recommendation	Priority	Management Response	To Be Actioned By	No Later Than	Progress at November 2023
<p>R2 We recommend that the Estates master budget template should be amended to include a breakdown of all planned funded repairs and maintenance.</p> <p>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.</p>	2	<ul style="list-style-type: none"> The master budget template will be amended Monthly meetings between the Finance business partner and the Head of Estates will be scheduled Actions from these meetings will be recorded, monitored and included in Head of estates report to FRC 	Finance Business Partner / Head of Estates	28 February 2023	<p>Master Budget Template: This is still a work in progress – Estates are now meeting the Finance manager once a month to review spend to date and flag committed costs. There is also a weekly quick catch-up meeting to review outstanding invoices every Friday. This is very early days with a set agenda or minutes not being recorded – the meetings were carried out only for the previous 2 months so far and the format is being experimented with.</p> <p>Monthly Meetings between the Finance Business Partner and the Head of Estates: These are in the diaries for the last Tuesday of the month. Minutes and agenda will be finalised at the next meeting. So far it has been a review of each budget line with flags if monthly estimates are close to being exceeded. These are set at approx. £40k per month.</p> <p>Actions from the meetings will be reported to the FRC once established.</p> <p><i>Partially Implemented</i></p> <p>Revised Completion Date: 30 November 2023</p>

Follow Up Review 2022/23

Original Recommendation	Priority	Management Response	To Be Actioned By	No Later Than	Progress at November 2023
R3 The College should develop a proactive rolling five-year programme of building condition surveys to identify and meet future estate maintenance needs.	3	The College will develop a proactive rolling five-year programme of building condition surveys to identify and meet future estate maintenance needs.	Head of Estates	31 March 2023	<p>The condition surveys have now begun, with fixed wire testing, roof surveys being completed this year. The College have also employed an architect to update the site drawings. This will enable the planned preventative maintenance records to be kept more accurately. The engineering surveys for lifts, automatic doors, legionella etc. have all been completed with recommendations issued. These are all on separate files at the moment however will be transferred into the new IT software as part of the first phase of roll out. The College is also due to complete a feasibility study into the environmental sustainability of the buildings, and is working on a grant application for this just now, with submission due mid-January. Condition surveys and new EPC's will be required early 2024 for this work.</p> <p><i>Partially Implemented</i></p> <p>Revised Completion Date: 31 January 2024</p>



Appendix VI - Updated Action Plan

Internal Audit Report 2022/09 – Quality

Original Recommendation	Priority	Management Response	To Be Actioned By	No Later Than	Progress at November 2023
R1 Information on recent quality enhancement and key performance indicator reporting should be updated online to promote recent progress and delivery of agreed outcomes, in line with good practice.	3	We will publish the relevant FE KPI data report on student performance on the College website.	Head of Student Experience	9 December 2022	Completed. <i>Fully Implemented</i>

Appendix VII - Updated Action Plan

Internal Audit Report 2022/10 – Follow Up Reviews 2021/22

Original Recommendation	Priority	Management Response	To Be Actioned By	No Later Than	Progress Previously Reported	Progress at November 2023
2013/07 – Health and Safety						
R1 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.	B	During 12/13, a centralised risk assessment system was established which, by each College area, identified the Duty Holder, Responsible Person, and Risk Assessor for each area, training requirements, number of risk assessments required / in place and annual review date.	Director of HR & Communications	31 May 2013	<p>May 2019 Improvements have been made with risk assessments being completed, reviewed and stored electronically. More areas are utilising the central registry and additional assessments have been conducted for Estates Caretakers and Cleaners and Nursery. Some areas still maintain hard copy assessments for Student Training and reference. Internal Inspections by the Health, Safety and Wellbeing Adviser shall indicate if current hard copies are suitable and sufficient. Further review of risk assessments scheduled in 2019.</p> <p>November 2019 The closure of the College site has had an impact on the College's ability to meet these targets.</p> <ol style="list-style-type: none"> 1) Hazard surveys to be carried out within possible areas which have staff working on campus by December 2020 2) A workplan for 2020-2023 to be revisited in January 2021 3) 15 Risk Assessment trainings took place to support COVID19 assessments 4) 9 members of CMT are enrolled on IOSH Managing Safely training (online) 	<p>Completed.</p> <p>Results of the risk assessment reviews are to be reported at the next Health & Safety Committee meeting.</p> <p>Fully Implemented</p>



Follow Up Review 2022/23

Original Recommendation	Priority	Management Response	To Be Actioned By	No Later Than	Progress Previously Reported	Progress at November 2023
2013/07 – Health and Safety						
R1 (continued)					<p>November 2019 (continued): 1 member of SMT and a Board member (who sits on H&S committee) have completed their IOSH Safety for Executive and Directors Programme.</p> <p>This process is now planned to be completed by the end of the 2020/21 academic year.</p> <p>November 2021: Limited access to the College site and the ongoing additional work requirements due to COVID-19 have affected the College's ability to meet these targets.</p> <p>All COVID-19 risk assessments are in place and regularly reviewed (College wide ones are published on the website).</p> <p>7 CMT members have completed their IOSH Managing Safely training. Other CMT members have enrolled on the programme.</p> <p>Hazard surveys are being conducted in all areas across the College and this is ongoing.</p> <p>The workplan for 2020-2023 was updated but could not take place as planned due to COVID-19 restrictions. Internal audits will recommence in January 2022.</p>	

Follow Up Review 2022/23

Original Recommendation	Priority	Management Response	To Be Actioned By	No Later Than	Progress Previously Reported	Progress at November 2023
2013/07 – Health and Safety						
R1 (continued)					<p>November 2022: 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.</p> <p>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.</p> <p>Training for competent risk assessors continues with 90 having been trained in the last 3 years.</p> <p><i>Partially Implemented</i></p> <p>Revised Date of Completion: 30 April 2023</p>	



Follow Up Review 2022/23

Original Recommendation	Priority	Management Response	Agreed	To Be Actioned By	No Later Than	Progress Previously Reported	Progress at November 2023
Internal Audit Report 2020/05 – Health and Safety							
R1 The College should ensure that all health and safety policies are reviewed and updated in line with the agreed review schedule.	3	Agreed.	Yes	Health, Safety and Wellbeing Adviser	10 December 2020 Revised: 31 March 2023	<p>November 2020: This process has been started, but will be completed during the 20/21 academic year.</p> <p>November 2021: Nine policies and the H&S arrangements have been reviewed, updated, and published on the website. All others are in the process of being reviewed.</p> <p>November 2022: 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.</p> <p>Of the 23 documents falling under Policy and Procedures, 20 have been reviewed.</p>	<p>One policy document is still to be reviewed and finalised.</p> <p>Partially Implemented</p> <p>Revised Completion Date: 1 March 2024</p>



Follow Up Review 2022/23

Original Recommendation	Priority	Management Response	Agreed	To Be Actioned By	No Later Than	Progress Previously Reported	Progress at November 2023
R1 (continued)						<p>November 2022 (continued): 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.</p> <p><i>Partially Implemented</i></p> <p>Revised Date of Completion: 31 March 2023</p>	

Follow Up Review 2022/23

Original Recommendation	Priority	Management Response	Agreed	To Be Actioned By	No Later Than	Progress Previously Reported	Progress at November 2023
R4 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.	2	Agreed.	Yes	SDD / Head of Department for each area overseen by SMT, supported by Health, Safety and Wellbeing Adviser	31 March 2021 Revised: 30 April 2023	<p>November 2020: Not past completion date</p> <p>November 2021: Risk assessments associated with COVID-19 and staff / students on campus were prioritised and completed.</p> <p>All areas are currently having hazard surveys done to inform if any risk assessments are missing. Risk assessment compliance is being discussed at the next Health and Safety Committee</p> <p>November 2022: 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.</p>	<p>Completed.</p> <p>Fully Implemented</p>

Follow Up Review 2022/23

Original Recommendation	Priority	Management Response	Agreed	To Be Actioned By	No Later Than	Progress Previously Reported	Progress at November 2023
R4 (continued)						<p>November 2022 (continued): 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.</p> <p><i>Partially Implemented</i></p> <p>Revised Date of Completion: 30 April 2023</p>	

Follow Up Review 2022/23

Original Recommendation	Priority	Management Response	Agreed	To Be Actioned By	No Later Than	Progress Previously Reported	Progress at November 2023
Internal Audit Report 2020/06 – Procurement & Creditors / Purchasing							
R4 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.	2	Agreed, purchase orders provide a critical role in a number of areas including; cash management, ensuring financial information is correct and preventing fraud. Raising a purchase order is not optional and Finance will work with Procurement through the end of 2020 to design a process of staff communication and weekly P.O. tracking.	Yes	Director of Finance	30 November 2020 Revised: 31 July 2023	<p>November 2021: CMT were requested to have a PO for all purchases. Video training was created and made available on the importance of POs and how to raise them. Reports of any purchases without a PO are being created as part of the “No PO, No Pay” process being implemented.</p> <p>The College is recruiting an additional APUC staff member. When the new staff member is recruited, Procurement will place all POs in the College (on PECOS). Recruitment is already underway, so it is expected that all current staff PO permissions in PECOS to be switched off in January 2022. This action will ensure the accuracy of POs. Staff will complete purchase requisitions, which cannot become a PO until the required level of detail is included on the purchase requisition.</p>	<p>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.</p> <p>Fully Implemented</p>

Follow Up Review 2022/23

Original Recommendation	Priority	Management Response	Agreed	To Be Actioned By	No Later Than	Progress Previously Reported	Progress at November 2023
R4 (continued)		These actions combined with the other actions in this report e.g. "No P.O. no pay" will result in a significant improvement in this area.				<p>November 2022: There is no change to the ability to report on invoices without PO. That existed at the outset.</p> <p>There are still invoices without PO and the improvement of this is ongoing and likely improve further when migrating PO's into BluQube.</p> <p>The quality of matching information will also be far better after the migration.</p> <p>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 forwards</p> <p><i>Partially Implemented</i></p> <p>Revised Date of Completion: 31 July 2023</p>	

Follow Up Review 2022/23

Original Recommendation	Priority	Management Response	Agreed	To Be Actioned By	No Later Than	Progress Previously Reported	Progress at November 2023
Internal Audit Report 2020/08 – AST Financial Controls							
<p>R1 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.</p> <p>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.</p>	2	<p>Agreed.</p> <p>AST General Manager has previously discussed this with the Board Secretary, and they concluded that once the work was done regarding sign-off / referral levels for Perth College, then a similar scale of levels had to be established for AST.</p> <p>There also needs to be consideration whether the referral points for AST should be the AST board or nominated directors (eg Perth College Principal) or whether the escalation could be to Perth College personnel</p> <p>(continued)</p>	Yes	Mark Taylor (AST General Manager)	<p>28 February 2021</p> <p>Revised: 31 July 2023</p>	<p>November 2021:</p> <p>There has been delayed action on this matter due to the additional work in managing the business through COVID-19.</p> <p>Considerable management effort has also been used on cash generation, coupled with a requirement to demonstrate that the business can satisfy a Going Concern question from the external auditors.</p> <p>This action was always subject to a conclusion of those same discussions within the College, who only approved their new levels at the October 2021 Board of Management Meeting. Those were issued to AST on 19th November and will now be reviewed prior to AST proposing a matching document for approval by the AST Board.</p>	<p>Other business priorities meant the document has not been drafted and this failure has already been discussed with Armstrong Watson as part of the FY2022/23 audit. Best endeavours for Nov-23 AST Board Meeting is the revised internal target.</p> <p>Partially Implemented</p> <p>Revised Completion Date: 30 November 2023</p>



Follow Up Review 2022/23

Original Recommendation	Priority	Management Response	Agreed	To Be Actioned By	No Later Than	Progress Previously Reported	Progress at November 2023
R1 (continued)		<p>(eg VP External or Finance Director) who were not part of the formal AST governance process, specifically the AST Board.</p> <p>The next AST Board meeting is 25th February 2021 and it is proposed that revised procedures and financial levels should be presented at the board meeting for approval, prior to referral to the F&GP then Perth College Main boards</p>				<p>November 2021 (continued): Whilst there is an AST Board Meeting on 23rd November, realistically the agreement of a formally approved governance document will have to occur at the next session, which is on 24th February 2022.</p> <p>November 2022: This is still a work in progress and multiple other business challenges have resulted in this being pushed out to July 2023 for completion. However, AST work with UHI Perth finance staff who are aware of the UHI Perth regulations and the requirements of external accounting regulations, so risk is low at the moment.</p> <p><i>Partially Implemented</i></p> <p>Revised Date of Completion: 31 July 2023</p>	

Follow Up Review 2022/23

Original Recommendation	Priority	Management Response	Agreed	To Be Actioned By	No Later Than	Progress Previously Reported	Progress at November 2023
<p>R2 Discussions should be initiated between AST and Perth College UHI regarding the feasibility of developing a Service Level Agreement detailing the specification for the service levels which will be provided for the annual £100k service charge. This should include:</p> <ul style="list-style-type: none"> What services will be provided; Who will provide them; Quality metrics or KPIs to assess the effectiveness of their delivery; and <p>Timelines for reviewing the agreed fees and service delivery levels.</p>	3	<p>It will be comparatively easy to write agreements of turnaround times on requests, compliance with due dates on say monthly finance reports and similar.</p> <p>However the issues that define the quality of relationship between AST and PC are more subjective and include, for example, does AST get a fair crack at room bookings, or does it only get the rooms PC does not require. This impacts AST ability to deliver business and thereby limits AST profit and its ability to Gift Aid to PC.</p> <p>(continued)</p>	Yes	Mark Taylor (AST General Manager)	<p>28 February 2021</p> <p>Revised: 31 December 2022.</p>	<p>November 2021: The College services SLA has been drafted by AST but has still to be issued to the College for consideration.</p> <p>The BSc SLA has been drafted by AST and iterated between AST and the College, although the latter stages of that were hindered by the College representative leaving the College. The new College representative is now in place and the document needs to be shared with him. The involvement of the VP-External plus the Finance Director meant there was sufficient agreement of the commercial arrangements that the invoicing for FY 2021/22 could occur on the new basis.</p> <p>November 2022: The SLA will be signed in December 2022.</p> <p>Partially Implemented</p> <p>Revised implementation date: 31 December 2022</p>	<p>Week commencing 20th February 2023 saw the signature of an SLA between UHI Perth and AST covering all services and facilities received by AST in exchange for the Annual Service Fee. In addition, a second SLA was signed between AST and UHI Perth STEM, covering the provision of Part 66 training by AST in support of the UHI BSc degree in Aircraft Maintenance Engineering and Management.</p> <p>Fully Implemented</p>

Follow Up Review 2022/23

Original Recommendation	Priority	Management Response	Agreed	To Be Actioned By	No Later Than	Progress Previously Reported	Progress at November 2023
R2 (continued)		<p>Need also to consider if AST should be incentivised to reduce expenditure / activity. AST is the predominate user of the Reprographics facility but would see no financial benefit, if it were to invest in scanning and digitalisation and move training materials on-line.</p> <p>The AST General Manager will initiate discussions with the Finance Director in Perth College UHI to discuss these issues and to discuss the practicalities of progressing the development of a formal SLA between AST and the College.</p>					

Follow Up Review 2022/23

Original Recommendation	Priority	Management Response	Agreed	To Be Actioned By	No Later Than	Progress Previously Reported	Progress at November 2023
Internal Audit Report 2021/04 – Asset Management							
R1 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.	2	We agree that a more comprehensive solution is required. We will contact a number of other Colleges and develop a solution that falls in line with current best practice in the sector.	Yes	Director of Finance	31 December 2022 Revised: 31 March 2023	November 2022: The IT team have been going room to room documenting non capitalised IT assets. The work around PC equipment is around 70% complete and will continue with the expectation that this will be completed Q1 23. <i>Partially Implemented</i> Revised Completion Date: 31 March 2023	The work around IT equipment is around 95% complete with only some data cleansing still to be carried out. A single asset register is not appropriate. It is not appropriate for the IT Asset Register to be mixed with a fixed asset register. The priority is to update the college capitalised assets register (fixed asset register) however this remains a resourcing and prioritisation issue. <i>Partially Implemented</i> Revised Completion Date: 22 December 2023



Follow Up Review 2022/23

Original Recommendation	Priority	Management Response	Agreed	To Be Actioned By	No Later Than	Progress Previously Reported	Progress at November 2023
<p>R2 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:</p> <ul style="list-style-type: none"> • 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. 	2	We agree that a more comprehensive solution is required. We will contact a number of other Colleges and develop a solution that falls in line with current best practice in the sector.	Yes	Director of Finance	<p>31 December 2022</p> <p>Revised: 31 March 2023</p>	<p>November 2022: We are awaiting the completion of the exercise above (see R1) before setting the policy and procedures to maintain a better asset register moving forwards. It's expected this will be completed Q1 23.</p> <p>Partially Implemented</p> <p>Revised Completion Date: 31 March 2023</p>	<p>This remains a resourcing and prioritisation issue.</p> <p>Little or No Progress</p> <p>Revised Completion Date: Not yet known.</p>

Follow Up Review 2022/23

Original Recommendation	Priority	Management Response	Agreed	To Be Actioned By	No Later Than	Progress Previously Reported	Progress at November 2023
R3 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.	3	Agreed	Yes	Director of Finance	31 August 2021 Revised: 31 January 2023	November 2022: 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. It's expected that this will be completed January 2023. Partially Implemented Revised Completion Date: 31 January 2023	This is already taking place through the budget process and ongoing discussions in the team. Fully Implemented
R4 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.	2	We agree that a more comprehensive solution is required. We will contact a number of other Colleges and develop a solution that falls in line with current best practice in the sector.	Yes	Director of Finance	31 December 2022 Revised: 31 December 2023	November 2022: 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. It's estimated that this will be completed by 31 December 2023 with a growing percentage cover through the year. Partially Implemented Revised Completion Date: 31 December 2023	This remains a resourcing and prioritisation issue. Little or No Progress Revised Completion Date: Not yet known.

Follow Up Review 2022/23

Original Recommendation	Priority	Management Response	Agreed	To Be Actioned By	No Later Than	Progress Previously Reported	Progress at November 2023
Internal Audit Report 2021/06 – Student Recruitment and Retention							
<p>R2 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.</p> <p>Contingency processes should also be documented to ensure that a consistent approach is used across the College.</p> <p>The online Attendance and Performance Monitoring Procedures should be updated with business continuity arrangements and in line with good version-controlled practices.</p>	3	<p>The BRAG procedure will be reviewed next academic year 21/22.</p> <p>Contingency planning will be reviewed and documented onto Sharepoint.</p>		D Lally	<p>30 June 2022</p> <p>Revised: 30 April 2023</p>	<p>November 2022: 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.</p> <p><i>Partially Implemented</i></p> <p>Revised Date of Completion: 30 April 2023</p>	<p>Complete re-design of the BRAG system was implemented mid-Sept for staff use. Not all users have direct access to BRAG, but a suite of reports via METIS. Attendance/Performance Procedure is still work in progress.</p> <p><i>Partially Implemented</i></p> <p>Revised Completion Date: 28 June 2024</p>



Follow Up Review 2022/23

Original Recommendation	Priority	Management Response	Agreed	To Be Actioned By	No Later Than	Progress Previously Reported	Progress at November 2023
Internal Audit Report 2021/08 – Staff Skills Profile, Staff Productivity and Performance Management							
R2 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: <ul style="list-style-type: none"> • 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, 	2	Workforce Strategy to be created once new Strategic Plan is in place for the College	Yes	Head of HR & OD	30 April 2022 Revised: 30 June 2023	November 2022: 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. Little or No Progress Made Revised Date of Completion: 30 June 2023	Deferred until the restructuring is complete. Little or No Progress Made Revised Completion Date: 1 December 2024



Follow Up Review 2022/23

Original Recommendation	Priority	Management Response	Agreed	To Be Actioned By	No Later Than	Progress Previously Reported	Progress at November 2023
R2 (continued) <ul style="list-style-type: none"> Recruitment, turnover, and retention, Performance management, Succession planning, and Leadership development. 							
R3 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 .	2	Timeline and Action plan to be created and implemented	Yes	Head of HR & OD	30 June 2022 Revised: 31 December 2023	November 2022: 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. <i>Little or No Progress Made</i> Revised Date of Completion: 31 December 2023	Deferred until the restructuring is complete. <i>Little or No Progress Made</i> Revised Completion Date: 1 December 2024
R4 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.	3	Process to be considered and, if approved, implemented.	Yes	Head of HR & OD with SDD, Director of Finance	31 May 2022 Revised: 31 March 2023	November 2022: There has been no progress at this stage. <i>Little or No Progress Made</i> Revised Date of Completion: 31 March 2023	To be built into Course profitability process – (managed by SDD/Finance). <i>Little or No Progress Made</i> Revised Completion Date: 1 December 2024



Follow Up Review 2022/23

Original Recommendation	Priority	Management Response	Agreed	To Be Actioned By	No Later Than	Progress Previously Reported	Progress at November 2023
<p>R5 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.</p> <p>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.</p>	3	<p>College to review proposed UHI wide CPD policy and whether a local procedure/guidelines are needed.</p> <p>Governance to be brought in line with Board structure.</p>	Yes	Head of HR & OD	<p>31 May 2022</p> <p>Revised: 31 May 2023</p>	<p>November 2022: This is still being considered within UHI. Once this stage is complete, the College can consider the proposition.</p> <p><i>Little or No Progress Made</i></p> <p>Revised Date of Completion: 31 May 2023</p>	<p>To be started once restructuring is complete.</p> <p><i>Little or No Progress Made</i></p> <p>Revised Completion Date: 1 June 2024</p>
<p>R7 All line managers should ensure timely submission of completed induction documentation to the HR Department.</p> <p>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.</p>	2	<p>New guidance on induction/probation to be created and implemented for Managers.</p> <p>Completion of probation to be logged onto CIPHR for ease of reporting. Induction/probation to be considered in specification of HR system tender.</p>	Yes	Head of HR & OD	<p>30 June 2022</p> <p>Revised: 30 June 2023</p>	<p>November 2022: Logging of completion of probation in CIPHR - completed.</p> <p>Guidance in progress.</p> <p>Tender for new HR system still in progress.</p> <p><i>Partially Implemented</i></p> <p>Revised Date of Completion: 30 June 2023</p>	<p>Procurement of the new HR system has been delayed.</p> <p><i>Partially Implemented</i></p> <p>Revised Completion Date: 1 December 2024</p>



Follow Up Review 2022/23

Original Recommendation	Priority	Management Response	Agreed	To Be Actioned By	No Later Than	Progress Previously Reported	Progress at November 2023
<p>R8 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.</p> <p>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.</p> <p>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.</p>	2	<p>New guidance on induction/probation to be created and implemented for Managers.</p> <p>Completion of probation to be logged onto CIPHR for ease of reporting.</p> <p>Induction/probation to be considered in specification of HR system tender.</p> <p>Review of staff where probation not completed therefore probationary increment withheld to be undertaken.</p>	Yes	Head of HR & OD	<p>30 June 2022</p> <p>Revised: 30 June 2023</p>	<p>November 2022: Logging of completion of probation in CIPHR – completed.</p> <p>Review of staff – completed.</p> <p>Guidance in progress.</p> <p>Tender for new HR system still in progress.</p> <p>Partially Implemented</p> <p>Revised Date of Completion: 30 June 2023</p>	<p>Procurement of the new HR system has been delayed.</p> <p>Partially Implemented</p> <p>Revised Completion Date: 1 December 2024</p>

Follow Up Review 2022/23

Original Recommendation	Priority	Management Response	Agreed	To Be Actioned By	No Later Than	Progress Previously Reported	Progress at November 2023
<p>R9 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.</p> <p>A process should be established to ensure all training is accredited within training records.</p>	3	<p>To be considered as part of system review.</p> <p>Staff and Managers delivering sessions reminded of need for sessions to be created in CIPHR so that staff can easily log attendance.</p>	Yes	Head of HR & OD	<p>30 June 2022</p> <p>Revised: 30 June 2023</p>	<p>November 2022: This is an ongoing action.</p> <p>Reminders are issued at with the last one at CMT in November 2022.</p> <p>Tender for new HR system still in progress.</p> <p>Partially Implemented</p> <p>Revised Date of Completion: 30 June 2023</p>	<p>Procurement of the new HR system has been delayed.</p> <p>Partially Implemented</p> <p>Revised Completion Date: 1 December 2024</p>

Follow Up Review 2022/23

Original Recommendation	Priority	Management Response	Agreed	To Be Actioned By	No Later Than	Progress Previously Reported	Progress at November 2023
<p>R10 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.</p> <p>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.</p>	2	<p>Update on guidance to be created.</p> <p>Logging of Professional Review completion to be undertaken by HR, but employee and line managers will retain copy of forms.</p> <p>Completion rates to be reported to SMT and at end of period to appropriate Board committee.</p>	Yes	Head of HR and Organisational Development	<p>31 March 2022</p> <p>Revised: 31 March 2023</p>	<p>November 2022: Guidance completed.</p> <p>Professional review process underway.</p> <p>Completion rates will be reported at end of Professional review process.</p> <p>Partially Implemented</p> <p>Revised Date of Completion: 31 March 2023</p>	<p>Completed.</p> <p>Fully Implemented</p>

Aberdeen 45 Queen's Road AB15 4ZN
Dundee The Vision Building, 20 Greenmarket DD1 4QB
Edinburgh Ground Floor, 11-15 Thistle Street EH2 1DF
Glasgow 100 West George Street, G2 1PP

T: 01224 322 100 **F:** 01224 327 911
T: 01382 200 055 **F:** 01382 221 240
T: 0131 226 0200 **F:** 0131 220 3269
T: 0141 471 9870

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Perth College

Performance Reporting / KPIs

Internal Audit report No: 2023/05

Draft issued: 30 November 2023

Final issued: 1 December 2023



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Level of Assurance

In addition to the grading of individual recommendations in the action plan, audit findings are assessed and graded on an overall basis to denote the level of assurance that can be taken from the report. Risk and materiality levels are considered in the assessment and grading process as well as the general quality of the procedures in place.

Gradings are defined as follows:

Good	System meets control objectives.
Satisfactory	System meets control objectives with some weaknesses present.
Requires improvement	System has weaknesses that could prevent it achieving control objectives.
Unacceptable	System cannot meet control objectives.

Action Grades

Priority 1	Fundamental issue subjecting the organisations to material risk which requires to be addressed by management and the Audit Committee as a matter of urgency.
Priority 2	Issue subjecting the organisations to significant risk, and which should be addressed by management as a priority.
Priority 3	Matters subjecting the organisations to minor risk or which, if addressed, will enhance efficiency and effectiveness.



Management Summary

Overall Level of Assurance

Good	System meets control objectives.
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Risk Assessment

A review of the UHI Perth ('the College') risk register, identified the following specific risks relating to Performance Reporting/ KPIs:

- Student Retention - Lack of timely/accurate data on student withdrawal (risk response – mitigate).
- Student Retention - No annual student retention planning exercise based on data in place (risk response – mitigate).
- Student Achievement - Lack of understanding on how achievement is measured (risk response – mitigate).
- Curriculum - Lack of up to date/correct information to understand the changes required to curriculum (risk response – mitigate).

Background

As part of the Internal Audit programme at the College for 2022/23, we carried out a review of the systems in place in relation to Performance Reporting and KPIs. The ANA identified this as an area where risk can arise and where Internal Audit can assist in providing assurances that the related control environment is operating effectively, ensuring risk is maintained at an acceptable level.

The College is governed by a Board of Management, which has a number of sub-committees in place which are attended by key managers and Board members, including: Academic Affairs Committee; Audit Committee; Engagement Committee; Finance Committee; Learner Experience Committee and Strategic Development. Across these committees, operational and strategic performance is monitored and scrutinised, with any issues escalated to the Board, where deemed appropriate to do so.

Responsibility for managing the documentation which is submitted to both the Board and the relevant committees, as well as producing any other key management information, rests with the lead executive member for the relevant committee. The postholder works closely with the Chairs of each of the committees to establish the level of performance information they require, relative to the point in time in the academic calendar at which they are meeting. This information is then prepared in a timely manner and is submitted to all members for their review and consideration in advance of the relevant meeting.

The responsibilities of each of the committees is defined within their individual committee terms of reference, which describe the purpose, members, specific duties, and authority of each of the committees in effect within the College. Each of these responsibilities feeds into the wider governance framework of the College, and therefore each of the committees assists in monitoring the performance across various aspects of the College (i.e. financial performance is monitored by the Finance Committee).



Scope, Objectives and Overall Findings

This audit considered the format, content and timeliness of management information, provided to senior management and to the Board. We also considered whether the information reported to the Board is appropriate, and whether such information is accurate and easy to understand for those who rely on it.

Objective	Findings			
The objective of our audit was to ensure that:		1	2	3
		No. of Agreed Actions		
1. The management information needs of users have been identified and the information provided meets those needs.	Good	-	-	-
2. The management information is clearly set out, easily accessible, accurate, provided on a timely basis and readily understood by users.	Good	-	-	1
3. Management information is available which: - Reports on appropriate key performance indicators and, where applicable, on outputs, outcomes and impacts; - Enables the impacts of key strategic and operational decisions to be measured; - Assists in forecasting.	Good	-	-	-
4. Processes in place to provide and disseminate management information are efficient.	Good	-	-	-
Overall Level of Assurance	Good	-	-	1
		System meets control objectives.		

Audit Approach

A sample of managers were interviewed and the College's management reports, and management reporting procedures, were reviewed to assess compliance with the above objectives.

Summary of Main Findings

Strengths

The audit identified the following areas of good practice:

- The inclusive process to develop the UHI Perth Strategy 2022 – 2027 was designed to avoid staff disconnect with the delivery of the College strategic objectives. This has allowed the development of a much more fluid approach to the definition of strategic objectives and their delivery (which can change over time), alongside a more target driven culture.;
- The College has a suite of 36 Performance Indicators (PIs) covering the key learning functions of the College such as: student recruitment, student retention, successful completion against enrolments etc. which are aligned with the strategic objectives and were developed through a lengthy consultation process with staff from academic areas and support functions;
- The responsibility for assigning lead authors to each of the performance measures was delegated to CMT and a series of meetings were held to reach agreement on who the lead author (or authors) would be. Where the particular performance measure was a cross-cutting measure then two lead authors were assigned. In addition, an SMT sponsor was identified for all 36 of the performance measures;
- The College has sub-committees to monitor performance in specific areas, which then feed into the overarching College Board of Management;
- A mapping document has been produced which aligns the 36 performance measures with strategic objectives and shows how lead authors feed into reporting to Board sub committees;
- Recognising the impact which a move to a more target based culture will have on individual staff members two groups were engaged to consider the impact on staff;
- We were also advised that the changes to the performance management framework have been extremely beneficial in meeting the needs of Education Scotland during their annual visits;
- CMT discuss any exceptions highlighted in the performance data and scrutinise the master performance management document. SMT attend the CMT meetings, which provides enhanced oversight over the monitoring processes and the discussions around the key issues arising from the performance data;
- The granular analysis of data has enabled teams to feed into the target setting process, but importantly it has also allowed a greater understanding of the performance data, which will inform delivery planning at team level and will allow team level targets to be set and monitored going forward;
- A number of managers interviewed highlighted the need to maintain momentum in continuing to develop the performance culture across the College and a key component of this will be the ability to clearly articulate successes in achieving agreed objectives;
- The 36 performance measures are monitored by SMT throughout the year, with Sponsor and Lead Authors scheduled more frequently than the quarterly reporting cycle. The targets set for each performance measure were set by CMT, to ensure enhanced buy-in and to ensure that any targets set are meaningful and achievable;
- Contribution to the delivery of each strategic objective will be captured at team level and then elevated up through the relevant lead author to CMT. The ambition is to achieve a position of self-management, empowerment, and delivery;
- SMT and CMT meetings are held quarterly in advance of the Board meetings. The Balanced Scorecard, which contains 13 of the 36 performance measures, is presented to the Board four times per year and the full suite of 36 performance measures is shared once a year; and
- The performance data is discussed at the quarterly CMT meetings with SMT. This provides the opportunity to discuss the actions which have been agreed and the progress in delivering these actions.

Summary of Main Findings (Continued)

Area for Improvement

The audit also identified one area for improvement as follows:

- In order to ensure consistency in approach, and to maintain both management and Board trust in the validity and accuracy of the figures presented, we recommend that periodic spot checks are conducted to check the source data and the calculation methodology

Acknowledgments

We would like to take this opportunity to thank the staff at UHI Perth who helped us during our audit.

Main Findings and Action Plan

Objective 1: The management information needs of users have been identified and the information provided meets those needs.

The College has made a conscious effort to move from the previous “command and control” model to a model which is now much more focused on gathering feedback from staff and to help them understand their role in delivering on the College’s overarching strategic objectives. The inclusive process to develop the UHI Perth Strategy 2022 – 2027 was designed to avoid staff disconnect with the delivery of the College strategic objectives. This has allowed the development of a much more fluid approach to the definition of strategic objectives and their delivery (which can change over time), alongside a more target driven culture.

Performance Indicators

The College has a suite of 36 Performance Indicators (PIs) covering the key learning functions of the College such as: student recruitment, student retention, successful completion against enrolments etc. which are aligned with the strategic objectives and were developed through a lengthy consultation process with staff from academic areas and support functions. An external consultant was brought in to facilitate staff engagement sessions, which allowed the views of over 500 members of staff to be collated and analysed. This exercise was focused on identifying how the various measures would be captured, in order to inform the creation of the 36 performance metrics, which were subsequently shared with Board.

The responsibility for assigning lead authors to each of the performance measures was delegated to CMT and a series of meetings were held to reach agreement on who the lead author (or authors) would be. Where the particular performance measure was a cross-cutting measure then two lead authors were assigned. In addition, an SMT sponsor was identified for all 36 of the performance measures. Following sharing of these 36 performance measures the Board were asked to identify which of the 36 performance metrics identified were most important to them, and this resulted in the distillation to 13 performance measures for inclusion in the Balanced Scorecard.

Board and Sub-Committees

The College has sub-committees to monitor performance in specific areas, which then feed into the overarching College Board of Management. These are: Academic Affairs Committee; Audit Committee; Engagement Committee; Finance Committee; Learner Experience Committee and Strategic Development. The responsibilities of each are defined in a ‘Committee Remits’ document, which dictates the nature of the information which members are expected to consider for performance monitoring and forecasting. A mapping document has been produced which aligns the 36 performance measures with strategic objectives and shows how lead authors feed into reporting to Board sub committees.

Objective 1: The management information needs of users have been identified and the information provided meets those needs (Continued).

Recognising the impact which a move to a more target based culture will have on individual staff members two groups were engaged to consider the impact on staff. A Staff Engagement Group conducted a stress survey of staff and also gathered information around the effectiveness of communication. In addition, an Operations Group gathered feedback from academic staff on how stress could be combatted. The intention of conducting this exercise was to inform the development of a College-wide Stress Management Plan.

All teams across the College were given the opportunity at a Staff Conference in February 2023 to consider their role in contributing to the delivery of the 36 performance measures agreed. The feedback from this exercise was captured and has been considered by a staff group, with no SMT involvement, which has a key focus on achieving alignment with the Colleges key themes and values. Cross College groups have been developed to explore the linkages across the key performance indicators selected. This will allow greater opportunity for collaborative working, given the increased visibility of stakeholders and the needs for a joint approach on delivery of key actions.

We were also advised that the changes to the performance management framework have been extremely beneficial in meeting the needs of Education Scotland during their annual visits. We were also advised that in a previous Education Scotland visit they highlighted an increased level of staff engagement in the delivery of strategic objectives and clear demonstration that staff felt empowered to make decisions to improve performance.

The data gathered has been refined over time to meet the needs of the monthly curriculum and student experience meetings, with separate Case Q (Quality) meetings convened which allow input from Sector Development Directors, the head of student experience and the HEAD OF Learning and Teaching Enhancement. So for example, this allows consideration of detailed marketing data.



Objective 2: The management information is clearly set out, easily accessible, accurate, provided on a timely basis and readily understood by users.

CMT discuss any exceptions highlighted in the performance data and scrutinise the master performance management document. SMT attend the CMT meetings, which provides enhanced oversight over the monitoring processes and the discussions around the key issues arising from the performance data – and any changes in approach required to improve performance and deliver on the agreed targets.

The meetings between SMT sponsors and lead authors provides the opportunity to discuss the frequency of updates, which will depend on the performance metric and the availability of source data.

We were advised that much of the discussion at CMT around performance data has focused on challenging the baseline position which underpins the targets set for 2022/23. These discussions will help to inform future target setting and will help avoid the scenario whereby lead authors, and managers involved in delivery, have reduced buy-in to the targets set because the baseline position used to set the targets is still being questioned.

Going forward the intention is that CMT ownership of the performance data will allow them to drive the delivery of the day to day business of the College. The calculation methodology for each of the 36 performance measures is set out within a strategic document, providing improved clarity on the methodology behind the performance figures.

We were advised that the increased focus on the engagement of staff at all levels in developing the overarching strategy for the College has provided much improved clarity in connecting the work of individuals and teams to the Balanced Scorecard and to the delivery of the Strategic Plan. This has led to increased engagement in delivery against the agreed targets, which has been accompanied by a clearly communicated commitment to devolved responsibility for delivery to operational areas of the College.

The granular analysis of data has enabled teams to feed into the target setting process, but importantly it has also allowed a greater understanding of the performance data, which will inform delivery planning at team level and will allow team level targets to be set and monitored going forward. The intention during academic year 2023/24 is to develop individual objectives which connect to team plans and then into the overall performance reporting structure. Once embedded, this will provide a “golden thread” between strategic objectives and individual objectives and targets for the year. There is a clear understanding amongst the managers interviewed that this would take time to embed and that the challenge of aggregating individual actions into a cohesive plan of action which can be elevated to CMT and SMT is not insignificant.

A number of managers interviewed highlighted the need to maintain momentum in continuing to develop the performance culture across the College and a key component of this will be the ability to clearly articulate successes in achieving agreed objectives. This can only be achieved where there is a clear narrative around success attached to the performance data reported. The performance section within the Annual Report and accounts provides an ideal platform to highlight achievements during the year and to set out the scale of the challenges, and the key priorities, for the rest of the financial year.

The managers interviewed praised the quality of the information provided but also highlighted that further work was required to evolve and refine the format of the information presented to allow it to continue to meet the needs of stakeholders, whilst recognising the limited resource available to generate performance reports.

Objective 2: The management information is clearly set out, easily accessible, accurate, provided on a timely basis and readily understood by users (Continued).

Observation	Risk	Recommendation	Management Response
Although there are agreed definitions for each of the 36 performance metrics, there is a recognition that the lead authors (and the staff involved in collating the information and calculating the performance figures) will change over time. Therefore, in order to ensure consistency in approach, and to maintain both management and Board trust in the validity and accuracy of the figures presented, we recommend that periodic spot checks are conducted to check the source data and the calculation methodology.	In the absence of a formal process to check the validity of source data and reported figures there is aa heightened risk that misleading performance data may be reported to management and to the Board.	R1 – We recommend that a cyclical programme of spot checks be introduced, which will allow periodic examination of the source data and the methodology used to calculate the figures reported to management and to the Board. This will allow assurances to be provided annually to the Board as part of the annual review of all 36 performance metrics.	<p>We agree with the recommendation to introduce a cyclical programme of spot checks on source kpi data.</p> <p>To be actioned by: Depute Principal / Project & Planning Officer</p> <p>No later than: 30 June 2024</p>
			<div>Grade</div> <div>3</div>

Objective 3: Management information is available which:

- Reports on appropriate key performance indicators and, where applicable, on outputs, outcomes and impacts:**
- Enables the impacts of key strategic and operational decisions to be measured;**
- Assists in forecasting.**

The 36 performance measures are monitored by SMT throughout the year, with Sponsor and Lead Authors scheduled more frequently than the quarterly reporting cycle. The targets set for each performance measure were set by CMT, to ensure enhanced buy-in and to ensure that any targets set are meaningful and achievable. There is an understanding across SMT and CMT that the targets set are fluid and may change over time. There has been a particular focus on improving operational planning data. So for example the work to examine the demands on Estates was examined by SMT using a range of data which allowed a more long term view to be taken and a greater understanding regarding the outputs which require to be achieved from investment in the College estate. This allowed a smoother transition through SMT because a clear rationale had been set out by CMT based on the available data.

The document which captures all 36 of the performance measures contains initial actions to achieve the desired outputs, outcomes and impact. This is designed to demonstrate a statement of intent around delivery, which will be led by the nominated lead authors and the SMT sponsor. During 2022/23 lead authors were asked to put forward two to three actions to provide a real focus on delivery in year one of the new approach. The challenge going forward is how to embed these actions within the forward planning and delivery plans at individual team level.

In order to allow meaningful assessment of the impact of key strategic and operational decisions to be measured, there is a recognition amongst the managers interviewed that the delivery actions require to be constantly sense-checked to ensure that they remain sensible and viable (given available resources). Therefore, it is important that this information is drawn out during the regular meetings between SMT Sponsor and lead authors. There will be a key role for the SMT Sponsor in helping to refine the actions moving forward and to monitor the progress in delivering these actions, alongside the analysis of the performance data against agreed targets. We were advised that wholesale changes to agreed targets are not anticipated but clearly this will be dictated by the pace of delivery of actions and the impact these actions have on the underlying performance levels.

Contribution to the delivery of each strategic objective will be captured at team level and then elevated up through the relevant lead author to CMT. The ambition is to achieve a position of self-management, empowerment, and delivery. However, there is a recognition amongst SMT that this will take time to embed and there will still be a requirement for SMT to provide both challenge and support around the actions to deliver against agreed targets. A key component of these discussions will be the clear communication between lead authors and SMT sponsors of any constraints which are hampering progress in achieving agreed milestones. The 2022/23 actuals have been used to inform discussion around the milestones to achievement of the agreed targets set out in the five year strategy. This was informed by a joint CMT and SMT discussion, which provided the opportunity for challenge on the feasibility of the annual targets for 2023/24.



Performance Reporting/ KPIs

Objective 3: Management information is available which:

- Reports on appropriate key performance indicators and, where applicable, on outputs, outcomes and impacts:**
- Enables the impacts of key strategic and operational decisions to be measured;**
- Assists in forecasting (Continued).**

It was also evident that the recent work to develop the Enterprise Risk Management model has improved the linkages between risk management arrangements, strategic objectives and key performance indicators. Work to embed the new risk arrangements should allow improved conversations around the risks to the achievement of targets, which will frame the investment conversations with Board. This should improve Board oversight and inform decision making in future.



Objective 4: Processes in place to provide and disseminate management information are efficient.

SMT and CMT meetings are held quarterly in advance of the Board meetings. The Balanced Scorecard, which contains 13 of the 36 performance measures, is presented to the Board four times per year and the full suite of 36 performance measures is shared once a year.

CMT have conducted work offsite to look at the mechanisms to collate and disseminate the performance information required. performance management is now a standing agenda item at all CMT meeting. We were advised that this offsite working has been extremely beneficial in providing the opportunity for focused discussion on the actions required to deliver against targets, without the distractions associated with day to day activity.

The performance data is discussed at the quarterly CMT meetings with SMT. This provides the opportunity to discuss the actions which have been agreed and the progress in delivering these actions. It will also drive discussions on whether performance is on track against agreed targets; to discuss any resource constraints and requirements; and to discuss any future actions required to maintain or enhance performance.

Access permissions have been set up on SharePoint for each of the SMT sponsors and lead authors. A reporting timeline has been set which describes the data owner and the sub Committee reporting requirements for the year. We were advised that there has been limited discussion to date around the quality of the data disseminated to management and to the board. However, the managers interviews recognised the importance of periodic spot checks to ensure the accuracy of the calculations performed (see R1 above).

For each of the relevant Board sub-committees the relevant key performance indicators are presented. We were advised that the lead authors provide context around the performance information, with the idea to do so originating from CMT.

Going forward there is an intention to examine year on year variances, as well as variances between actual and budgeted performance. This will evolve over time as more data is gathered over an extended period, allowing trend analysis to be performed which will allow more detailed analysis of the trajectory on each performance metric to be captured. This will, in turn, allow more accurate forecasting to be carried out which will inform the budget process (in terms of aligning resources with the delivery agreed objectives) and future target setting.



Aberdeen 45 Queen's Road AB15 4ZN
Dundee The Vision Building, 20 Greenmarket DD1 4QB
Edinburgh Ground Floor, 11-15 Thistle Street EH2 1DF
Glasgow 100 West George Street, G2 1PP

T: 01224 322 100 **F:** 01224 327 911
T: 01382 200 055 **F:** 01382 221 240
T: 0131 226 0200 **F:** 0131 220 3269
T: 0141 471 9870

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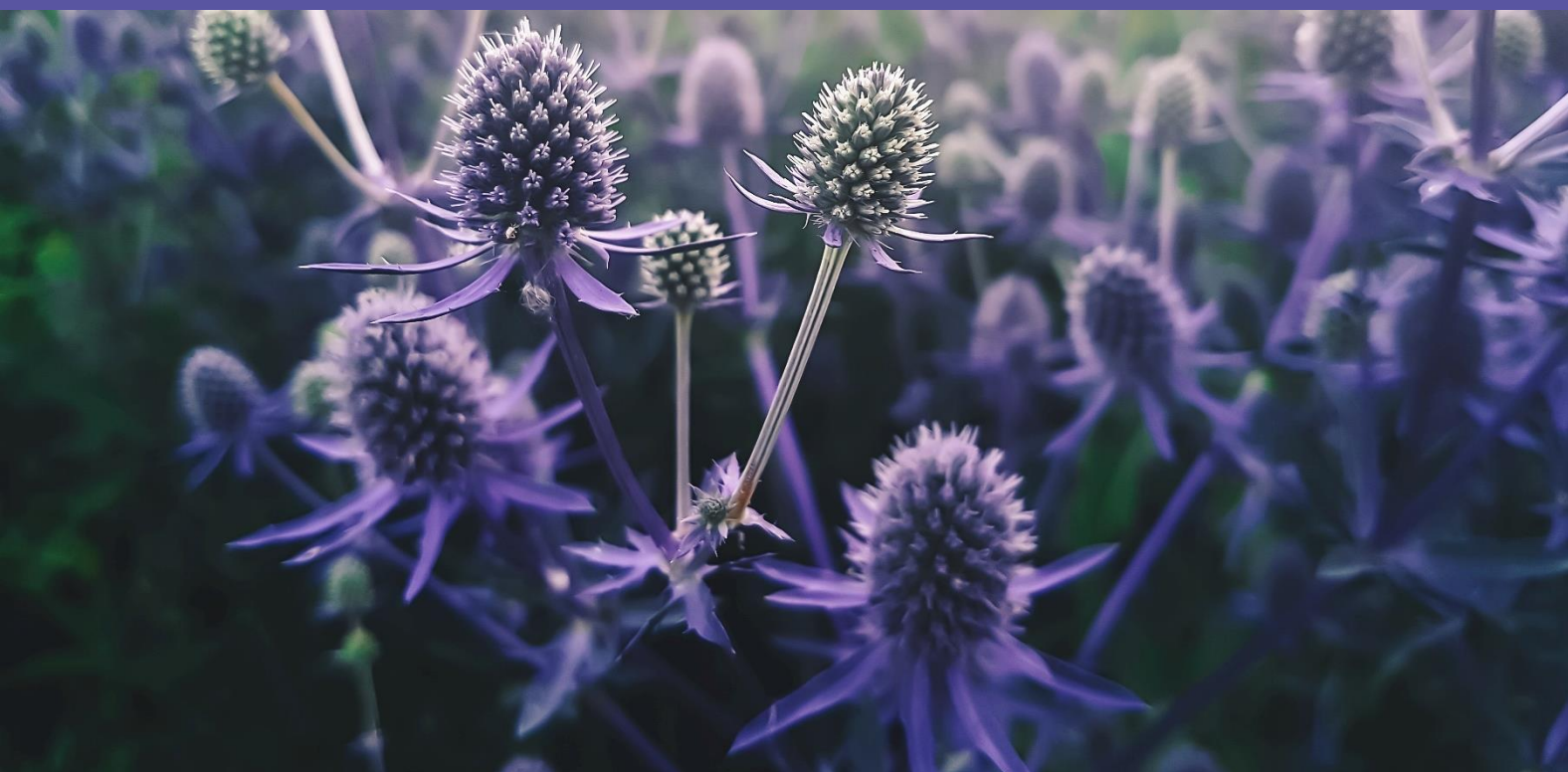
Perth College

Teaching Space Management / Room Utilisation Business Process Review

Internal Audit report No: 2023/08

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Management Summary

Background

As part of the internal audit programme for 2022/23, UHI Perth (“the College”) has engaged with Henderson Loggie to conduct a review of the systems in place for Space Management and Room Utilisation.

The scope of this assignment was to carry out a review of the current processes used by staff for the completion of course unit information, timetabling (courses, staffing and room allocation), dissemination of timetables, and calculation of room and staff utilisation.

Objectives

The specific objectives of the review were to ensure that:

- The College is aware of how teaching and support space is currently being utilised;
- The time-tabling process takes sufficient cognisance of space utilisation, ensuring efficient use is being made of College teaching rooms;
- There are appropriate monitoring and reporting frameworks in place;
- The anticipated outcomes for all stakeholders from processes are clearly defined;
- The steps in the value chain (processes) are identified;
- Steps that do not add value are identified with a view to eliminating them; and
- Steps that create value occur in the right sequence.

Audit Approach

Through discussions with staff involved with the gathering of course information, timetabling and review of staff and room utilisation we gained an understanding of the current processes in place and obtain a greater understanding of current issues.

A facilitated session was held with the Head of Estates, Head of ICT and Digital Transformation and Head of Student Experience (and Safeguarding Lead). A separate meeting was held with the Vice Principal – Academic. Outcomes from these meetings were used to assess the processes involved in gathering of course information, timetabling and review of staff and room utilisation. We used a range of business improvement tools to identify stakeholder needs; identified opportunities for removing inefficiency and waste from the current processes used; and highlighted revised processes that could create a flow between value creating steps to improve the processes. A summary of outcomes was discussed with the Head of Estates on the 26 June 2023 and a list of recommendations provided to management. Feedback on recommendations was provided on 5 September 2023 after summer recess.

We then completed a prioritisation exercise to discuss the identified issues with College staff and the resulting outline action list is presented in this report to help management drive forward improvements.



Summary of Main Findings

The review identified several areas for further investigation or improvement. All the identified actions are designed to enhance efficiency and effectiveness and no control issues were identified during our review that would subject the College to material or significant risk.

The high priority areas for investigation or improvement noted during the review (from the eight improvement points identified) were:

- There is an established approach for space utilization. However, the approach requires to be enhanced to ensure it is consistently adopted across curriculum areas. Good practice would suggest that:
 - The staff establishment and budget cycle are aligned to an annual timetabling process.
 - An internal communications plan is established to communicate requirements to timetabling staff during the planning cycle.
 - Timetabling for the whole academic year is completed in a single planning cycle, with the caveat that there will be minor room changes.
 - A refresher training programme is developed for timetabling staff and that the training programme clearly communicates roles and responsibilities, timetabling rules, key deadlines, how to use Celcat, and the financial and non-financial impact to the College and its students of non-compliance.
 - A quality assurance process, and respective reports from Celcat, is developed to allow management to monitor compliance of curriculum areas, and to proactively identify any areas requiring additional support during the timetabling process. Good practice would have Sector Managers complete audits at the end of the timetabling period (before summer holidays) and the early stages of Semester 1 and 2 to ensure consistency, and
 - A process that centralises room changes on Celcat to ensure that systems are accurately updated throughout the year.
- An Estates Strategy and Masterplan should be developed that sets out the vision for the campus. This vision should consider the needs from the curriculum from the physical campus, i.e., should dovetail into the College's / UHI's Learning and Teaching Strategy and changing needs of students and staff. Any changes to the existing infrastructure should have the sustainability of the investment appraised via a business case by the Infrastructure Working Group.
- The remit of the Infrastructure Working Group should be formalized to support the College in space management and to assist in the review of any estate investment needs arising from new curriculum developments and associated business cases.
- There should be a clear process for communicating timetables for blocks to students and staff, with a timeline for publishing timetables e.g., before the summer break for Semester 1. Currently, communication of timetabling to students and staff varies and can often be in hard copy.
- Managers identified an opportunity for ICT and Estates staff to work together more closely on supporting the virtual campus needs and in the appraisal of new digital hardware supply to curriculum areas and students.

Acknowledgments

We would like to take this opportunity to thank the staff from UHI Perth who helped us during our review.



Improvement Points Identified from Facilitated Sessions

On 7 June 2023, we held a facilitated workshop with the College's Management involved in space management and room utilisation. A separate interview was held with the Vice Principal – Academic on 12 June 2023. It was agreed that due to the restructuring exercise that Service Managers would not be interviewed as part of the review.

The aim of these sessions was to identify areas of strength and weaknesses within the space management and room utilisation processes.

Using a range of business process improvement tools, all participants were encouraged to provide input, and all points raised were captured on flipcharts and processes documented on white board allowing effective electronic capturing of discussions.

The facilitated sessions walked through current processes and considered areas that work well and not so well through detailed review of strengths, weaknesses, opportunities, and threats via a SWOT analysis. This allowed opportunities for improvement in the current processes and any threats to implementing of possible solutions to be identified and discussed.

We also considered wastes in the current processes, grouping these into the seven waste categories originally devised by the automotive manufacturer Toyota. These were as follows:

- **Transportation.** For example, the unnecessary movement of information, people, and switching between tasks too often, countless interruptions from colleagues;
- **Inventory.** For example, excessive information that takes up valuable time to export, or requires resources to manage it, or manual intervention for system integration;
- **Motion.** For example, unnecessary meetings or extra effort to find information or manual workarounds because of system inefficiencies;
- **Waiting.** For example, waiting for information of checks / sign offs to be completed before progressing to the next stage;
- **Overproduction.** Producing information that no one is going to use;
- **Overprocessing.** The process is doing more than is required; and
- **Defects.** The production of defective information or delivery of a service that requires either a rework or a scraping of data. Slow system access impacting the efficiency of completing tasks or bugs in systems.

Following the facilitated sessions, the improvement points raised were entered into a spreadsheet and provided to management. On 5 September 2023, we discussed the potential areas for recommended improvements with the head of Estates who had received feedback from the College's Infrastructure Working Group. Improvement recommendations were prioritised based on the impact (level of efficiency savings or cost benefit that could be obtained) as well as the ease of implementation. This was assessed by scoring improvement points against:

- (i) the impact of the issue (1 = little impact on cost/ savings, 10 = large impact on cost/ savings), and
- (ii) the effort required to remedy or change the issue (1= difficult to change/ fix, 10 = easy to change or fix).

These scores were multiplied together to identify those items with the greatest potential for the delivery of significant savings and those items which could be changed with minimal difficulty. The priorities for implementing change were then set using a three-point scale.



Improvement Points Identified from Facilitated Sessions (Continued)

The session categorised the eight points raised as follows:

Priority Category	Number
High	5
Medium	2
Low	1



Improvement Points Identified from Facilitated Sessions (Continued)

High Priority Items			
No	Short Description	Detail	Management Comments
1	Policies and procedures relating to teaching space allocation and utilisation should be enhanced and adhered to	<p>The Timetabling and Room Booking Protocols set out the standards and approach for space utilisation. However, they are not currently being adhered to consistently across all curriculum areas. Multiple factors contributing to non-compliance were identified in interviews.</p> <p>For example:</p> <ul style="list-style-type: none"> SMT confirming the establishment and annual budget until May; Staff awareness of deadlines and requirements. The annual Timetabling and Room Booking Protocol is provided to Sector Managers, who should be disseminating requirements and ensuring compliance. In 2023, a Mindful Timetabling Session was hosted by Student Support Services to communicate the impact of not producing timetables to expected deadlines. This is in line with good practice. 	<p>The protocols have been fully implemented in 2023/24. SDDs have attended the Operational Planning monthly meeting along with Deborah Lally (Head of Student Experience). A session was used to update Sector Managers and Subject Leaders to ensure they understood the importance of implementing the Timetabling Protocols. In addition, Student Records Team work collaboratively to complete the timetabling and also check the implementation of the Protocols. The Protocols were updated for session 2023/24.</p> <p>This has become more complex due to the nature of the savings that the College is in with reference to the predicted deficit and cost savings. Planning will commence early in January 2024 for session 2024/25.</p> <p>This action has been completed and there is an ongoing monitoring by Sector managers and SDDs.</p>



Teaching Space Management / Room Utilisation Business Process Review

High Priority Items			
No	Short Description	Detail	Management Comments
1 (Continued)	As above	<ul style="list-style-type: none"> Lack of staff awareness of the wider impact of non-compliance to protocols, Staff awareness of using Celcat effectively and efficiently, Absence of a quality assurance process and roles and responsibilities for monitoring compliance with protocols, and Absence of a formal change request process for rooms leading to inconsistent updates on Celcat. <p>Consequently, students often do not have timetables issued on Day 1 of their course.</p>	<p>Sector managers have discussed this in full with the staff teams. There is now better awareness and more compliance.</p> <p>This is supported by the Student Records team.</p> <p>There is a compliance process and this is discussed at the monthly Curriculum and Student Experience Committee.</p> <p>There is a formal change request process, however the issue was about compliance. This is being more carefully monitored.</p> <p>Normally this is not the case. Students have their timetables but due to multiple variables and in particular at the start of session 2023/24 there were changes due to staff taking Voluntary Severance. As VS was rolled out, there were multiple changes to timetables. This disruption has been unavoidable. However, SDDs, SMs, SLs, are carefully monitoring the impact on students and additional support is being invested by the Personal Academic Tutors and Student Support teams.</p>



Teaching Space Management / Room Utilisation Business Process Review

High Priority Items			
No	Short Description	Detail	Management Comments
1 (Continued)	As above	<p>We also noted that timetables are not planned for the full academic year, which can result in</p> <ul style="list-style-type: none"> • Duplication of effort for staff planning timetables twice per academic year, • Students being unable to plan attendance around wider commitments, such as care responsibilities and/or work commitments, resulting in unnecessary stress, • Effective scheduling of commercial course delivery, and • Proactive operational planning by support services, such as catering services, facilities management and the College's nursery. 	<p>Personal Academic Tutors are ensuring these students are supported and if there is an issue with attendance, student will be timetabled for catchup sessions and all course material is now available on Brightspace VLE. Our Nursery for AY 2023-24 were better informed of students time-tables and were able to manage nursery places, capacity and availability more effectively than in previous years.</p> <p>The only commercial scheduling is for Flexible Workforce Development Funding courses. This is delivered through Associate Trainers and they are co-opted on contractual basis to meet any of these requirements.</p> <p>All these services have been kept informed of progress with student numbers and on campus attendance this year.</p>



Teaching Space Management / Room Utilisation Business Process Review

High Priority Items (Continued)			
No	Short Description	Detail	Management Comments
1 (Continued)	As above	<p>Recommendations: Good practice would ensure the following:</p> <ul style="list-style-type: none"> • Staff establishment and budget cycle align to an annual timetabling process. • An internal communications plan is established to communicate requirements to timetabling staff during the planning cycle. • Timetabling for the whole academic year is completed in the one planning cycle, with the caveat that there will be minor room changes. • A refresher timetabling training programme is developed and that reviews roles and responsibilities, timetabling rules, key deadlines, how to use Celcat, and the financial and non-financial impact of non-compliance. • A quality assurance process, and respective reports from Celcat, is developed to allow management to monitor compliance of curriculum areas, and to proactively identify any areas requiring additional support during the timetabling process. Good practice would have Sector Managers complete audits at the end of the timetabling period (before summer holidays) and the early stages of Semester 1 and 2 to ensure consistency, and 	<p>This has been amalgamated with the planning cycle and the completion of the Course Profitability Pilot.</p> <p>This is in place.</p> <p>Whilst in the main this was achieved for AY 2023-24, there are challenges due to the current climate of funding cuts and academic staff leaving through VS schemes.</p> <p>This is in place.</p> <p>The Student Record Team who initially create the time-table, offer scheduled slots to work with academic time-tablers (SMs, SLs) to support accordingly. Deadline dates are agreed in advance of the time-tabling exercise including completion dates. Updates are provided to the Curriculum and Student Experience Committee on completeness.</p>



Teaching Space Management / Room Utilisation Business Process Review

High Priority Items (Continued)			
No	Short Description	Detail	Management Comments
1 (Continued)	As above	<ul style="list-style-type: none"> A process that centralises room changes on Celcat to ensure that systems are accurately updated throughout the year. 	<p>Part of the time-tabling protocols includes a section about who to inform if a room changes or a room is no longer required. This area is still needs to be improved upon.</p> <p>We have recently been given a presentation on a variety of CELCAT products that will help further with monitoring time-tabling and rooms etc. We will be recommending to SMT on what products we wish to pursue to ensure we can build in efficiencies and be effective with all things time-tabling.</p>



Teaching Space Management / Room Utilisation Business Process Review

High Priority Items (Continued)			
No	Short Description	Detail	Management Comments
2	An Estate Strategy that factors the evolving needs of curriculum, staff and students should be developed	<p>There is currently an absence of an Estates Strategy and Space Utilization Plan that sets out the medium to long term vision for the campus and how the physical estate will meet the evolving needs of the curriculum, staff, and students.</p> <p>Managers interviewed reported that without an Estates Strategy, they were unaware of the following:</p> <ul style="list-style-type: none"> The context of how rooms are allocated to curriculum areas. There is potential that allocations are aligned to historical curriculum needs and have not been recently assessed for space suitability. The future of older buildings, such as the Googliburn Building that they identified as being no longer being future fit. The estate's response to changes in curriculum delivery and campus footfall. For example, communal space is often under-utilised. Footfall has changed on campus and there is limited movement between buildings by staff and students. This can result in a campus that does not "feel" active to visitors or new students. 	<p>The "allocation of rooms" to curriculum areas is a cause of some issues (and has a valid purpose in others), the rooms are perceived as "belonging" to an area which is not conducive to sharing and therefore leads to capacity for room utilisation not being maximised. Specific courses that require "large/processor intensive" specialist software are restricted to specific classrooms, caveat being this only applies when this specific software is required for that class.</p> <p>We have installed LapSafe cabinets in GoodlyBurn and Brahan and still have Laptop Trolleys available to facilitate flexible teaching, these are still being "block booked" by academics restricting their value. We have no bookings for these on Fridays at all.</p>



Teaching Space Management / Room Utilisation Business Process Review

High Priority Items (Continued)			
No	Short Description	Detail	Management Comments
2 (Continued)	As above	<p>Without proactive planning on the Estate, there is risk that efficiencies in space and building utilisation are not identified.</p> <p>Recommendation:</p> <p>An Estates Strategy and Space Utilisation Plan should be developed, which sets out the future vision for the College campus. This vision should consider the needs from the curriculum from the physical campus, i.e., should dovetail into the College's / UHI's Learning and Teaching Strategy and needs of students i.e through HISA survey. Any new ways of working such as hot desking or agile working for relevant professional services should also be considered.</p> <p>Any changes to the existing infrastructure should have the sustainability of the investment appraised via a business case.</p>	<p>The current perception of "curriculum areas" of the campus is not conducive to maximising the potential savings of hot desking. Especially with part time academic staff where ICT equipment is currently duplicated. (5 x 0.2FTE staff currently = 5 x ICT Sets of Equipment (Cira £1K each).</p>



Teaching Space Management / Room Utilisation Business Process Review

High Priority Items (continued)			
No	Short Description	Detail	Management Comments
3	Formalising the Infrastructure Working Group into a Space and Infrastructure Management Group	<p>The Infrastructure Working Group, consisting of the Head of Estates, Head of ICT, and Head of Student Experience, was established to review space utilisation and develop a Space Management Plan. However, the group is in its infancy and has not yet established its remit and objectives.</p> <p>Managers also reported a disconnect between Estates and ICT teams and understanding the curriculum needs. For example, management from Estates and ICT do not attend Curriculum and Student Experience Management Committee where curriculum and new course business cases are reviewed.</p> <p>Recommendations: The remit of the Infrastructure Working Group should be formalised in order to support the College in space management and to assist in the review of any estate investment needs arising from new curriculum developments and associated business cases. A reporting line into the appropriate management group should be considered.</p>	<p>A Campus Planning project brief was submitted to CMT outlining how the findings and recommendations from this internal audit report will be used as guidance to produce a robust room utilisation strategy and campus master plan. The project brief set out the groups objectives, and membership.</p> <p>This work is likely to be preceded by the Restructuring Project work for the whole College with Workstream 3 looking at the UHI Perth estates including number of buildings, campus opening hours, rooms and space utilisation and commercial potential. This workstream will be led by the Head of Estates, with the Head of Student Experience, Head of Learning & Teaching Enhancement, Head of Business Development and Head of Finance as the core members with other members seconded as required.</p> <p>This project work will run from now (November 2023) to March 2024 with the agreed outputs to be in place by the start of academic year 2024/25.</p>



Teaching Space Management / Room Utilisation Business Process Review

High Priority Items (continued)			
No	Short Description	Detail	Management Comments
4	Format and communication of timetables, and timetable changes, to students and staff	<p>The current communication of timetables does not align with expected good practice. As noted above, timetables are not provided until the start of each semester and are then subject to further changes within semester. Timetables are often provided to students in hardcopy, paper format rather than through a Student App or via their VLE. This is also impacting on the efficiency of the processes for communicating and tracking any timetable and room changes throughout the academic year.</p> <p>Recommendations: There should be a clear process implemented for the communication of timetables for teaching blocks to both students and staff, with a timeline established for publishing timetables e.g., before the summer break for Semester 1.</p> <p>Currently, the communication of timetabling to students and staff varies for each academic area. An internal communication plan should be established to standardise the communication process. There is a need to agree on a standard layout for timetables on the College's VLE, to allow a front facing student portal or to allow the publication of the timetables digitally to enable students to populate their own Office 365 Calendars</p>	<p>We can push timetabling data to Student Calendars within CelCat – this was demonstrated to UHI Perth on 16/11/23.</p> <p>The CelCat module that will facilitate this. This solution is available, We would recommend this is taken up for a soft launch over Easter so any issues could be teased out prior to the next Academic year.</p>



Teaching Space Management / Room Utilisation Business Process Review

High Priority Items (continued)			
No	Short Description	Detail	Management Comments
5	ICT and digital teaching spaces should be reviewed as part of the estates strategy refresh and meet student and staff needs	<p>Managers identified the opportunity for ICT and Estates to work more closely together in supporting the virtual campus needs and in the appraisal of new digital hardware supply to curriculum areas and students.</p> <p>Recommendation: ICT should liaise with Estates to identify the combined implications for ICT and Estates arising from changing curriculum and student needs. These implications should then be fed into the future planning of the Infrastructure Working Group and should also be reflected in future budget setting for both ICT and Estates to ensure that sufficient resources are available to allow both ICT and Estates to meet the identified need.</p>	Strongly Agreed. Data to support the actual “need” (number of teaching rooms) will ensure that the financial spend is responsibly allocated to actual requirements, need to identify technical capabilities and capacity (On-campus teaching / Hybrid / IT suite).



Teaching Space Management / Room Utilisation Business Process Review

Medium Priority Items			
No	Short Description	Detail	Management Comments
6	Timetabling Guidance should be enhanced with space management rules so to improve behaviours and maximise space utilisation	<p>Inspection of the Timetabling Guidance noted areas that should be enhanced in line with expected practice.</p> <p>Recommendations: The Timetabling Guidance should be enhanced with teaching space utilisation rules, such as:</p> <ul style="list-style-type: none"> • Rules on block booking, which should be avoided. • Rules on blended / remote teaching that do not require room bookings. • Avoidance of booking multiple teaching spaces for a group unless there is a clear curricular need for that group of learners; • Rules on updating Celcat if room bookings are no longer required. • A Timetabling Matrix that guides academics on the timetabling events that do/do not require room bookings. • Link to guidance on developing curriculum business cases that also captures space and digital infrastructure needs for full duration of the course. • Introduction of Semester 1 and 2 room utilisation audits by Sector Managers and Student Records. • Develop a timetabling impact assessment to be used by Sector Managers with teaching staff when timetabling. It can be used to assess and document the impact of moving between rooms and locations as part of the timetabling process and documented decisions/ agreements. 	<p>The time-tabling protocols contain rules including block booking and suggested discussions to be had with regards to how a course is delivered (e.g. blended, remote, online, f2f).</p> <p>In preparation for AY 2023-24, meetings were held with all involved in time-tabling and we discussed a Mindful Time-table where we ran through the protocols and impacts etc. Improvement came through by way of time-tables being completed much earlier than in the past and for the entire academic year.</p>



Teaching Space Management / Room Utilisation Business Process Review

Medium Priority Items (Continued)			
No	Short Description	Detail	Management Comments
7	Celcat audit reports need to be developed	<p>Recommendation: Management should review the existing system capabilities of Celcat to ensure that it is being fully utilised to support timetabling, staff and space utilisation management, monitoring and reporting. This should include a review of how best to communicate room availability to staff during semesters.</p> <p>In relation to Space Management Plan, the working group should review Celcat reporting capabilities and develop bespoke audit reports to be used by Sector Managers for room utilisation review and support services, such as Estates and Student Records.</p> <p>This should include the review of information needs of Celcat for efficient timetabling purposes, such as HR data to ensure that establishment contractual details can be carried out (full time or fractional), and they can identify those on TTP or PTV.</p>	The most recent CELCAT demonstration of products would allow us to effectively take this forward.



Teaching Space Management / Room Utilisation Business Process Review

Low Priority Item			
No	Short Description	Detail	Management Comments
8	Room numbers should align to records on Celcat and timetables	<p>Managers interviewed highlighted that room numbers assigned in buildings are not consistent with the numbering convention used on Celcat or on the issued timetables. This results in student and staff confusion and inefficient use of their time.</p> <p>Recommendation: Room information on Celcat should be updated to ensure consistency in numbering of teaching space. A reconciliation of room numbers and other identifiers (such as the use of room names such as 'The Bunker') between the physical estate and Celcat should be completed, and any variances rectified either on the Celcat system or on the physical room signage.</p>	<p>Mostly all room numbers do align with CELCAT, however in the run up to the next session, Estates and Student Records can work together to ensure all rooms match accordingly.</p> <p>It would be helpful if the AC/IT equipment in all rooms was also audited and available in CelCat, including an image of the agreed layout of the room. Often calls are logged to ICT/AV to have a room reset after it has been rearranged. If a room standard was agreed and depicted the departing academic is therefore responsible for resetting the room back to that standard, thus not disrupting the incoming class.</p>



Aberdeen 45 Queen's Road AB15 4ZN
Dundee The Vision Building, 20 Greenmarket DD1 4QB
Edinburgh Ground Floor, 11-15 Thistle Street EH2 1DF
Glasgow 100 West George Street, G2 1PP

T: 01224 322 100 **F:** 01224 327 911
T: 01382 200 055 **F:** 01382 221 240
T: 0131 226 0200 **F:** 0131 220 3269
T: 0141 471 9870

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Perth College

2022/23 Student Activity Data

Internal Audit report No: 2024/02

Draft issued: 26 October 2023

Final issued: 2 November 2023



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Management Summary

Introduction

The Guidance Notes issued by the Scottish Funding Council (SFC) on 30 August 2023, '*FES Return and Audit Guidance 2022-23*', requested submission by UHI Perth ('the College') of the FES return for session 2022/23, which includes the Credits data relating to College activity for the academic year 2022/23.

Guidance on completion of the 2022/23 return was issued by the SFC on 31 May 2022.

The Credits Audit Guidance requests that colleges obtain from their auditors their independent opinion on the accuracy of the FES return.

Scope of the Audit

In accordance with the Credits Audit Guidance we reviewed and recorded the systems and procedures used by the College in compiling the returns and assessed and tested their adequacy. We carried out further detailed testing, as necessary, to enable us to conclude that the systems and procedures were working satisfactorily as described to us.

Detailed analytical review was carried out, including a comparison with last year's data, obtaining explanations for significant variations by Price Group.

Our testing was designed to cover the key risk areas identified at Annex C to Credits Audit Guidance.

Audit Staffing

An Audit Director with 30 years' experience in the further and higher education sectors had overall responsibility for the planning, control and conduct of the audit and supervised and reviewed work performed by a Senior Auditor with six years' experience in the sector. A Senior Manager with 18 years' experience in the sector was also involved at the planning, review and reporting stage.

The quality of audit work undertaken by the firm is enhanced through continuous review of procedures and the implementation of individual training programmes designed to address the needs of each team member.

The total number of audit days was 5, split ½ day for the Audit Director, 2½ days for the Senior Manager and 2 days for the Senior Auditor.

Audit Findings

The points that we would like to bring to your attention have been grouped together under the following headings to aid your consideration of them:

- Introduction
- Systems and Procedures for Compilation of Returns
- Analytical Review

Audit Findings (Continued)

The action that we consider necessary on each issue is highlighted in the text for clarity and an action plan for implementation of these recommendations can be found in section 2.

To aid the use of the action plan, our recommendations have been graded to denote the level of importance that should be given to each one. These gradings are as follows:

Priority 1	Issue subjecting the College to material risk and which requires to be brought to the attention of management and the Audit Committee.
Priority 2	Issue subjecting the College to significant risk and which should be addressed by management.
Priority 3	Matters subjecting the College to minor risk or which, if addressed, will enhance efficiency and effectiveness.

Conclusion

Our report was submitted to the SFC on 19 October 2023. We reported that, in our opinion:

- the student data returns have been compiled in accordance with all relevant guidance.
- adequate procedures are in place to ensure the accurate collection and recording of the data; and
- we can provide reasonable assurance that the FES return is free from material misstatements.

A copy of our Audit Certificate is included at Appendix I to this report.

Acknowledgments

We would like to take this opportunity to thank the staff at the College who helped us during our audit review.



Action Plan

Para Ref.	Recommendation	Grade	Comments	Agreed Y/N	Responsible Officer for Action	Agreed Completion Date
2.2.1	<p>Systems and Procedures for Compilation of Returns</p> <p>Non-Fundable Students</p> <p>R1 Ensure that in-year data integrity checks of the FES data include a review of source of finance codes to ensure that fundable students are correctly classified.</p>	3	Data validation reports are run regularly throughout the year to ensure data accuracy. Within this suite of reports we have a specific source of finance report and we will use this to monitor and update source of finance codes where required to ensure correct classification.	Yes	Student Records Manager	Ongoing and by end AY2023/24
2.3.1 – 2.3.4	<p>Required Date</p> <p>R2 Ensure that the required date input into SITS is calculated in line with the SFC guidance at a course level, and where relevant, at a student level.</p>	3	As above, we will employ our range of data validation reports to monitor and update required dates throughout the year at both course and student level.	Yes	Student Records Manager	Ongoing and by end AY2023/24



2022/23 Student Activity Data

Para Ref.	Recommendation	Grade	Comments	Agreed Y/N	Responsible Officer for Action	Agreed Completion Date
2.4.1	Fee Waiver R3 In line with the College's internal procedures ensure that part-time fee waiver forms are retained in all cases to show the nature of the evidence presented by the students.	3	<p>Source of finance report produced by Student Records Manager to allow Student Funding Adviser to go through report to check funding status for all part time students. This will allow follow-up where student has not completed a fee waiver application as well as correction of incorrectly coded sources of finance.</p> <p>Second report to be run in February to pick up January starts and other late enrolments.</p> <p>Student Funding Adviser has created a spreadsheet to log part time fee waiver applications, which has been shared with the Student Records Team. This allows for comments on applications as well as picking up and changing incorrectly coded source of finance data.</p>	Yes	Student Records Manager	Ongoing and by end AY2023/24



Main Report

1. Introduction

1.1 SFC Guidance

1.1.1 The Credits Audit Guidance issued by the Scottish Funding Council (SFC) on 30 August 2023 sets out, at Annex C, the key risk areas in relation to the preparation of the FES return. These are:

- allocation of Credit values to students where Credits exceed full-time levels;
- incorrect Credit value is claimed for collaborative provision;
- claims for fee waivers and students with multiple enrolments;
- spanning courses;
- identification of non-fundable activity, both courses and students, including capturing of eligible enrolments and identification and recording of student withdrawals;
- recording of progress for students on open / distance learning programmes;
- identification and counting of infill students; and
- claims for non-accredited work experience / placement.

1.1.2 For academic year 2022/23 we established that there had been no significant changes to the systems and procedures used in the compilation of the returns. We then carried out detailed testing, as necessary, to enable us to conclude that the systems and procedures were working satisfactorily. Detailed analytical review was carried out, including a comparison with last year's data, and obtaining explanations for significant variations by Price Group.

1.1.3 As requested by the Credits Audit Guidance this report indicates: the scope of the audit; the approach taken; an indication of analytical review work performed; the extent of checking undertaken; review of prior year recommendations; and the main findings from our audit work. As requested by the guidance, the report also includes a summary of adjusted and unadjusted errors found during the course of the audit.

2. Systems and Procedures for Compilation of Returns

2.1 Introduction

2.1.1 Detailed testing at the year-end Credits audit included two main tests on courses and individual students.

2.1.2 The following tests were carried out for a sample of 16 courses selected from the SITS system:

- a) Ensured that the course met the criteria for fundable activity set out in the Credits guidance;
- b) Where applicable, ensured that the course met the definition of further or higher education set out in the Credits guidance;
- c) Ensured that courses recorded as full-time met the definition for full-time as set out in the Credits guidance;
- d) Checked the student total for a programme against course / class lists or course / class register. Checked calculation of the required date and ensured that students who had withdrawn prior to this date had been excluded from the Credits count; and
- e) Checked allocation of Credits to courses is in accordance with the Credits guidance and, where Credits were claimed beyond full time levels, that the claims could be appropriately justified by the College.

2.1.3 For a total of 42 students selected from the above courses the following tests were carried out, where applicable:

- a) Ensured that the student met the criteria for fundable activity set out in the Credits guidance;
- b) Checked back to signed enrolment forms, or electronic equivalent, for the 2022/23 academic year;
- c) For infill courses, ensured that Credits were allocated according to the modules attended by individual students rather than by the default value for the courses being infilled;
- d) Checked to student attendance records and, for withdrawals, checked that the withdrawal date noted on the system was the last date of physical attendance;
- e) For students following courses of open / distance learning vouched to study plan etc. and ensured that required criteria was met; and
- f) For students undertaking non-accredited work experience / placement ensured that the Credits value had been calculated in line with the Credits guidance.

2.1.4 The following tests were carried out by reviewing records for all College courses:

- a) Confirmed that there were no claims for more than one full-time enrolment per student for 2022/23 and ensured that Credits had not been claimed in respect of courses that were related in respect of subject area, unless progression could be clearly established;
- b) Confirmed that there were no claims for overseas students and students enrolled on full cost recovery commercial courses; and
- c) Confirmed that Credits for spanning courses were claimed in the correct year.

2.1.5 It was confirmed by the Student Records Manager that the College is not involved in any collaborative provision and no such courses were identified during our audit testing. No further work was therefore required in this area.

2.1.6 Before signing our audit certificate, we reviewed the final FES online report and the explanations for remaining errors.

2. Systems and Procedures for Compilation of Returns (continued)

2.1 Introduction (continued)

- 2.1.7 From our review and testing of the systems and procedures used in the compilation of the returns, we concluded that overall, they were adequate to minimise risk in the areas identified in Annex C of the Credits Audit Guidance and were working satisfactorily as described to us.
- 2.1.8 The remainder of this section discusses issues identified during our review of the 2022/23 student activity data.

2.2 Non-Fundable Students

- 2.2.1 The FES data was analysed by source of finance for students and it was identified that a total of 132.4 Credits were being claimed for 45 students coded as source of finance code = 36, self-financing (full rate). A further review was undertaken by the College and it was identified that all 45 students were incorrectly coded as self-financing and it was confirmed that none of the students were self-financing and were eligible enrolments for Credits. The error was identified after the final FES data had been submitted to, and accepted by, the SFC. The coding error was amended after submission of the final FES and there was no impact on the final Credits claimed.

Recommendation

R1 Ensure that in-year data integrity checks of the FES data include a review of source of finance codes to ensure that fundable students are correctly classified.

2.3 Required Date

- 2.3.1 For 2022/23 the Credits guidance noted that the 'required date' for programmes other than full-time starting at the summer term should be calculated as the day on which 25% of the total calendar days between the course start and end have passed.
- 2.3.2 Included within our sample of courses tested were seven courses classed as other than full-time that were not work-based or flexible learning. For two of these seven courses we noted that the required date stated in the SITS system had not been calculated in line with the 2022/23 Credits guidance. The effect of the recalculation of the required dates (difference of 10 and 11 days respectively) did not result in any additional students being brought in to, or excluded from, the Credits count. A review of similar courses was performed, and no further errors were noted.
- 2.3.3 Also included within our sample of courses, was a full-time ESOL course where the course required date was stated as 1 November 2022 (the standard date for full-time programmes starting at the summer term), however the course included eight students who enrolled in January 2023 and the required date for each student was still shown as 1 November 2022. The required date was re-calculated based on 25% of calendar days and it was found that one student withdrew before the re-calculated date resulting in an overclaim of 15.45 Credits. As the FES had been approved by the SFC the College has not amended the data in the student records system or the FES.
- 2.3.4 For 2023/24 the SFC has aligned the 'required date' for colleges and universities, and colleges can now claim Credits for full-time students on courses lasting for over 20 weeks if they are still active after five weeks from the course start date. For shorter courses the required date continues to be after a quarter of the course has been delivered.

Recommendation

R2 Ensure that the required date input into SITS is calculated in line with the SFC guidance at a course level, and where relevant, at a student level.

2. Systems and Procedures for Compilation of Returns (continued)

2.4 Fee Waiver

2.4.1 We reviewed the systems for recording fee waiver entitlement and carried out an analytical review to ensure the accuracy of the fee waiver element of the FES return. A random sample of 10 part-time fee waiver students, based on student source of finance codes, was selected from the FES data for testing. We found that:

- for three of the 10 sampled no fee waiver form could be located. Due to the absence of staff usually responsible for fee waivers, retention of fee waiver forms was not in line with normal procedures - meaning that some could not be located for audit. College management were confident that checks had been undertaken but accepted that record keeping could be improved; and
- for a further two students in our sample, fee waivers forms were not available as forms were not required. The students were enrolled on a full-time or short full-time course, and eligible for fee waiver under different source of finance codes. The College has identified additional checks for 2023/24 to cross-check the source of finance and mode of attendance records in the FES (see also recommendation **R1** about checking source of finance codes).

Recommendation

R3 In line with the College's internal procedures ensure that part-time fee waiver forms are retained in all cases to show the nature of the evidence presented by the students.

3. Analytical Review

3.1 The analytical review by Price Group, included at Appendix III of this report, showed significant variances in Price Groups 2 and 3. These were discussed with College management. The explanations we received provided us with additional assurance that the Credits claim does not contain material errors:

- Price Group 2: increase of 2,350 Credits (30%) largely due to the introduction of STEM courses aimed at schools, the re-introduction of a number of evening classes and increased numbers attending ESOL courses; and
- Price Group 3: increase of 305 Credits (3%) due to an increase in students attending on a work based or infill basis, predominantly within the Motor Vehicle courses. Also, the introduction of College certificates in Fabrication & Welding and Beauty Skills and NQs in Engineering Systems and Hospitality Operations.



Appendix I – Copy of Audit Certificate

UHI Perth College
Crieff Road
Perth
PH1 2NX

19 October 2023

Dear Sir or Madam

Auditor's Report to the Members of the Board of Management of UHI Perth College

We have audited the FES return which has been prepared by UHI Perth College under SFC's Credit Guidance for colleges issued 31 May 2022 and which has been confirmed as being free from material misstatement by the College's Principal in her Certificate dated 5 October 2023. We conducted our audit in accordance with guidance contained in the 2022-23 audit guidance for colleges. The audit included an examination of the procedures and controls relevant to the collection and recording of student data. We evaluated the adequacy of these controls in ensuring the accuracy of the data. It also included examination of evidence relevant to the figures recorded in the student data returns. We obtained sufficient evidence to give us reasonable assurance that the returns are free from material misstatements.

In our opinion:

- the student data returns have been compiled in accordance with all relevant guidance;
- adequate procedures are in place to ensure the accurate collection and recording of the data; and
- we can provide reasonable assurance that the FES return is free from material misstatements.

Stuart Inglis
Director
For and on behalf of Henderson Loggie LLP
Chartered Accountants
Dundee Office
stuart.inglis@hlca.co.uk

19 October 2023

Date FES returned: 27 September 2023

Appendix II – Summary of Adjusted and Unadjusted Errors

Report Para	Error identified	Adjusted/unadjusted	Approx. Value
2.3.3	Required date incorrectly calculated.	Unadjusted	-15.45 Credits

Appendix III – Price Group Analytical Review 2021/22 and 2022/23 – Figures

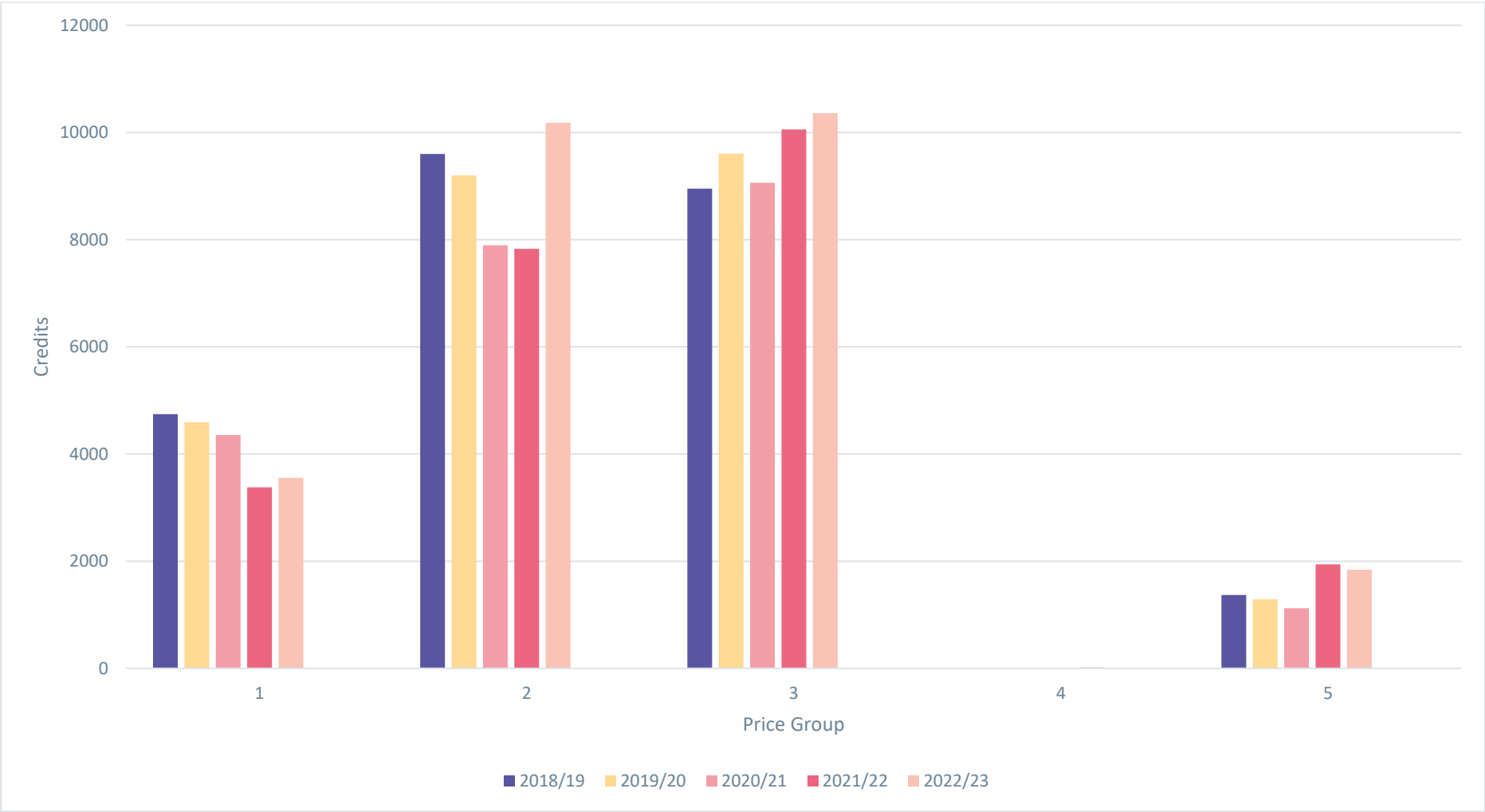
Price Group	2021/2022		2022/2023		Variance	Variance
	Credits		Credits		Credits	%
1	3,379		3,555		176	5.2
2	7,831		10,181		2,350	30.0
3	10,056		10,361		305	3.0
4	0		22		22	0
5	1,939		1,840		(99)	(5.1)
	23,205		25,959		2,754	11.9

College Funded Target 2022/23:

24,780 Credits



Appendix IV – Price Group Analytical Review 2018/19 to 2022/23 – Graph



Appendix V – Updated Action Plan – Student Activity Data 2021/22

Recommendation	Grade	Comments	Agreed Y/N	Responsible Officer for Action	Agreed Completion Date	Progress at October 2023
<i>Systems and Procedures for Compilation of Returns</i> Allocation of Credits to Courses R1 Ensure that Credits claimed for students are based upon the value of the units listed on the student course record, which reflect the activity delivered in the year, and not based upon a default tariff.	3	Reporting has been developed to monitor Credits claimed and allow us to identify and correct any instances where a Credits claim does not accurately reflect activity delivered.	Y	Student Records Manager	Ongoing and by end AY2022-23	No similar issues noted during 2022/23. <i>Fully Implemented</i>
Infill Courses R2 Ensure that Credits claimed for infill students are based upon the value of the units which have been completed during the year, and not based upon a default tariff of planned units.	3	Reporting has been developed to monitor Credits claimed and allow us to identify and correct any instances where a Credits claim does not accurately reflect activity delivered.	Y	Student Records Manager	Ongoing and by end AY2022-23	No similar issues noted during 2022/23. <i>Fully Implemented</i>



2022/23 Student Activity Data

Recommendation	Grade	Comments	Agreed Y/N	Responsible Officer for Action	Agreed Completion Date	Progress at October 2023
Non-Fundable Activity						
R3 Ensure that non-fundable programmes are identified and removed from the Credits claim.	3	Reporting processes have been developed to ensure these programmes are identified and removed from the claim.	Y	Student Records Manager	Ongoing and end AY2022-23	No similar issues noted during 2022/23. Fully Implemented
R4 For all spanning programmes ensure that Credits are claimed in the academic year in which the course ends.	3	Reporting will ensure these courses are claimed appropriately.	Y	Student Records Manager	Ongoing and end AY2022-23	No similar issues noted during 2022/23. Fully Implemented
Open / Distance Learning						
R5 The College should ensure evidence of progression and participation / engagement is retained to evidence eligibility of the Credits claimed for open / distance learning students. Where curriculum staff identify that no evidence is available, or that students are no longer engaging, this should be notified to the Student Records team to ensure that the Credits are removed from the Credits claim.	3	Communication with curriculum staff will be developed to ensure the Student Records team are kept updated throughout the year and records amended accordingly.	Y	Student Records Manager	Ongoing and end AY2022-23	No similar issues noted during 2022/23. Fully Implemented



2022/23 Student Activity Data

Recommendation	Grade	Comments	Agreed Y/N	Responsible Officer for Action	Agreed Completion Date	Progress at October 2023
Fee Waiver R6 Introduce checks to ensure that fee waivers are correctly classified.	3	Reporting has been developed to ensure checks on fee waivers are carried out regularly.	Y	Student Records Manager	Ongoing and end AY2022-23	Issues were noted with the classification of fee waivers and availability of fee waiver forms during 2022/23. Refer paragraph 2.4.1 in Main Report. <i>Partially Implemented</i>



Appendix VI – Updated Action Plan – Student Activity Data 2020/21

Recommendation	Grade	Comments	Agreed Y/N	Responsible Officer for Action	Agreed Completion Date	Progress at November 2022	Progress at October 2023
Allocation of Credits to Courses R2 Ensure that Credits claimed for students are based upon the value of the units listed on the student course record, which reflect the activity delivered in the year, and not based upon a default tariff.	3	As above, local reporting has been developed to monitor Credits claimed and allow us to identify and correct any instances where a Credits claim does not accurately reflect activity delivered.	Yes	Student Records Manager	Ongoing and by end AY 2021-22	Similar issues were noted during 2021/22. Refer paragraph 2.2.1 in Main Report. Partially Implemented	No similar issues noted during 2022/23. Fully Implemented
Part-time Fee Waiver R3 Ensure that part-time fee waiver forms are completed at enrolment in order to evidence entitlement to part-time fee waiver.	3	A SITS development request was submitted by the Student Records Manager to the UHI LIS on 21 st July 2021 to develop the SITS online enrolment process to ensure that when a student ticks the box to say they have a fee waiver, they are then required to upload their documentation to evidence this before going any further. This request is now being investigated as part of the UHI LIS action plan for 2021-22.	Yes	Student Records Manager	AY2022-23	This development request was implemented and in use from academic year 2022/23. Issues were noted with the classification of fee waivers during 2021/22. Refer paragraph 2.6.1 in Main Report. Partially Implemented	No similar issues noted during 2022/23. Fully Implemented



Aberdeen 45 Queen's Road AB15 4ZN
Dundee The Vision Building, 20 Greenmarket DD1 4QB
Edinburgh Ground Floor, 11-15 Thistle Street EH2 1DF
Glasgow 100 West George Street, G2 1PP

T: 01224 322 100 **F:** 01224 327 911
T: 01382 200 055 **F:** 01382 221 240
T: 0131 226 0200 **F:** 0131 220 3269
T: 0141 471 9870

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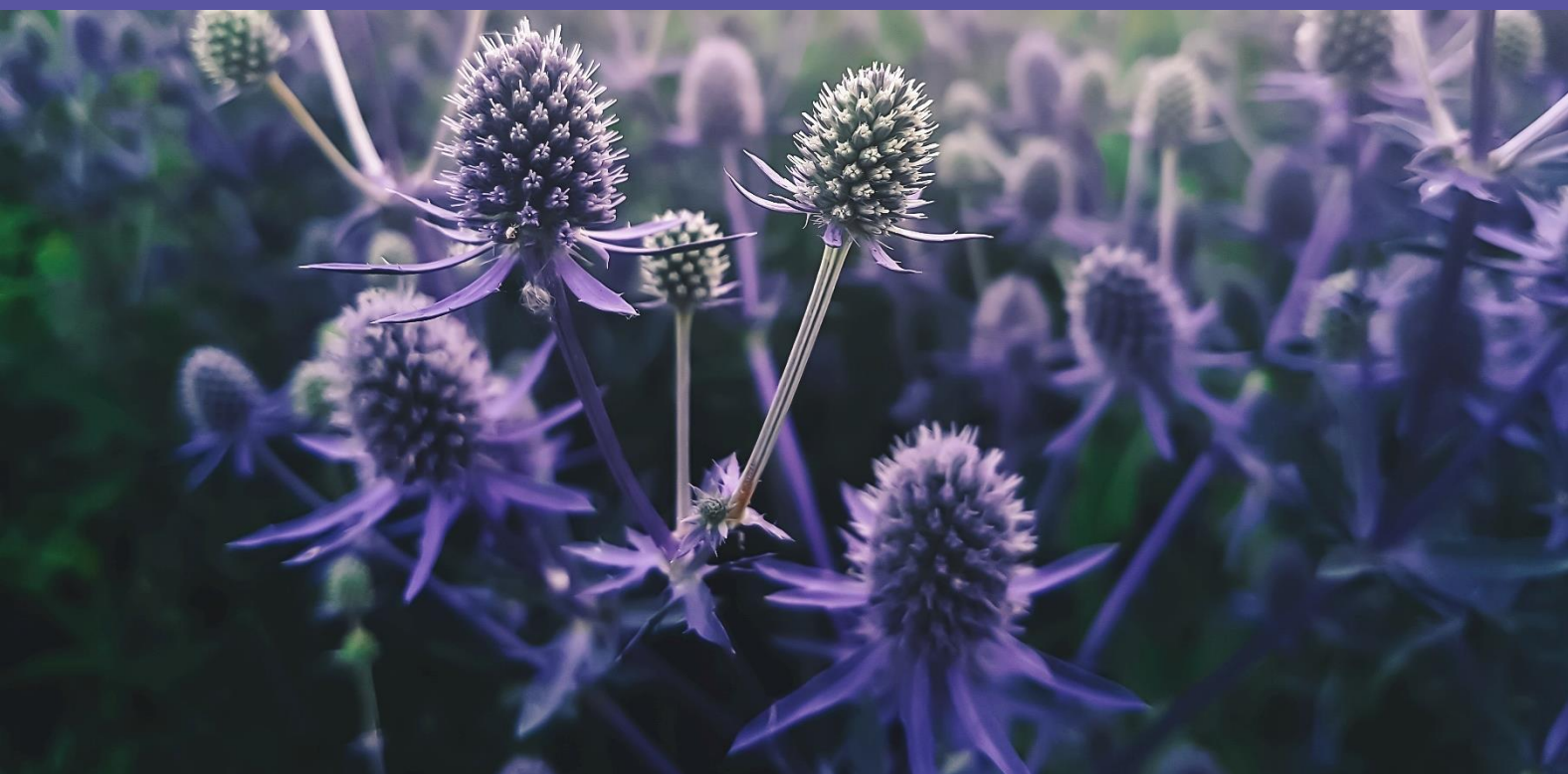
Perth College

2022/23 Student Support Funds

Internal Audit report No: 2024/03

Draft Issued: 10 November 2023

Final Issued: 17 November 2023



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Management Summary

Introduction

Colleges receive **Discretionary Funds** from the Scottish Funding Council (SFC) to provide financial help for students where access to, or continuance in, further education would otherwise be denied due to financial hardship. The maximum payable from the Further Education Discretionary Fund is normally £4,000 however this cap was removed again for 2022/23 to allow additional support to be given to students financially impacted by COVID-19 and the current cost of living pressures.

Childcare Funds sit alongside the Discretionary Funds to provide assistance with the cost of formal childcare expenses. From academic year 2011/12, childcare funds for higher education students formerly allocated to colleges by the Student Awards Agency for Scotland (SAAS), were transferred to the SFC who now allocates childcare funding direct to colleges for all eligible further and higher education students. No limit is placed on the amounts individuals can access and colleges have the flexibility to determine award levels themselves. Priority must however be given to certain groups, including lone parents and mature students, when allocating funds from the Further and Higher Education Childcare Fund.

The Discretionary and Childcare Funds must be administered, and payments made, in accordance with SFC and SAAS guidelines.

Bursary funds are given to students at the discretion of a college to help maintain that student in their education beyond their compulsory school leaving date. An award can include allowances that cover a student's maintenance, travel and study costs. Colleges can also use bursary funds for allowances to cover costs incurred by a student living in college-approved accommodation, or due to having dependants and / or special education needs.

Colleges must apply the terms of the National Policy for Further Education Bursaries, together with applicable legislation and supplementary letters issued by the SFC, when using the funds allocated to them for bursary purposes. The policy sets out the minimum criteria, maximum rates and minimum contribution scales that a college must apply in allocating bursary funds. In recognising that the bursary fund is cash-limited, colleges may have to exercise discretion to target support to meet local priorities and the needs of their students. SFC expects colleges to award students their full calculated bursary award. Where a college chooses to supplement bursary funds from its own resources it may use the additional resources as it sees fit.

Education Maintenance Allowances (EMAs) provide financial support for 16 to 19 year-olds from low income households who are attending non-advanced full-time education at school, college or are home educated. Eligible students receive £30 per week, which is targeted at young people from the lowest income families.

EMAs must be administered, and payments made, in accordance with SFC and Scottish Government guidelines

Audit Scope

For the 2022/23 academic year two specific fund statements were required for audit:

- Further Education Discretionary Fund, Further and Higher Education Childcare Fund and Bursary Return; and
- Education Maintenance Allowance Return.

Audit Objectives

The audit objectives were to ensure that:

- The College complies with the terms, conditions and guidance notes issued by SFC, SAAS and the Scottish Government;
- Payments to students are genuine claims for hardship, bursary or EMA, and have been processed and awarded in accordance with College procedures; and
- The information disclosed in each of the returns for the year ending 31 July 2023, is in agreement with underlying records.

Audit Approach

The audit approach included:

- Reviewing new guidance from SFC, SAAS and the Scottish Government, including additional guidance issued in response to the COVID-19 pandemic, and identifying internal procedures;
- Agreeing income to amounts awarded;
- Reconciling expenditure through the financial ledger to returns, investigating reconciling items;
- Reviewing College analysis spreadsheets for large or unusual items, obtaining explanations where necessary; and
- Carrying out detailed audit testing, on a sample basis, on expenditure from the funds.

Audit guidance issued by the SFC was utilised.

Action Plan

The action that we consider necessary on each issue is highlighted in the text for clarity and an action plan for implementation of these recommendations can be found in section 2.

To aid the use of the action plan, our recommendations have been graded to denote the level of importance that should be given to each one. These gradings are as follows:

Priority 1	Issue subjecting the College to material risk and which requires to be brought to the attention of management and the Audit Committee.
Priority 2	Issue subjecting the College to significant risk and which should be addressed by management.
Priority 3	Matters subjecting the College to minor risk or which, if addressed, will enhance efficiency and effectiveness.

Findings and Conclusions

We were able to certify both fund statements for the year and submit these to the SFC without reservation.

In addition, the following points were noted during the course of our audit:

Additional Support Needs (ASN) taxis

For one Bursary student in our sample who had received ASN taxis totalling £11,548 the College could not provide an application form. We were advised that the student withdrew from her course before the taxi applications were finalised.



Findings and Conclusions (Continued)

Additional Support Needs (ASN) taxis (continued)

Management advised that the Heads of Department perform risk assessments to identify which students will need taxis due to mobility issues etc. This list is provided to Perth and Kinross Council (PKC) who tender for the taxis service contracts. The Student Support team were not provided with this list of students until June 2023. The student in our sample withdrew from the course on 1 March 2023.

The Student Support team visited each class in June 2023 to go through applications with any students who were on the Heads of Department list and had not yet completed applications. As our sampled student left in March 2023, the Student Support team could not complete the application with them.

Management advised that the student in our sample was a returning student from the previous year and was viewed as a low-risk application. We were provided with the student's application from 2021/22 which has been used to confirm residency, as well as the Heads of Department list of students who required ASN costs. The sampled student was a late addition to this list – additional email evidence was provided of this. No means testing is required by the SFC Bursary guidance for an ASN for learning allowance awarded to eligible students i.e. students with a disability.

We understand that measures are being put in place to ensure applications are in place. The Student Support team planned to visit classes in October 2023 to finalise applications for 2023/24.

Recommendation

R1 Ensure that Bursary applications are completed for all ASN students at the start of the academic year or prior to the provision of the service if they enrol later in the year.

Bursary study materials

Included within Bursary study expenses on the FES for 2022/23 was £43,429.28 relating to study materials purchased directly by the College and provided to Bursary students. For each College department there is a list showing the students funded and the unit cost / total charge.

We selected the Beauty Therapy and Motor Vehicle departments for testing and agreed the students and amounts claimed to the FES. We also checked the unit prices to purchase invoices and / or purchase orders.

For the NQ Beauty Therapy course, study costs for a kit were agreed to invoice. For Access to Beauty Therapy the same kit was used but the study costs were charged net of VAT giving rise to an underclaim.

For two of the books sampled from courses in the Motor Vehicle department, we found that the costs charged for the student varied from the costs paid by the College (both over and under). We established that this was because the College had allocated the cost of the books to students at the RRP of the book, instead of the actual purchase price paid. Although these differences were minor, and overall there was an underclaim for our sample, the process could be improved. To avoid this from happening in future, the Student Funding Adviser has asked the department to provide the 2023/24 purchase invoices, so that the funds can be allocated correctly.

Recommendation

R2 Ensure that study materials purchased directly by the College and provided to Bursary students are included in the FES at the actual purchase price to the College.

Copies of the fund statements and audit certificates are provided at appendices I to II of this report.

Acknowledgments

We would like to take this opportunity to thank the staff at the College who helped us during our audit.



Action Plan

Page Ref.	Recommendation	Grade	Management Comments	Agreed Y/N	Responsible Officer For Action	Agreed Completion Date
2 & 3	Additional Support Needs (ASN) taxis R1 Ensure that Bursary applications are completed for all ASN students at the start of the academic year or prior to the provision of the service if they enrol later in the year.	2	<p>Group session to complete applications for this group held in October.</p> <p>There are three students still requiring follow-up; two that have applied but not submitted all evidence and one that is a Christmas leaver who has not applied but may need funding for travel in January.</p>	Yes	Student Funding Adviser	31 January 2024
3	Bursary study materials R2 Ensure that study materials purchased directly by the College and provided to Bursary students are included in the FES at the actual purchase price to the College.	3	<p>Work will be ongoing throughout the year as study expenses payable to departments are added to awards. Generally, this is done on a class-by-class basis, so correct information can be sought as each group is processed.</p>	Yes	Student Funding Adviser	Ongoing, but will need to be completed for FES return at end of academic year.



Appendix I – Further Education Discretionary Fund, Further and Higher Education Childcare Fund and Bursary Return and Audit Certificate

Appendix II – Education Maintenance Allowance Return and Audit Certificate



Appendix III – Updated Action Plan – Student Support Funds 2019/20

Recommendation	Grade	Comments	Agreed Y/N	Responsible Officer For Action	Agreed Completion Date	Progress Previously Reported	Progress at October 2023
R3 Ensure that the Bursary award letters contain details of all support provided to students, including where possible an estimate of Additional Support Needs costs (taxis and other).	3	<p>Will need to work with Perth and Kinross Council (PKC) to establish if they can give a meaningful estimate of cost to put on letter, as we are recharged per term and don't usually receive term 1 recharge until January.</p> <p>If not, a generic text letter will have to suffice.</p> <p>Will look to do this retrospectively for 2020/21 students if possible.</p> <p>Updated management comments at November 2021: This was problematic due to the pandemic, where there were lockdowns post-Christmas resulting in uncertainty about travel costs, so we will need to go back to PKC to discuss feasibility of this recommendation.</p> <p>In terms of Study Expenses, we have started to put expenses payable to the academic department on the award letter for 2021/22. It is only for a few courses so far, but the plan would be to increase this in future years now that it has been shown to work.</p>	Yes	Student Funding Adviser	February 2021	<p>At November 2021</p> <p>Whilst ASN costs for taxis etc. and study expenses paid to the College could be agreed to supporting backup and were noted as part of the students' award and payment schedule, which they could access through their Hub account, these amounts were input retrospectively for 2020/21 and not at the start of the academic year.</p> <p>(continued below)</p>	<p>From our sample testing for 2022/23, we noted that an estimate of the ASN awards were still not included on the original award letters but added in at the end of the year.</p> <p>Partially Implemented</p> <p>Revised completion date: 31 January 2024</p>

2022/23 Student Support Funds

Recommendation	Grade	Comments	Agreed Y/N	Responsible Officer For Action	Agreed Completion Date	Progress Previously Reported	Progress at October 2023
		<p>Updated management comments at November 2022: We now have a suite of funding award letters that allow us to separate out payments / awards made to third parties or the College rather than direct to the student. However, we still have the issue that any value attached to the taxi provision will necessarily be an estimate at the time an award notice is issued. For 2022/23, estimates of taxi costs are available for all services for the year, so we should be able to allocate across eligible students once their applications are finalised.</p> <p>Updated management comments at November 2023: With the College's updated procedure to ensure that ASN taxi applications are completed, and request made to PKC for weekly taxi contract costs, this should be resolved by the end of January at the latest. However, as previously noted, these will be estimated figures from PKC and the Student Funding Adviser is still unsure of the benefit to the student of this appearing on their award letters.</p>				<p>At November 2022 From our sample testing for 2021/22, we noted that study costs payable to the College (excluding laptop) were included on the original award letters but not ASN costs.</p> <p>Partially Implemented</p>	



Appendix IV – Updated Action Plan – Student Support Funds 2021/22

Recommendation	Grade	Comments	Agreed Y/N	Responsible Officer For Action	Agreed Completion Date	Progress at November 2022	Progress at October 2023
R1 Ensure that EMA spot check testing of 5% of applications is carried out throughout the year to give regular and timely updates on the operation of the systems.	3	<p>This work will be carried out between January and May in conjunction with a member of a different team who is not involved in the EMA assessment and payment process.</p> <p>Updated management comments at November 2023: The Student Funding Adviser tries to get someone independent of the Funding Team to carry out the spot checks, but it is dependent on them finding time out with their own contracted workloads, which can be difficult. For 2022/23, information was made available for checking in March 2023, but this could not be completed until June due to workload. For 2023/24, the Student Funding Adviser is considering asking more than one member of staff to carry out a smaller number of checks each, however this would need approval from senior management.</p>	Yes	Student Funding Adviser (Scott Young)	May 2023	N/A	<p>The EMA Spot checks for 2022/23 were all completed in June 2023.</p> <p>Little or No Progress Made</p> <p>Revised completion date: 31 July 2024</p>

Aberdeen 45 Queen's Road AB15 4ZN
Dundee The Vision Building, 20 Greenmarket DD1 4QB
Edinburgh Ground Floor, 11-15 Thistle Street EH2 1DF
Glasgow 100 West George Street, G2 1PP

T: 01224 322 100 **F:** 01224 327 911
T: 01382 200 055 **F:** 01382 221 240
T: 0131 226 0200 **F:** 0131 220 3269
T: 0141 471 9870

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Our ref: PERT294/DA/STI

Your ref:

Scottish Funding Council
Apex 2
97 Haymarket Terrace
Edinburgh
EH12 5HD

30 October 2023

Dear Sir or Madam

**UHI Perth College
Discretionary Fund, Childcare Fund and Bursary Return 2022/23**

On behalf of our above named client, we attach the audited Discretionary Fund, Childcare Fund and Bursary Return for the academic year 2022/23.

Should you have any queries regarding the attached please do not hesitate to contact us.

Yours faithfully



Stuart Inglis
Director
For and on behalf of Henderson Loggie LLP
Chartered Accountants
Dundee Office
stuart.inglis@hlca.co.uk

Aberdeen 45 Queen's Road AB15 4ZN
Dundee The Vision Building, 20 Greenmarket DD1 4QB
Edinburgh Ground Floor, 11-15 Thistle Street EH2 1DF
Glasgow 100 West George Street, G2 1PP

T: 01224 322 100 F: 01224 327 911
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College - 5360455 - Perth College

Report - Student Support Funding

College Name: Perth College

College Contact: Scott Young

College Number: 5360455

Phone Number: 01738 877375

1st August 2022 - 31st July 2023

Bursary Funds Expenditure	(AAC 1) Student under 18 Headcount Expenditure (ú)	(AAC 2) Parentally Supported (At home) Headcount Expenditure (ú)	(AAC 3) Parentally Supported (Away from home) Headcount Expenditure (ú)	(AAC 4) Self-supporting Headcount Expenditure (ú)	(AAC 5) Care-experienced Headcount Expenditure (ú)	(AAC 6) Universal Credit Headcount Expenditure (ú)	(AAC 7) Non-maintenance Headcount Expenditure (ú)	Totals Headcount Expenditure (ú)
Maintenance Costs	5 8744	108 302381	14 42902	176 636869	93 557615	81 68628	0 0	477 1617139
Dependents Allowance	0 0	0 0	0 0	0 0	0 0	0 0	0 0	0 0
Approved Residence Costs	0 0	0 0	0 0	0 0	0 0	0 0	0 0	0 0
Personal Residence Costs	0 0	0 0	0 0	0 0	0 0	0 0	0 0	0 0
Study Expenses	143 19259	54 6703	7 899	103 14900	52 6466	27 4542	4 535	390 53304
Travel Expenses	5 4718	3 3293	1 671	62 27872	4 1618	32 9213	4 2413	111 49798
Special Educational Needs	2 10700	19 96953	0 0	0 0	1 7868	1 7396	0 0	23 122917
Total Bursary	146 43421	118 409328	14 44471	176 679627	94 573564	81 89777	6 2948	635 1843136

Discretionary Funds Expenditure	(AAC 1) Student under 18 Headcount Expenditure (ú)	(AAC 2) Parentally Supported (At home) Headcount Expenditure (ú)	(AAC 3) Parentally Supported (Away from home) Headcount Expenditure (ú)	(AAC 4) Self-supporting Headcount Expenditure (ú)	(AAC 5) Care-experienced Headcount Expenditure (ú)	(AAC 6) Universal Credit Headcount Expenditure (ú)	(AAC 7) Non-maintenance Headcount Expenditure (ú)	Totals Headcount Expenditure (ú)
FE Discretionary	13 7323	16 8860	4 4440	61 71092	14 5853	29 15550	1 630	138 113748

Childcare Fund Expenditure

	Headcount Expenditure (ú)
Total FE Childcare Fund	34 107781
Total HE Childcare Fund *	33 144660

* UHI partner colleges to manually enter data on the CSV version of this report.

	Part-time Headcount Expenditure (ú)	Full-time Headcount Expenditure (ú)	Totals Headcount Expenditure (ú)
FE childcare, lone parent	1 966	10 26960	11 27926
FE childcare, other	1 3680	22 76175	23 79855
HE childcare, lone parent	0 0	9 35320	9 35320
HE childcare, other	0 0	24 109340	24 109340

We have examined the books and records of the above college and have obtained such explanations and carried out such tests as we consider necessary.

On the basis of our examination and the explanations given to us, we report that the information set out in these forms is in agreement with the underlying records.

We also report that in our opinion, the college used these funds in accordance with the Scottish Funding Council conditions.

We are satisfied that the systems and controls of the administration and disbursement of these funds are adequate. * Delete if not applicable.

PLEASE RETURN AN ELECTRONIC AND SIGNED PAPER COPY OF THIS FORM TO THE SCOTTISH FUNDING COUNCIL.

Principals Signature

HENDERSON LOGGIE LLP

Auditors Name (in printed capital)

Auditors Signature

DIRECTOR
FOR AND ON BEHALF OF HENDERSON LOGGIE LLP, CHARTERED ACCOUNTANTSDate of Signature.....
30 OCTOBER 2023

Our ref: PERT294/DA/STI

Your ref:

Scottish Funding Council
Apex 2
97 Haymarket Terrace
Edinburgh
EH12 5HD

17 October 2023

Dear Sir or Madam

**2022/23 Education Maintenance Allowance
UHI Perth College**

In accordance with the Scottish Funding Council's EMA audit guidance we attach an 'Auditors' Report' in relation to the above College's EMA Academic year-end statement for 2022/23 (copy attached).

Should you have any queries regarding the attached please do not hesitate to contact us.

Yours faithfully



Stuart Inglis
Director
For and on behalf of Henderson Loggie LLP
Chartered Accountants
Dundee Office
stuart.inglis@hlca.co.uk

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Our ref: PERT294/DA/STI

Your ref:

Scottish Funding Council
Apex 2
97 Haymarket Terrace
Edinburgh
EH12 5HD

17 October 2023

Dear Sir or Madam

**UHI Perth College: Education Maintenance Allowance Return
Auditors' Report to the Scottish Funding Council (SFC) for the period from 1 August 2022
to 31 July 2023**

We have examined the books and records of the above College, including evidence of checks of five per cent of applications and payments, with a sample size appropriate to the total number of applications, and have obtained such explanations and carried out such tests as we considered necessary.

On the basis of our examination and of the explanations given to us, we report that the information set out in these forms is in agreement with the underlying records.

We also report that, in our opinion, the College used these funds in accordance with the SFC's conditions and the principles of the Education Maintenance Allowance programme.

We are satisfied that the systems and controls of the administration and disbursement of these funds are adequate.

Yours faithfully



Stuart Inglis
Director
For and on behalf of Henderson Loggie LLP
Chartered Accountants
Dundee Office
stuart.inglis@hlca.co.uk

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College: Perth
AY 2022-23

College	Full Time students		Part Time Students						Maintenance		Administration				Payments made to College				
	No of claims FT	Total maintenance FT	No of claims PT	Total maintenance PT	Total Maintenance	Admin Claim (Jan, Feb, July)	Headcount (Oct)	Notes	College Maintenance Adjustment	SubTotal Maintenance (=F+K)	College Administration Adjustment	Annual Admin payment to be made 2023	Total EMA Admin (=G+S+T)	Total EMA Spend (=L+U)	Month	Administration	Maintenance	Total	Balance
August 2022	0	£0	0	£0	£0	£0	0		£0	£0	£0	£0	£0	£0	August 2022	£0	£0	£0	£0
September 2022	0	£0	0	£0	£4,320	£0	0		£0	£4,320	£0	£0	£0	£4,320	September 2022	£0	£4,320	£4,320	£0
October 2022	0	£0	0	£0	£7,050	£0	0		£0	£7,050	£0	£0	£0	£7,050	October 2022	£0	£7,050	£7,050	£0
November 2022	0	£0	0	£0	£10,890	£0	0		£0	£10,890	£0	£0	£0	£10,890	November 2022	£0	£10,890	£10,890	£0
December 2022	0	£0	0	£0	£9,900	£0	0		£0	£9,900	£0	£0	£0	£9,900	December 2022	£0	£9,900	£9,900	£0
January 2023	0	£0	0	£0	£5,550	£0	0		£0	£5,550	£0	£0	£0	£5,550	January 2023	£0	£5,550	£5,550	£0
February 2023	0	£0	0	£0	£11,040	£1,200	80		£0	£11,040	£0	£0	£1,200	£23,240	February 2023	£1,200	£22,040	£23,240	£0
March 2023	0	£0	0	£0	£14,370	£0	£0		£0	£14,370	£0	£0	£0	£3,370	March 2023	£0	£3,370	£3,370	£0
April 2023	0	£0	0	£0	£5,820	£0	0		£0	£5,820	£0	£8,000	£8,000	£13,820	April 2023	£8,000	£5,820	£13,820	£0
May 2023	0	£0	0	£0	£9,600	£0	0		£0	£9,600	£0	£0	£0	£9,600	May 2023	£0	£9,600	£9,600	£0
June 2023	0	£0	0	£0	£4,680	£0	£0		£0	£4,680	£0	£0	£0	£4,680	June 2023	£0	£4,680	£4,680	£0
July 2023	0	£0	0	£0	£0	£360	24		£0	£0	£0	£0	£360	£360	July 2023	£360	£0	£360	£0
Totals	0	£0	0	£0	£83,220	£1,560	104		£0	£83,220	£0	£8,000	£9,560	£92,780		£9,560	£83,220	£92,780	£0

Principal's declaration

I certify that the funds claimed by this college throughout the academic year, as detailed above, have been used in line with the requirements of the EMA programme.

I confirm that 5% of applications have been checked for compliance with the programme and are enclosed as evidence in support of this return.

Principal's name (please print)

Principal's signature

Date

19 Sept 2023

Perth College

Internal Audit Annual Plan 2023/24

Internal Audit Report No: 2024/01

Draft issued: 16 November 2023

Final issued:



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1. Introduction

- 1.1 The purpose of this document is to present for consideration by management and the Audit Committee the annual operating plan for the year ended 31 July 2024. The plan is based on the proposed allocation of audit days for 2023/24 as set out in the Internal Audit Strategic Plan 2021 to 2024. The preparation of the Strategic Plan involved dialogue with senior management, the Chair of the Board and the Chair of the Audit Committee, and it was approved by the Audit Committee at its meeting on 31 May 2022.
- 1.2 A copy of the Internal Audit Strategic Plan is included at Section 2 of this report.
- 1.3 At Section 3 of this report we have set out the outline scope and objectives for each audit assignment to be undertaken during 2023/24, together with the proposed audit approach. These have been arrived at following discussion with the Vice Principal – Operations to prepare the initial draft. The outline scopes will be refined and finalised after discussion with responsible managers in each audit area prior to each audit.
- 1.4 Separate reports will be issued for each assignment with recommendations graded to reflect the significance of the issues raised. In addition, audit findings will be assessed and graded on an overall basis to denote the level of assurance for the area reviewed and therefore the priority that should be given to each report.
- 1.5 We can confirm that our audit service complies with Public Sector Internal Audit Standards (PSIAS).

2. Strategic Plan 2021 to 2024

The Strategic Plan covers the financial years 2021/22 to 2023/24. Audit days have been allocated to the categories identified from our review of key risk areas to produce a rolling programme of work. Frequency of visits, the number of days allocated, and the position in the audit cycle has been determined with reference to the combined risk factors identified in the ANA, and previous internal and external audit coverage.

Audit Methodology

In all cases the audit work involves:

- Identification of the expected controls.
- Review of systems to identify actual controls.
- Consideration of established Best Practice in the area.
- Testing of controls to ensure they are operating effectively.
- Consideration of VFM issues where appropriate on all audit assignments and conducting specific VFM reviews as agreed with College management and the Audit Committee.
- Consideration of the relevance of business improvement tools, including lean systems and methodologies, to individual audit assignments.
- Discussion of findings and our likely recommendations with the relevant managers and staff involved with the systems. Recommendations will be graded to help management prioritise their importance.
- Issue of a draft report to confirm factual accuracy and obtain official management responses for inclusion in the final report.
- Issue of a final report that summarises audit objectives, work carried out, the implications of the findings for internal control, and an action plan with areas for improvement. The action plan will allocate responsibility for the implementation and give a timeframe for completion.
- Follow-up of action plans in future years.

Strategic Plan 2021 to 2024

Proposed Allocation of Audit Days

	Category	Priority	Actual 21/22 Days	Actual 22/23 Days	Planned 23/24 Days
Reputation					
<i>Publicity and Communications</i>	Gov	M			
<i>Health and Safety / Wellbeing</i>	Gov	H			5
Student Experience					
<i>Curriculum</i>	Perf	M			
<i>Quality</i>	Perf	M	5		
<i>Student support</i>	Perf	M			
<i>Student recruitment and retention</i>	Fin/Perf	M/H			
<i>Student welfare – Duty of Care</i>	Perf	M			
<i>Students Association</i>	Gov	L/M			
Staffing Issues					
<i>Staff recruitment and retention</i>	Perf	M			
<i>Staff development</i>	Perf	M			
<i>Payroll</i>	Fin	M/H	5		
<i>Teaching staff utilisation</i>	Perf / Fin	M			
Estates and Facilities					
<i>Building maintenance</i>	Fin/Perf	M/H	4		
<i>Estates strategy / capital projects</i>	Fin/Perf	M			
<i>Space management / room utilisation BPR</i>	Perf	H		5	
<i>Asset / fleet management</i>	Perf	M			
Financial Issues					
<i>Budgetary control</i>	Fin	M			
<i>Student invoicing and debt management</i>	Fin	M			
<i>General ledger</i>	Fin	L			
<i>Procurement and creditors / purchasing – Sustainable procurement</i>	Fin	M/H		5	
<i>Debtors / Income</i>	Fin	M/H	4		
<i>Cash & Bank / Treasury management</i>	Fin	M			
<i>Fraud Prevention, Detection and Response</i>	Fin	M			4
<i>Financial sustainability</i>	Fin	H			

Strategic Plan 2021 to 2024

Proposed Allocation of Audit Days (continued)

	Category	Priority	Actual 21/22 Days	Actual 22/23 Days	Planned 23/24 Days
Commercial Issues					
<i>Business Development</i>	Fin/Perf	M			
<i>External Activities</i>	Gov/Fin/Perf	M			
Organisational Issues					
<i>Risk Management</i>	Perf	M/H			5
<i>Business Continuity</i>	Perf	M		5	
<i>Corporate Governance</i>	Gov	M			
<i>Corporate Planning</i>	Perf	M			
<i>Performance reporting / KPIs</i>	Perf	M/H		4	
<i>Partnership Working (incl. Regional Engagement)</i>	Gov/Perf	H	5		
<i>Equalities</i>	Gov	L/M			
<i>Environmental Sustainability</i>	Gov/Perf	M			
Information and IT					
<i>Cyber security</i>	Perf	M/H			5
<i>Data protection / records management</i>	Gov	H		5	
<i>FOI</i>	Gov	M			
<i>ICT and Digital Transformation</i>	Perf	M/H			4
<i>Strategy implementation (with specific focus on digital capability)</i>					
<i>Licencing</i>	Perf	L			
Other Audit Activities					
Credits Audit	Required		5	5	5
Bursary, Childcare and Hardship Funds Audit	Required		4	4	4
EMA Audit	Required		1	1	1
Management and Planning)			3	3	3
External audit / SFC)					
Attendance at Audit Committee)					
Follow-up reviews			2	2	2
Payroll Double Payment			5		
Audit Needs Assessment			2		
Total			45	39	38
			=====	=====	=====

Category: Gov – Governance; Perf – Performance; Fin – Financial

BPR = Business process review



3. Outline Scope and Objectives

Audit Assignment:	Health, Safety and Wellbeing
Priority:	High
Fieldwork Timing	TBC
Audit Committee Meeting:	TBC
Days:	5

Scope

This audit will review the arrangements in place within the College to deal with Health, Safety and Wellbeing.

Objectives

The main objective of this audit will be to review the College's overall arrangements for dealing with Health, Safety and Wellbeing and to consider whether these are adequate and operating effectively in practice.

We will seek to obtain reasonable assurance that the College has:

- a Health, Safety and Wellbeing policy and documented procedures which are communicated to all staff;
- a formal risk identification and assessment process;
- a Health, Safety and Wellbeing training programme which includes induction training, refresher training and training for new equipment and legislation;
- regular monitoring of Health, Safety and Wellbeing systems to ensure that they are functioning effectively including Health and Safety audits, carried out either internally or by external agencies such as the Health and Safety Executive;
- an incident and accident recording system with follow-up and implementation of new controls where required; and
- regular reporting of Health, Safety and Wellbeing to the College Senior Management Team and to the Board of Management.

Our audit approach will be:

From discussion with the Head of HR and Organisational Development and the Health and Safety Officer, and review of procedural documentation, we will identify the internal controls in place and compare these with expected controls. A walkthrough of key systems will then be undertaken to confirm our understanding, and this will be followed up with compliance testing where considered necessary. We will report on any areas where expected controls are found to be absent or where controls could be further strengthened.



Audit Assignment:	Fraud Prevention, Detection and Response
Priority:	Medium
Fieldwork Timing	TBC
Audit Committee Meeting:	TBC
Days:	4

Scope

The scope of this audit will be to carry out a review of the corporate-wide anti-fraud framework in place within the College.

Objectives

The objectives of our audit will be to ensure that:

- anti-fraud policies and procedures exist within the College that are in line with best practice;
- clear leadership, roles and responsibilities have been set out for implementation of the anti-fraud framework;
- there is a process in place to assess the nature and extent of the College's exposure to potential external and internal risks of fraud;
- anti-fraud policies and procedures are embedded and understood throughout the College through appropriate training and communication;
- the College has put in place a process to monitor and review procedures designed to prevent fraud and make improvements where necessary;
- there are clear procedures for employees and Board of Management members to raise concerns or whistleblow if they believe there has been fraud or other wrongdoing within the College; and
- appropriate procedures are in place for the investigation and reporting of a fraud.

Our audit approach will be:

From discussions with members of the College Senior Management Team and other responsible managers and staff, and review of documentation, we will establish the anti-fraud strategies, procedures and monitoring arrangements in place within the College. These will then be evaluated to establish if they are in accordance with legislation and best practice guidance.

Audit Assignment:	Risk Management
Priority:	Medium / High
Fieldwork Timing	TBC
Audit Committee Meeting:	TBC
Days:	5

Scope

The scope of the audit will be to consider whether there are corporate procedures in place to adequately assess risk and minimise the possibility of unexpected and unplanned situations developing, which are in line with good practice.

Objectives

The objective of our audit will be to obtain reasonable assurance that:

- there is a process in place to provide reasonable assurance to the Board and to the Principal in relation to the declaration on risk required for the financial statements;
- the process in place applies good practice in risk management; and
- key risks have been identified and are being appropriately controlled, mitigated, reported, and discussed at appropriate levels of management and the Board.

Our audit approach will be:

We will obtain and review a copy of the College's risk management policies, procedures and Risk Register and discuss the risk management arrangements in place with the Vice Principal – Operations and other key senior managers and staff.

The College's risk management arrangements will then be benchmarked against relevant good practice guidance.

We will consider whether all relevant key risks relating to the strategic objectives of the College have been identified and included on the Risk Register and confirm whether these are monitored and adequately reported on.

Audit Assignment:	Cyber Security
Priority:	Medium / High
Fieldwork Timing	TBC
Audit Committee Meeting:	TBC
Days:	5

Scope

Responsibility for ensuring an efficient and effective Information and Communications Technology (ICT) service delivery to all staff and students within the College lies with the ICT team. This includes first level support over some of the main application systems used in the provision and maintenance of user access to the network. The ICT team is also responsible for purchasing and maintaining the servers upon which the applications are housed, the personal computers (PCs) and mobile devices used by staff and students and the network which connects them.

UHI Perth, like the other UHI Academic Partners, has its own subnet of the UHI local area network (LAN). Within this the College controls access to the data files and systems, with the exception of SITS which is hosted and owned by UHI. This means that any data held on the College servers or subnet is controlled by the College ICT team. UHI, or other Academic Partners, cannot access the College data, with the exception of the student records database that sits within SITS.

The wider UHI LAN is maintained by the UHI IT and Digital Infrastructure (ITDI) team at UHI Executive Office. Connections between the College and UHI network to external networks are managed by ITDI, including ensuring that robust security controls are in place to protect the UHI network from external threats. ITDI is responsible for providing core systems and services such as email, Sharepoint and the SITS student records system to Academic Partners and for ensuring that the databases are protected.

This audit will review the arrangements in place which ensure that the College has clearly identified the ICT / cyber security controls for which the College is responsible for, and to ensure that those controls are operating effectively. Controls that are managed by UHI ITDI will be identified, but not tested as part of this audit.

Objectives

The objective of our audit will be to obtain reasonable assurance that:

- responsibility for the organisational and technical ICT / cyber security controls protecting the College's systems and data has been clearly defined between the College and the UHI ITDI team;
- ICT / cyber security controls managed by the College are being monitored and are operating effectively; and
- there is appropriate ICT / cyber security assurance reporting to the College Board.

Audit Assignment:

Cyber Security (Continued)

Our audit approach will be:

From discussion with the College's Head of ICT and Digital Transformation, other member of the ICT team, and review of documentation, we will identify the systems and internal controls currently in place in relation to security of the IT network and access to College data and compare these with expected controls. A walkthrough of key systems will be undertaken to confirm our understanding and followed-up with compliance testing, where considered necessary.

Audit Assignment:	ICT and Digital Transformation Strategy Implementation
Priority:	Medium / High
Fieldwork Timing	TBC
Audit Committee Meeting:	TBC
Days:	4

Scope

Digital strategy has a much wider reach than the traditional view of an IT strategy and addresses the needs of stakeholders (students, staff, customers, other service users, etc.) in how digital services are delivered. For example, it will include use of websites, applications and devices to provide information to students, staff and customers in an effective and efficient manner.

Strategic planning for digital services is a critically important area for the College. It is a key part of ensuring that cost efficiencies can be generated in an increasingly resource constrained education sector environment. A core component of developing a digital strategy is to ensure that it is business driven and is supported by effective engagement with key stakeholders.

This audit will include a review of processes for the development of the Digital Transformation Strategy within the College. We will review the adequacy and effectiveness of the governance, processes and risk management over the definition, maintenance and delivery of the Strategy designed to help the College meet its objectives and maximise the benefits of digital initiatives for the organisation. A key focus of our review will be to ensure that there is adequate internal and external stakeholder engagement and the extent to which the strategy addresses their requirements.

Objectives

Our review will seek to obtain reasonable assurance that:

- A technology infrastructure has been implemented to enable and support the achievement of the Digital Transformation Strategy;
- Appropriate governance structures are in place which ensure that business and organisation wide project plans relating to data, systems and services, and technology are aligned to support the achievement of the Digital Transformation Strategy;
- All internal and external stakeholders have been identified and formally engaged with to ensure that the Digital Transformation Strategy meets stakeholder expectations for technology utilisation and process objectives;
- There is clear alignment of the Digital Transformation Strategy objectives with Strategic Plan and supporting strategies objectives;
- Staff, students and other stakeholders are supported in developing digital skills to ensure access and inclusion are maintained; and
- There is regular reporting to stakeholders on progress with achieving the Digital Transformation Strategy.

Our audit approach will be:

We will assess whether the above objectives have been met, through discussions with the Head of ICT and Digital Transformation, and members of related project groups and other key staff, and through review of relevant documentation.

Audit Assignment:	Credits Audit
Priority:	Required annual audit
Fieldwork Timing	18 September 2023
Audit Committee Meeting:	7 December 2023
Days:	5

Scope

Credits Audit Guidance, issued by SFC, requests that colleges obtain from their auditor assurances as to the reasonableness of procedures used in the compilation of the Credits related element of the student activity data for the academic year (FES return).

Objectives

To obtain reasonable assurance that:

- the student data returns have been compiled in accordance with all relevant guidance;
- adequate procedures are in place to ensure the accurate collection and recording of the data; and
- the FES return is free from material misstatements.

Our audit approach will be:

Through discussion with College staff, and review of relevant documents, we will record the systems and procedures used by the College in compiling the returns to SFC and assess and test their adequacy. We will carry out further detailed testing, as necessary, to enable us to conclude whether the systems and procedures are working satisfactorily as described to us.

Detailed analytical review will be carried out obtaining explanations for significant variations from previous year's activity.

Our testing will be designed to cover the key risk areas identified in Annex C of the Credits Audit guidance.

We will also review the final error report from the FES on-line checks.

Audit Assignment:	Bursary, Childcare and Hardship Funds Audit
Priority:	Required annual audit
Fieldwork Timing	18 September 2023
Audit Committee Meeting:	7 December 2023
Days:	4

Scope

We will carry out an audit on the College's student support funds for the year ended 31 July 2023 and provide an audit certificate.

Objectives

The audit objectives will be to obtain reasonable assurance that:

- the College complies with the terms, conditions and guidance notes issued by the SFC and SAAS;
- payments to students are genuine claims for hardship, childcare or bursary, and have been processed and awarded in accordance with College procedures; and
- the information disclosed in each of the returns for the year ended 31 July 2023 is in agreement with underlying records.

Our audit approach will be:

- Reviewing new guidance from the SFC and SAAS and identifying internal procedures through discussion with College staff, and review of relevant documents;
- Agreeing income to awards;
- Reconciling expenditure through the financial ledger to returns, investigating reconciling items;
- Reviewing for large or unusual items, obtaining explanations where necessary; and
- Carrying out detailed audit testing, on a sample basis, on expenditure from the funds.

Audit guidance issued by SFC will be utilised. This includes 'Areas of risk and audit considerations' for bursaries and the discretionary funds and childcare.

Audit Assignment:	Education Maintenance Allowance (EMA)
Priority:	Required annual audit
Fieldwork Timing	18 September 2023
Audit Committee Meeting:	7 December 2023
Days:	1

Scope

Guidance on the audit requirements for Education Maintenance Allowances (EMAs), issued by SFC, includes the requirement to have a separate audit of EMAs on an academic year (August to July) basis.

Objectives

To obtain reasonable assurance that:

- the information set out in the EMA returns is in agreement with the underlying records;
- the College used the funds in accordance with SFC's conditions and the principles of the EMA programme; and
- the systems and controls for the administration and disbursement of the funds are adequate.

Our audit approach will be:

Through discussion with Student Funding staff, and review of relevant documents, we will record the systems and procedures used by the College in compiling the EMA returns and assess and test their adequacy. We will carry out further detailed testing, as necessary, to enable us to conclude that the systems and procedures are working satisfactorily as described to us.

Audit Assignment:	Follow-Up Reviews
Priority:	Various
Fieldwork Timing	TBC
Audit Committee Meeting:	TBC
Days:	2

Scope

This review will cover reports from the 2022/23 internal audit programme and reports from earlier years where previous follow-up identified recommendations outstanding.

Objectives

To establish the status of implementation of recommendations made in previous internal audit reports.

Our audit approach will be:

- for the recommendations made in previous reports ascertain by enquiry or sample testing, as appropriate, whether they have been completed or what stage they have reached in terms of completion and whether the due date needs to be revised; and
- prepare a summary of the current status of the recommendations for the Audit Committee.

Aberdeen 45 Queen's Road AB15 4ZN
Dundee The Vision Building, 20 Greenmarket DD1 4QB
Edinburgh Ground Floor, 11-15 Thistle Street EH2 1DF
Glasgow 100 West George Street, G2 1PP

T: 01224 322 100 **F:** 01224 327 911
T: 01382 200 055 **F:** 01382 221 240
T: 0131 226 0200 **F:** 0131 220 3269
T: 0141 471 9870

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Committee Cover Sheet

Paper No. 14

Name of Committee	Audit Committee
Subject	FOI & Data Protection Quarterly Update
Date of Committee meeting	07/12/2023
Author	Ian McCartney, Clerk to the Board
Date paper prepared	30/11/2023
Executive Summary 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 October 2023
Committee Consultation 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
Action requested	<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)
Strategic Impact Please highlight how the paper links to the Strategic Objectives of UHI Perth or the UHI Partnership: Strategic-Plan-2022-27.pdf 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>Resource implications</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>Risk implications</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>Equality & Diversity</p> <p>Does this activity/proposal require an Equality Impact Assessment?</p> <p>If yes, please provide details.</p>	<p>No</p>
<p>Data Protection</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>Island communities</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>Status</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

Quarterly Freedom of Information & Data Protection Update

Academic Year 2023/24 | Quarter 1 | August – October 2023

1. Summary

Quarter 1 of 2023/24 saw numbers of Freedom of Information requests and Subject Access Requests broadly in line with recent first-quarter trends.

Of the 7 FOI requests, 2 were returned with no data held/held by UHI, and a further request was closed due to no response received following a request for clarification.

2. Freedom of Information

a. Total Number of Requests

2023/24 Quarter 1	2022/23 Full Year	2021/22 Full Year	2019/20 Full Year	2018/19 Full Year	2018/19 Full Year
7	39	22	28	28	39

b. Request Topics – 2023/24 Q1

Type	Number
Academic-Related	1
Student-Related	1
Compliance	0
Finance/Procurement	3
Estates	1
HR	1
IT	0
TOTAL	7

c. Request Sources – 2023/24 Q1

Type	Number
Legal Representative	0
Campaigning Groups	1
Industry	1
Trade Union	0
Press	0
Scottish Parliament	1
Staff	0
Student	0
University Research	0
Unknown/Anonymous	4
TOTAL	7

d. Response Times – 2023/24 Q1

Replied within Statutory Time	7
Late	0
To be completed	0

3. Data Protection

a. Total Number of Requests

	2023/24 Q1	2022/23 Full year	2021/22 Full year	2020/21 Full Year	2019/20 Full Year	2018/19 Full Year
Subject Access Requests	0	5	5	6	6	10
Data Breaches	0	5	6	7	13	13

Ian McCartney
30 November 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