

Board of Management

| | |
|---------------|---------------------------------------|
| Meeting | Audit Committee |
| Date and time | Tuesday 10 November 2020 at 8.30 a.m. |
| Location | Via Microsoft Teams, Calendar Link |

Board Secretary
03 November 2020

AGENDA**Welcome and Apologies****Declarations of Interest**

The timings on this agenda are indicative only and the meeting may extend beyond the anticipated finish time.

ITEMS FOR DECISION

1. **MINUTES**
Meeting of the Audit Committee held on 15 September 2020
2. **OUTSTANDING ACTIONS**
Action List
3. **INTERNAL AUDIT**
 - Approval of Terms of Reference Covid-19 Quality and Assessment
4. **POLICIES FOR APPROVAL**
 - 4a. Email Usage and Retention Policy
 - 4b. Information Security Policy
 - 4c. University Partnership IS Acceptable Use Policy

ITEMS FOR DISCUSSION

5. **EXTERNAL AUDIT**
Annual Audit Plan Addendum Year Ended 31 July 2020
6. **AUDIT REPORTS**
 - a) Annual Internal Audit Report Update
 - b) Draft Annual Audit Committee Report to the Board
 - c) FES 19-20 Audit
 - d) Student Support Funds 19-20 Audit

7. **FINANCIAL RECOVERY PLAN – CONFIDENTIAL**
Report by Principal
 8. **RISK MANAGEMENT**
Verbal Update from Director of Finance
 9. **BUSINESS CONTINUITY**
Report by Depute Principal – Academic Planning
 10. **HEALTH AND SAFETY UPDATE**
Report by Health and Safety Manager
 11. **FEEDBACK FROM COMMITTEE EVALUATION**
Report by Board Secretary
-

ITEMS FOR NOTING

12. **COMPLAINTS - QUARTERLY REPORT**
Report by Quality Manager
13. **HEALTH AND WELLBEING MINUTES**
 - 12th June 2020
 - 9th September 2020
14. **AOCB**
15. **DATE OF NEXT MEETING – 9 March 2021**

If any member wishes to add an item of business to the Agenda, please inform the Chair and the Board Secretary as soon as possible. Additional items of business will be considered for inclusion in the agenda in advance of and at the start of the meeting.

Monitoring of Financial Recovery Plan

| Item | Agenda Item |
|---|--------------------|
| <ul style="list-style-type: none"> • Oversight of risks specific to the FRP in the context of our overall risk profile. | Item 6 |
| <ul style="list-style-type: none"> • Consideration of internal and external audit and any modification to the scope or timing of those programmes. | Item 3 |
| <ul style="list-style-type: none"> • Scrutiny of high-level financial performance and forecasts and consequential impacts on audit processes and Board governance obligations. | Item 6 |

ITEM 00

| | |
|--|--------|
| <ul style="list-style-type: none">• Scrutiny of FRP application within the SPFM constraints. | Item 6 |
| <ul style="list-style-type: none">• Oversight of FRP risks in the context of risks introduced by Covid-19/post-Covid19 contexts. | Item 6 |

MINUTES of the MEETING of the AUDIT COMMITTEE held via Skype on Tuesday 15 September 2020

PRESENT: Chris O'Neil, Innis Montgomery, Fiona Neilson, Samantha Cribb, Sally Blyth.

CHAIR: Fiona Neilson

APOLOGIES: Olga Potapova EY, External Auditors

ATTENDING: Director of Finance

Depute Principal – Planning and Student Experience

Stephen Reid, EY, External Auditors

Claire Robertson, BDO LLP, Internal Auditors

Chloe Ridley, BDO LLP, Internal Auditors

Board Secretary

OBSERVING: Ron Hill, External Effectiveness Review Facilitator

It was noted that under AOCB there would be a brief update on RSB, RSC, the demise of FERB and the Partnership Council as well as an update on the recruitment of new Board of Management Members and Audit Chair.

There were no declarations of interest.

1. MINUTES

The Minutes of the Meeting of the Audit Committee held on 2nd June 2020 were **AGREED** as a correct record and were **APPROVED**.

2. OUTSTANDING ACTIONS

- **Risk Register** – This item will be discussed within the agenda.
- **NFI** – The Director of Finance noted that whilst this was an audit recommendation he expressed concerns over whether this can be carried out at the moment. The Director of Finance advised the Committee that he will continue to monitor the situation and will make a judgement as to when this area of work can be completed.
- **Internal Audits – Covid-19 Health and Safety** – The Committee noted that dates for carrying out the Covid-19 Health and Safety Internal Audit had been set and it was **AGREED** that this item could be removed from the list.
- **Internal Audits – Quality & Assurance – Covid-19 Terms of Reference** – The Committee noted that the Terms of Reference for the Quality & Assurance – Covid-19 Internal Audit will be taken to the LT&R Committee on 22 September 2020 and will be brought back to the November Audit Meeting for final approval.
- **Cyber Security – Terms of Reference** - This item will be discussed within the agenda.
- **EMA – Terms of Reference** - This item will be discussed within the agenda.
- **Workforce Planning – Terms of Reference** - This item will be discussed within the agenda.

ITEM 01

- **Procurement of Internal Auditors** – The Committee noted that this process will begin in early 2021.
- **Committee and Chair Evaluation** – This item will be discussed within the agenda.

3. INTERNAL AUDIT

- *Cyber Security Terms of Reference*- the Committee was advised that the cyber security terms of reference had been updated to reflect the scope of the audit. The Committee discussed staff training and knowledge of cyber security and BDO confirmed that this would be covered within the audit. Following these updates the Committee **AGREED** these terms of reference.
- *EMA Terms of Reference* – the Committee was advised that these terms of reference had been updated with the timescales issued by the SFC. The Committee **AGREED** these terms of reference.
- *FES Terms of Reference* – Again the committee was advised that these terms of reference had been updated with the timescales issued by the SFC. The Committee **AGREED** these terms of reference.
- *SSF Terms of Reference* - Again the committee was advised that these terms of reference had been updated with the timescales issued by the SFC. The Committee **AGREED** these terms of reference.
- *Work Force Planning Terms of Reference* – the committee **AGREED** these terms of reference.

4. EXTERNAL AUDIT

Stephen Reid, EY advised that following discussions with the Principal and other SMT members there would be an addendum to the Audit Plan. This addendum will be brought to the next Audit Committee Meeting for discussion. Within this addendum there will be a timetable for completion which is expected at the end of November 2020; with Board approval being sought in January/February 2021.

5. AUDIT REPORTS

Internal Audit Follow Up Review Report

Chloe Ridley, BDO advised the Committee that following the review of the Internal Audit for 2019-20 there had only been one recommendation which had been fully implemented. Five recommendations have been partially implemented but documentation has not yet been provided to BDO for them to be classed as fully implemented. BDO will continue to follow this up throughout the year.

Internal Audit – Report by Director of Finance

The Director of Finance advised the Committee that he did not accept all the recommendations within the internal audit especially with regards budget planning and felt that these cannot be achieved due to:

ITEM 01

- The limited resources available within the Finance Team.
- How the budgets are currently being monitored within the College.

The Director Finance advised the Committee that he would recommend closing off the outstanding actions from this audit.

Claire Robertson BDO advised the Committee that this was an important part of the audit and the current format is what determines how we have implemented the recommendations and shows engagement with the process.

A lengthy discussion ensued with regards whether it was valid to remove some of these outstanding actions. This discussion highlighted the following:

- Student Fees and the differences in figures. It was noted that this was due to income not being managed correctly historically, the recent review of debts and the upgrade of the finance system. It was **AGREED** that this would be discussed further with BDO in a follow up review meeting.
- Data Protection Update – it was **AGREED** that the Board Secretary will follow this up.
- Partnership Agreement – the Committee noted that the partnership agreement with the Highland Council had yet to be signed by them. The Deputy Principal – Planning and Student Experience will provide evidence to BDO with regards this.
- Business Continuity – it was **AGREED** that this will be further discussed internally.

A further lengthy discussion ensued with regards budget planning. This discussion highlighted the following:

- The view of the Finance Team is that they feel that the proposed evidence required is not feasible and that evidence which they can provide comes from emails sent to the budget holders and members of the SMT and that whilst there is a wealth of evidence it is not always easy to define.
- BDO confirmed that they are looking for evidence which shows the budget timetable, how it was set and is used, which will show a clear process is being followed.
- The Committee advised that whilst this was not potentially the time to be carrying out this work it is something to strive towards in the future to ensure that a more formal timetabling process is set up and in the meantime all email evidence should be provided to BDO.
- The Director of Finance advised that where areas are not meeting their budget the Finance Team and their reports will pick this up and ensure appropriate steps are taken.
- The Committee **AGREED** that this issue will be discussed further at the next meeting.

Health and Safety Audit Report

BDO highlighted to the Committee that there remain a number of outstanding actions following the Health and Safety Audit Report. This audit was carried out in March prior to the closure of the campus due to Covid-19 and there were six

ITEM 01

medium level and one low level findings. The Committee noted that this audit was completed prior to the new Health and Safety Manager taking on his role.

The Committee noted the expected completion date of January 21 and a discussion over whether this was a feasible deadline took place which highlighted:

- Proposed change of system - discussions have been held within the Partnership with regards a common system but this has now been rejected due to the cost which means we may have to consider a possible extension to the SHE contract.
- The impact of Covid-19 and access to the building.
- Liability – whether VDE checks are being carried out by staff at home.
- Record keeping and whether staff are fully engaging with processes.
- Training available on Safetyhub and whether this is being used and properly monitored.
- That focus remains on all Health and Safety issues – not just those affected by Covid-19. It was **AGREED** that this issue will be revisited at the next meeting for further discussion.
- Fire Evacuation plans and Fire Marshalls.

The Audit Committee were comfortable with items being followed up offline and for the SMT to liaise with BDO over this.

Estates Management Audit Report

The Committee were advised that the Estates Management Audit was carried out in April and from this Audit we have two medium level and one low level findings.

Out with this audit the Committee were advised that there had been two incidents concerning the security of the building.

The Committee noted that the Estates Dept. are now involved in their budget setting and an update of their spend will be taken to the next meeting for discussion. Additional funding has been allocated from SFC with regards Covid compliance.

6. FINANCIAL RECOVERY PLAN

It was reiterated to the Committee that the Financial Recovery Plan is being monitored at the monthly Chairs meetings and a copy of the report which was discussed at the September Chairs was included within the Audit Committee papers.

The confidential report covers the period up to 31st July 2020.

Stephen Reid and Claire Robertson left the meeting.

The Committee discussed how the FRP was reported to Committees and it was noted that the model of reporting needed to meet the needs of each Committee to ensure that the information remained relevant and understandable for each Committee.

7. RISK MANAGEMENT

The Committee were advised that the Director of Finance had not adjusted the Risk Register and that some of the narrative required updating. The Director of Finance will complete this with assistance from the Board Secretary and the register will be taken back to the November meeting for further discussion.

The Committee were updated with regards the risk relating to the water claim.

8. BUSINESS CONTINUITY

The Principal took the Committee through the report which had been prepared by the Depute Principal – Academic Development.

- The Committee noted the maturing governance processes within the UHI partnership.
- The Committee noted the protocols in place such as PPE, track and trace which remains GDPR compliant and how these are continually monitored and reviewed. A discussion took place with regards staff sickness and staff mental health.

Innis Montgomery left the meeting at this point.

- The Committee highlighted the incredible job which the IT Dept. had done over the past 6 months in ensuring that staff were able to work from home.

9. HEALTH AND SAFETY REPORT

The contents of this report were noted by the Committee.

10. ANNUAL REPORT – COMPLAINTS 2019-20

The contents of this report were noted by the Committee

11. FEEDBACK FROM COMMITTEE AND CHAIR EVALUATION

It was **AGREED** that all members of the Committee would provide the Board Secretary with their feedback out with this meeting and this will be further discussed at the next meeting.

12. AOCB

Regional Strategic Body

The Committee noted that FERB had now ceased and the RSC was now working closely with the Partnership Council. The Chair of the Board of Management is a member of the RSC.

Board Recruitment

The Committee was advised that a recruitment campaign for new Board members and a Chair of the Audit Committee was due to begin in October.

10. DATE OF NEXT MEETING – TUESDAY 10 NOVEMBER 2020 @ 8.30 A.M.

Signed by the Chair: _____

Date: _____

Outstanding Actions - Audit Committee

ITEM 02

| Item | Action | Responsibility | Time Line | ACTIONED |
|---------------------------------|--|-----------------------------|-----------|---|
| 27 November 2018 | | | | |
| Risk Register/ Risk | <p>Consider how to embed the process of enhancing mitigating actions at partnership level.</p> <p>Following the September Audit Committee it was agreed that the Director of Finance would update the risk register narrative.</p> | <p>Principal</p> <p>DoF</p> | Ongoing | <p>Risks considered at PC need to be deeper and looked at – verbal update from Principal.</p> <p>The updated Risk Register to be brought to the Nov Audit Committee</p> |
| 10 March 2020 | | | | |
| Audit Recommendations | A small contract with NHS or Highland Council for 1-2 days a year of NFI exercise training to be sought. Ideally this to be completed alongside other academic partners too. | | Ongoing | Has not progressed to tender stage yet – to remain monitored by the DoF. |
| 2nd June 2020 | | | | |
| Internal Audits | | | | |

Outstanding Actions - Audit Committee

ITEM 02

| | | | | |
|---|--|------------------|--|--|
| | Terms of References for Quality & Assurance – Covid-19 to be taken to June LT&R Meeting for their input prior to approval. | | | To be taken to LT&R September meeting for approval and then brought back to the November Audit Committee |
| Procurement of Internal Auditors | The procurement process for Internal Auditors to begin in early 2021 | Procurement Dept | | |
| 15 September 2020 | | | | |
| Internal Audit Review | Data Protection Update – it was AGREED that the Board Secretary will follow this up. | Board Secretary | | To update Committee at November meeting. |
| | Student Fees – to be further discussed with BDO | SMT and BDO | | |
| | Partnership Agreement – evidence to be provided to BDO | DP-PSE | | |
| | Business Continuity – internal discussions to take place with regards this part of the audit. | SMT | | |
| | Budget Planning | DoF | | Further discussion at November meeting |
| | Health and Safety – discussion to ensure that all checks are being carried out (outwith the Covid-19 focus) | | | Discussion at November meeting. |
| | Update on Estates Spend to be taken to the next meeting for discussion. | DoF | | November Meeting |

Outstanding Actions - Audit Committee

ITEM 02

| | | | | |
|---|--|------------|--|--|
| Feedback from Committee and Chair Evaluation | All members of the Committee to provide the Board Secretary with their feedback. | Board Sec. | | A updated report will be brought to the next meeting for discussion. |
|---|--|------------|--|--|

Board of Management

| | |
|---|--|
| Subject/Title: | Covid-19 Quality and Assessment ToR for Internal Audit |
| Author: [Name and Job title] | Roddy Henry, Depute Principal – Planning and Student Experience Updates by Lisa Ross, Board Secretary |
| Meeting: | Audit Committee |
| Meeting Date: | 10 November 2020 |
| Date Paper prepared: | 14 September 2020 |
| Brief Summary of the paper: | <p>The Audit Committee, at its June 2020 meeting, requested the LT&R Committee to consider the Terms of Reference (ToR) for the proposed internal audit on quality and assessment arrangements necessitated by the Covid-19 restrictions.</p> <p>This paper provides the committee with thoughts on the ToR and recommendations on amendments to the original ToR, compiled from discussions between the two Depute Principals, the Directors of Curriculum and Student Experience and the Quality Manager.</p> <p>These amendments to the ToR were approved by the LT&R Committee on 22 September 2020.</p> |
| Action requested: [Approval, recommendation, discussion, noting] | For Approval |
| Link to Strategy: Please highlight how the paper links to, or assists with:: | This paper links to the strategic plan, particularly in relation to the student experience and the curriculum. |
| <ul style="list-style-type: none"> • compliance • partnership services • risk management • strategic plan • new opportunity/change | |
| Resource implications: | Yes: management time to engage with the audit. |
| Risk implications: | No |
| Equality and Diversity implications: | No |
| Consultation: [staff, students, UHI & Partners, External] and provide detail | n/a |

ITEM 03

| | | | |
|---|------------------|--|--|
| Status – [Confidential/Non confidential] | Non-confidential | | |
| Freedom of Information Can this paper be included in “open” business* [Yes/No] | Yes | | |
| *If a paper should not be included within “open” business, please highlight below the reason. | | | |
| Its disclosure would substantially prejudice a programme of research (S27) | | Its disclosure would substantially prejudice the effective conduct of public affairs (S30) | |
| Its disclosure would substantially prejudice the commercial interests of any person or organisation (S33) | | Its disclosure would constitute a breach of confidence actionable in court (S36) | |
| Its disclosure would constitute a breach of the Data Protection Act (S38) | | Other (please give further details) | |
| For how long must the paper be withheld? (express either as the time which needs to pass or a condition which needs to be met.) | | | |

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

Executive summary

The Audit Committee, at its June 2020 meeting, requested the LT&R Committee to consider the Terms of Reference (ToR) for the proposed internal audit on quality and assessment arrangements necessitated by the Covid-19 restrictions.

This paper considers the background to the amendments to the assessment arrangements and the context within which the college operates. It proposes some changes to the ToR in light of these factors while maintaining a focus on the college's compliance with awarding body requirements.

Main body of information

Background

The background for and main purpose of the audit are valid. Although the exact circumstances are not likely to be replicated, and the college's actions are already subject to awarding body scrutiny, the audit can be helpful in reviewing the process and providing assurance that the college implemented the requirements of awarding bodies appropriately.

The 'lockdown' in response to Covid-19 necessitated significant and rapid amendments to planned assessment arrangements, across all qualifications and levels of study. The purpose of the audit is to provide assurance regarding the arrangements and controls in place throughout the period affected by Covid-19 restrictions. While this may be seen as an exceptional circumstance, we should accept that amendments may need to be deployed again in 2020-21 (at least) as the restrictions are still in place now and may well be in place throughout the academic year.

The college has the authority to deliver and assess qualifications on behalf of awarding bodies, mainly the SQA and the UHI: it does not however award qualifications in its own right. The college is of course an integral part of the UHI, however, decisions on amendments to the assessment of qualifications awarded by UHI come through the Faculty Boards and the office of the Academic Registrar. The college is an 'SQA Centre' with devolved authority for the delivery of SQA qualifications at FE level. The college is also a centre for other awarding bodies, such as EAL and IMI (engineering and motor vehicle awards) and delivers vocational qualifications linked, via SQA, to industry body occupational standards. The UHI is the SQA Centre for SQA qualifications at HE level (such as HNC and HND).

While UHI was able to act quickly to make amendments to its own degree qualifications, discussions with SQA took place at a national level and the resulting amendments were implemented nationally by every SQA centre. The instruction and guidance from SQA evolved over the period of lockdown, and elements of it changed during the period. The situation with the national SQA exam diet was the most high-profile example, with the Scottish Government eventually stepping in to amend the process subsequent to the release of grades.

Discussion on the ToR

Bearing the above in mind, the main focus of the audit should be on the actions taken by the college in relation to the requirements of awarding bodies: the engagement with the discussions and guidance, and how the amended arrangements were implemented and complied with. Much within the ToR addresses this focus, however it also contains elements over which the college has little or no control.

The original audit ToR intends to evaluate whether the procedures and arrangements gave particular advantage or disadvantage to students and whether they were fair to all students. It also sets out to establish if the college ensured that the value of the qualifications it awards was not diminished. While these aims are understandable, they are problematic in the context of internal audit for several reasons.

Firstly, and as outlined above, the college does not award qualifications but was bound to implement the arrangements as instructed by the awarding bodies: it had limited opportunity to make choices within the prescribed arrangements. The main concern, and responsibility, was to comply with awarding body requirements, particularly that of the SQA, to ensure that candidates would be certificated and/or progress wherever possible.

Secondly, the 'fairness' of the arrangements prescribed by the awarding bodies is debatable and open to subjective judgement. The college followed closely and rigorously the instruction from SQA regarding how to submit grades for National 5 and Higher results, for example. However, the Scottish Government later deemed the process unfair to candidates and changed it, and there is still significant unhappiness from some groups and individuals as to the fairness of the outcomes. The equity of the arrangements was largely out-with the college's control.

Finally, a judgment on whether the value of the qualifications delivered by the college (not awarded by the college) is diminished is similarly subjective. It is not clear how this could be verified through an audit process, other than canvassing opinion from a cross-section of stakeholders, which would not be an appropriate audit activity. It is also not clear what the college could do to address any concerns, other than ensure compliance with the awarding body requirements.

Essentially, the ToR contains elements that confuse the college's role with that of an awarding body and seeks to assess some risks that are largely within the control of the awarding bodies and not the college.

Recommendations by LT&R Committee

The attached ToR contains tracked changes that reflect the discussion above and make the main focus of the audit the college's compliance with the amended assessment arrangements. The LT&R Committee approved these the changes in light of the above discussion and background and have returned the ToR for final approval by the Audit Committee.

Roddy Henry
Depute Principal – Planning and Student Experience



INVERNESS COLLEGE

INTERNAL AUDIT TERMS OF REFERENCE

COVID-19 - QUALITY & ASSESSMENT

2020-21

INVERNESS COLLEGE, COVID-19 - QUALITY & ASSESSMENT

ITEM 03

BACKGROUND

As part of the 2020-21 Internal Audit Plan, it was agreed that Internal Audit would perform a review of the arrangements in place for assessing and grading students as a result of Covid-19.

PURPOSE OF REVIEW

The purpose of this review is to provide management and the Audit Committee with assurance over the arrangements and controls in place to assess and grade students throughout the period affected by Covid-19. We will consider whether the process ~~is fair for students and students are not unfairly advantaged or disadvantaged, and~~ is compliant with the requirements of awarding bodies.

KEY RISKS

Based upon the risk assessment undertaken during the development of the internal audit operational plan, through discussions with management, and our collective audit knowledge and understanding the key risks associated with the area under review are:

- Assessment practices have not been evolved to address the challenges posed by the Covid-19 restrictions;
- No emergency procedures have been introduced to ensure ~~students are not given any particular advantage or disadvantage due to the circumstances relating to their academic performance, or the process adopted may not be fair for students~~ assessment and grading can be carried out under the restricted circumstances;
- The arrangements adopted are not compliant with the requirements of awarding bodies;
- The College is not considering best practice and could be ~~open to challenge on~~ found wanting in terms of the approach it is taking to academic performance assessment and grading;
- Students are not being kept informed or do not have access to information relating to their academic performance under the changed circumstances; ~~and~~
- ~~The value of qualifications awarded by the College during the restrictions period is diminished.~~

SCOPE OF REVIEW

The scope of the review is to assess whether:

- ~~Appropriate assessment arrangements have been introduced in response to Covid-19 restrictions and awarding body requirements;~~
- The College has considered assessment options and has adopted the most suitable approach for students across the College;
- ~~Procedures and processes have been introduced that ensure students are not given any advantage or disadvantage due to the circumstances relating to their academic performance, and the process adopted is fair for students;~~
- The arrangements adopted are compliant with all awarding body requirements;

Formatted: Bulleted + Level: 1 + Aligned at: 0.63 cm + Tab after: 1.27 cm + Indent at: 1.27 cm

INVERNESS COLLEGE, COVID-19 - QUALITY & ASSESSMENT

ITEM 03

- The College has accessed, considered and adopted best practice in its approach to academic performance assessment and grading;
- There is clear justification ~~available to demonstrate why the College has adopted its preferred approach, for the approaches taken by the College,~~ and this is made available to all students ~~as appropriate, and has been approved by the Board of Management;~~
- All students are provided with regular and clear updates as to the amended ways of working and the procedures that the College will be adopting, and can access information relating to their academic performance, ~~and~~
- ~~The arrangements are reported to and monitored by the Board of Management.~~
- ~~Appropriate arrangements are in place to ensure the qualifications awarded by the College during the restrictions period are not diminished.~~

Internal Audit will bring to the attention of management any points relating to other areas that come to their attention during the course of the audit. We assume for the purposes of estimating the number of days of audit work that there is one control environment, and that we will be providing assurance over controls in this environment. If this is not the case, our estimate of audit days may not be accurate.

APPROACH

Our approach will be to conduct interviews to establish the controls in operation for each of our areas of audit work. We will then seek documentary evidence that these controls are designed as described. We will evaluate these controls to identify whether they adequately address the risks.

We will seek to gain evidence of the satisfactory operation of the controls to verify the effectiveness of the control through use of a range of tools and techniques.

During the course of the review we will keep management informed of any issues which arise as a result of our testing.

A de-brief meeting will be undertaken before completing the review on-site to discuss findings and initial recommendations.

MANAGEMENT COMMENTS

No management comments have been raised regarding the areas under review.

LOCATIONS

Fieldwork will be performed at Inverness College, Main Campus.

EXCLUSIONS

The scope of the review is limited to the areas documented under the scope and approach. All other areas are considered outside of the scope of this review.

INVERNESS COLLEGE, COVID-19 - QUALITY & ASSESSMENT

ITEM 03

REQUIREMENTS

Outlined below is an initial information request relating to this audit. Timely receipt of this information is critical to ensure that the objectives of the audit are met and that the work is completed on time. We have provided an overview of what we require from you and when we require each piece of information. We have tried to be specific wherever possible however, please do contact us as soon as possible if you're unsure about any of the information required.

Please note that this is an initial request and is not exhaustive - further information requiring your attention (including meetings) will be required at the time of our fieldwork.

| REQUIREMENT | DETAILS | RESPONSIBLE PERSON | REQUIRED BY |
|---------------|--|--------------------|--|
| Documentation | <ul style="list-style-type: none">- Guidance and correspondence issued to students explaining the changed arrangements- Minutes of meetings held to discuss alternative options- College policy on the approach being adopted. | Chris O'Neil | 08/02/2021 (2 weeks prior to fieldwork) |

Access to information/staff

Any unreasonable delay in gaining access to required information or key members of staff will place audit timings at risk and may result in additional fees to you. Any such charges would be notified to you and agreed at the time the issue is identified.

Timing changes and cancellation:

In accepting this Terms of Reference document you are agreeing to the timing of this audit (specified on p.5). We will make every effort to accommodate timing changes or cancellation of the audit however any changes within 3 weeks of the start of the fieldwork may result in fees being charged in respect of the audit. Changes with more than 3 weeks' notice will be accommodated at no charge.

KEY CONTACTS

BDO LLP

| | | |
|------------------|----------------------------------|---|
| Claire Robertson | Director | T: 0141 249 5206 E: claire.robertson@bdo.co.uk |
| Chloe Ridley | Internal Audit Assistant Manager | T: 0131 347 0358 E: chloe.ridley@bdo.co.uk |

INVERNESS COLLEGE



INVERNESS COLLEGE, COVID-19 - QUALITY & ASSESSMENT

ITEM 03

| | | |
|--------------|-----------|---|
| Chris O'Neil | Principal | E: Chris.ONeil.ic@uhi.ac.uk |
|--------------|-----------|---|

PROPOSED TIMELINE

| AUDIT STAGE | DATE |
|---|------------|
| Commence fieldwork | 22/02/2021 |
| Number of audit days planned | 5 |
| Proposed date for closing meeting | 26/02/2021 |
| Planned date for issue of the draft report | 12/03/2021 |
| Planned date for receipt of management responses | 26/03/2021 |
| Planned date for issue of proposed final report | 29/03/2021 |
| Planned Audit Committee date for presentation of report | TBC |

SIGN OFF

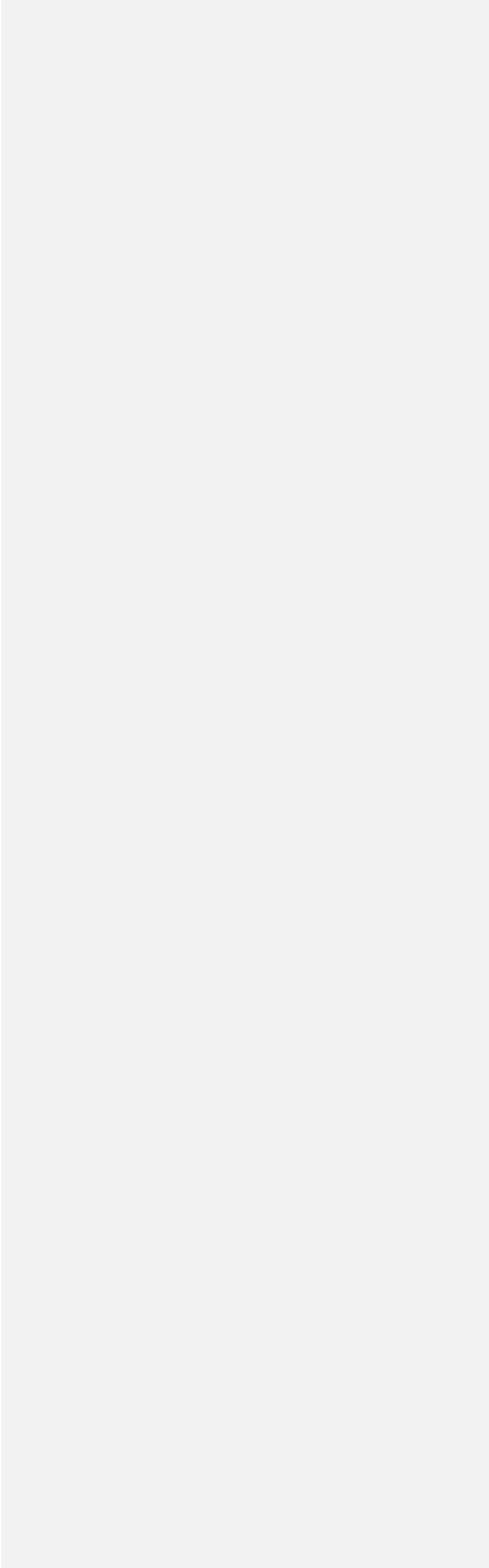
| ON BEHALF OF BDO LLP: | | ON BEHALF OF INVERNESS COLLEGE: | |
|-----------------------|------------------|---------------------------------|--|
| Signature: | Claire Robertson | Signature: | |
| Title: | Director | Title: | |
| Date: | | Date: | |





BDO LLP, a UK limited liability partnership registered in England and Wales under number OC305127, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms. A list of members' names is open to inspection at our registered office, 55 Baker Street, London W1U 7EU. BDO LLP is authorised and regulated by the Financial Conduct Authority to conduct investment business.

BDO is the brand name of the BDO network and for each of the BDO Member Firms. BDO Northern Ireland, a partnership formed in and under the laws of Northern Ireland, is licensed to operate within the international BDO network of independent member firms. Copyright ©2020 BDO LLP. All rights reserved.
www.bdo.co.uk



Board of Management

| | |
|---|--|
| Subject/Title: | ICT Policies & Procedures |
| Author: [Name and Job title] | Martin Robinson, ICT Services Manager |
| Meeting: | Audit Committee |
| Meeting Date: | 11 th November 2020 |
| Date Paper prepared: | 27 th October 2020 |
| Brief Summary of the paper: | <p>Audit Committee are asked to agree the changes to the revised ICT policies & procedures listed below and approve these for progression to the next stage of approval.</p> <ul style="list-style-type: none"> • Email Usage and Retention Policy • Information Security Policy • UHI Partnership Information Security Acceptable Use Policy |
| Action requested: [Approval, recommendation, discussion, noting] | Approval |
| Link to Strategy: Please highlight how the paper links to, or assists with:: | |
| <ul style="list-style-type: none"> • compliance • partnership services • risk management • strategic plan • new opportunity/change | |
| Resource implications: | Yes / No If yes, please specify: |
| Risk implications: | Yes / No If yes, please specify: Operational: Organisational: |
| Equality and Diversity implications: | Yes/No If yes, please specify: |
| Consultation: [staff, students, UHI & Partners, External] and provide detail | The revised policies and procedures were discussed at Scrutiny Panel 7 th October 2020 and SMT Committee on 22 nd October 2020. Following approval from Audit Committee, policies will be progressed to the full Board of Management for final approval. |

ITEM 04

| | |
|---|--|
| Status – [Confidential/Non confidential] | |
| Freedom of Information Can this paper be included in “open” business* [Yes/No] | |
| *If a paper should not be included within “open” business, please highlight below the reason. | |
| Its disclosure would substantially prejudice a programme of research (S27) | Its disclosure would substantially prejudice the effective conduct of public affairs (S30) |
| Its disclosure would substantially prejudice the commercial interests of any person or organisation (S33) | Its disclosure would constitute a breach of confidence actionable in court (S36) |
| Its disclosure would constitute a breach of the Data Protection Act (S38) | Other (please give further details) |
| For how long must the paper be withheld? (express either as the time which needs to pass or a condition which needs to be met.) | |

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

Item 04a



Email Retention and Usage Policy

REFERENCE: PL/IT/2018/001

| | |
|--------------------------------------|--|
| Lead Officer | Depute Principal – Planning & Student Experience |
| Review Officer | ICT Services Manager |
| Date first approved by BoM | 11 October 2018 |
| First Review Date | October 2019 |
| Date review approved by BoM | |
| Next Review Date | |
| Equality impact assessment | N/A |
| Further information (where relevant) | |

Item 04a

| Reviewer | Date | Review Action/Impact |
|--|----------|--|
| ICT Services Manager & Info Dev Manager | 29/09/20 | Change in legislative references: Freedom of Information Act 2000 to Freedom of Information (Scotland) Act UK Data Protection Bill 2018 to UK Data Protection Act 2018 Para 4.6 added “and the student’s college email address.” Para 6.1 removed the word “wide” |
| | | |
| | | |

Contents

| | |
|---|---|
| 1. Policy Statement | 3 |
| 2. Legislative framework / related policies | 3 |
| 3. Scope | 3 |
| 4. Use of College Email | 3 |
| 5. Retention of Emails | 4 |
| 6. Compliance | 4 |
| 7. Monitoring | 4 |

Item 04a

1. Policy Statement

Email is subject to the Freedom of Information (Scotland) Act 2000, the EU General Data Protection Regulation 2016 and the UK Data Protection Act 2018. As such it needs to be managed appropriately and only retained when required.

It is not appropriate to retain all emails indefinitely, or conversely to delete emails that could be viewed as records relating to a project or work activity subject to a longer retention period.

In addition, College email should be used for work purposes only and not used for personal communication or to subscribe to non-work related mailing groups, as these communications will also be subject to the regulations above.

2. Legislative framework / related policies

- 2.1. Freedom of Information (Scotland) Act 2000
- 2.2. General Data Protection Regulation 2016
- 2.3. UK Data Protection Act 2018
- 2.4. Data Protection Policy
- 2.5. Information Security Policy
- 2.6. UHI Partnership Information Security Acceptable Use Policy
- 2.7. Records Management Policy
- 2.8. Freedom of Information Policy

3. Scope

- 3.1. This policy applies to all email sent and received by Inverness College UHI staff using their individual and, where relevant, group or team UHI email addresses.

4. Use of College Email

- 4.1. College email accounts should be managed securely and for work purposes only to comply with the relevant legislation above.
- 4.2. College email addresses should NOT be used to subscribe or login to non-work-related websites or mailing lists, e.g. paypal, ebay, shopping websites, facebook etc.
- 4.3. College email should NOT be used for non-work related communication or activity.
- 4.4. Staff should NOT download College email to a non-College PC, laptop or mobile device. However, it is possible to access College email via the web browser (<http://outlook.com/uhi.ac.uk>) or the Microsoft Outlook app on an ios or Android device. *(Please contact the ICT Helpdesk for more information)*
- 4.5. College email should NOT be forwarded to an alternate email account, such as hotmail or yahoo.

Item 04a

- 4.6 Staff should only communicate with enrolled students using their College email account and the student's college email address.
- 4.7. Do NOT use .pst files (Outlook personal folders) to archive emails to a PC or external hard disk. These are liable to be lost or overlooked when requested under FOI.
- 4.8. Anything you write, send or receive in an email may be subject to disclosure under FOI or the DPA. Email may also be used as evidence in legal proceedings.

5. Retention of Emails

- 5.1. College staff are responsible for managing their email in the same way they manage other business records.
- 5.2. The retention of email is governed by the information within it, not the medium it is stored. Please refer to the Record Management Policy for more information on the appropriate storage for records. For example, key communication regarding an EU funded project would require much more thought before deleting than emails to a colleague to arrange a meeting.
- 5.3. That is, due to the diverse work across the College, there is no "one size fits all" approach to email retention.
- 5.4. However, the presumption is that unless there are good reasons to retain an email it should be deleted and there are automated methods within your email client to comply with this.
- 5.5. Retention of emails should comply with the current data protection legislation. In particular, "Personal data shall be kept in a form which permit identification of data subjects for no longer than is necessary for the purposes for which the personal data are processed".
- 5.6. College staff should consult their line manager, in the first instance, where they require clarification on email retention and department records management.

6. Compliance

- 6.1. This policy is a cross college policy; and all staff must work to meet the requirements outlined within the policy.
- 6.2. Any staff found to be in breach of this policy may be subject to action through the College's disciplinary procedures.

7. Monitoring

- 7.1. This policy will be reviewed regularly, at least annually, by the ICT Services Manager and Information Development Manager to ensure it reflect changes in legislation and best practice.

Item 04b



Information Security Policy

REFERENCE: PL/IT/2017/001

| | |
|--------------------------------------|--|
| Lead Officer | Depute Principal – Planning & Student Experience |
| Review Officer | ICT Services Manager |
| Date first approved by BoM | 19 March 2015 |
| First Review Date | June 2017 |
| Date review approved by BoM | 29 May 2017 |
| Next Review Date | June 2020 |
| Equality impact assessment | 08 March 2017 |
| Further information (where relevant) | |

| Reviewer | Date | Review Action/Impact |
|----------------------|----------|--|
| ICT Services Manager | 28.05.17 | Reviewed by BoM Audit Committee |
| ICT Services Manager | 24.09.20 | Updates to reflect changes in regulation and new Government guidelines |
| | | |

Item 04b

Contents

| | |
|--|---|
| 1. Policy Statement | 3 |
| 2. Legislative framework/related policies | 3 |
| 3. Scope | 4 |
| 4. Information Management Security System (ISMS) | 4 |
| 5. Information Security Incident Management | 5 |
| 6. Responsibilities | 5 |
| 7. Compliance | 6 |
| 8. Monitoring | 6 |
| 9. Review | 7 |

Item 04b

1. Policy Statement

The purpose of the Inverness College Information Security Policy is to:

- Promote, develop, and maintain a consistent and secure approach to the handling, storing and processing of information.
- Ensure all staff, students and relevant third parties understand their responsibilities with regards to Information Security.
- Ensure the College Information assets and IT infrastructure are not misused.
- Ensure the College adheres to relevant Information Security legislation.

Failure to adequately secure information increases the risk of significant financial and reputational losses. This policy outlines the College's commitment and approach to Information Security as well as the roles and responsibilities required to support this.

2. Legislative framework/related policies

2.1. The legislative frameworks applying to this policy are.

- Data Protection Act 2018;
- Computer Misuse Act 1990;
- The Regulation of Investigatory Powers (Scotland) Act 2000;
- Freedom of Information (Scotland) Act 2002;
- The Telecommunications (Lawful Business Practice) (Interception of Communications) Regulations 2000.

2.2. The related Inverness College policies are.

- Data Protection Policy
- Records Management Policy
- UHI IS ICT Acceptable Use Policy
- Business Continuity Policy
- Risk Management Policy
- Staff Recruitment and Selection Policy

2.3. External Standards relevant to this policy are:

- Information Security ISO/IEC 27001;
- Information Security ISO/IEC 27002;
- Records Management ISO 15489-1;
- The UCISA Information Security Toolkit.
- JANET Acceptable Use Policy.
- Scottish Government Cyber Resilience Strategy for Scotland
- National Cyber Security Centre: Cyber Essentials

Item 04b

3. Scope

3.1. The policy scope is to ensure that the three key principles of Information Security are upheld. That is:

- **Confidentiality:** Ensuring information assets are protected from unauthorised access or modification.
- **Integrity:** Ensuring information is accurate, complete, and is delivered by reliable systems.
- **Availability:** Ensuring information is accessible and useable when required for authorised use.

3.2. For the purpose of this policy, information includes data stored on computers (including mobile devices), transmitted across networks; printed out or written on paper; sent out by fax; stored on disk or tape; and, spoken in conversation or over the telephone, including voicemail recordings.

3.3. As such, all information that is created, processed, stored, or transmitted physically or electronically as part of Inverness College's educational and related business activities is an asset of the organisation and, therefore, should be appropriately protected.

4. Information Management Security System (ISMS)

4.1. This policy defines an approach to Information security based on implementing and maintaining a fit for purpose set of controls, including policies, procedures, training, software, and hardware functions that formulate the Inverness College Information Management Security System (ISMS),

4.2. The ISMS is integrated with the College's processes and management structure and, as defined in ISO 27000, appropriate for the educational purpose of the College.

4.3. The ISMS facilitates a risk-based approach to Information Security. For example, the management of personal data, such as student / staff records or financial records, would be different to that of public facing website or course materials

4.4 The ISMS allows the College to:

- Understand how its information assets are protected against threats, both electronic and physical.
- Maintain a framework for identifying and assessing security risks, as well as applying applicable controls to address these.

Item 04b

- Classify information to indicate its sensitivity and importance to the College.
- Maintain key Information System operations even in the event of disaster, such as floods or IT outages.
- Maintain a programme, including training, to promote Information Security awareness across the College.
- Ensure breaches of information security are reported, investigated and appropriate action is taken.

4.5 In addition to the legislative framework and College policies, referred to above, a number of other child Information Security polices and guidelines will form part of the ISMS.

5. Information Security Incident Management

5.1. Any member of staff, student or researcher aware of any information security incident should report it to the College Data Controller (data.controller.ic@uhi.ac.uk). The Information Security Incident Management Procedure details how such events are addressed and learnt from.

6. Responsibilities

6.1. The Inverness College Board of Management are responsible for approval of the Information Security Policy.

6.2. The **Inverness College Senior Management Team** is responsible for providing leadership and commitment to the application of Information Security, including ongoing review of the Information Security Policy.

6.3. The **Depute Principal - Planning and Student Experience** has operational responsibility for Information Security.

6.4. The **ICT Services Manager** is responsible for:

- Reviewing and maintaining the Information Security policy and updating the ISMS to address new threats, legislation and operational requirements of the College.
- Provision of specialist advice on matters of Information Security.
- Identifying and addressing risks to information systems.
- Ensuring that new systems or changes made to the College's ICT do not compromise the security of the existing infrastructure.

6.5. The **Information Development Manager** is responsible for:

- The classification scheme for information based on its importance to the College.
- Ensuring the implementation and the ongoing maintenance of the Records Management System.
- Providing advice and guidance to staff with regard to record keeping, storage and destruction of documents.

Item 04b

- 6.6. The **MIS Manager** is responsible for:
- Ensuring business processes associated with the collation, interpretation and reporting of information across the College are robust, auditable and implemented by all staff.
- 6.7. The **Estates and Campus Services Manager** is responsible for:
- Ensuring the physical and environmental security of the Inverness College premises.
- 6.8. **Information Asset Owners** are responsible for:
- Determining and reviewing the level of access to be granted to staff, students and third parties to ensure the information they manage is appropriately accessible and secure.
- 6.9. All **Managers** are responsible for:
- Ensuring their staff are aware of their security responsibilities.
 - Ensuring their staff have appropriate training for the systems and information they are using or processing.
- 6.10. All **Staff** should be aware that Information Security is their responsibility and should be considered as part of everyday working practice. As such, they are responsible for:
- Ensuring they comply with the ICT Acceptable Use Policy.
 - Reporting any security incidents as and when they are aware of them.
- 6.11 All **Students** must abide by the UHI Acceptable Use Policy which documents how to use the College's ICT appropriately.

7. Compliance

- 7.1. This policy applies to all staff, students, contractors, third parties and partner organisations. Non-compliance should be raised as security incident to the Inverness College ICT Services Helpdesk.

8. Monitoring

- 8.1. The effectiveness of the Information Security Policy and Information Security Management System requires periodic and event-based monitoring. Any organisational changes to Inverness College, legislative change or major ICT changes may require review of this policy and others.
- 8.2. In addition, the evaluation of new Information Security risks may result in actions to add new, amend or delete existing controls. For example, a

Item 04b

review of the Physical Security would be required on the College opening a new campus.

- 8.3. Each college policy will be monitored and its implementation evaluated. Appropriate procedures for monitoring and evaluation are the responsibility of the lead officer. These procedures will be subject to audit.
- 8.4. The number of Information Security incidents raised is recorded in a Data Breach Log by the Data Controller.

9. Review

- 9.1. The Information Security Policy shall be reviewed annually by the ICT Services Manager and presented for approval to the Board of Management or other designated committee every 3 years.

Item 04c

**University of the
Highlands and Islands
Partnership**

Information Security

Acceptable Use Policy

SECTION 1

Control

1.1 Author and Version Control

| | |
|---|-------------|
| Original author: | Simon Young |
| Current revision author: (if applicable) | |

Version Control

| Version | Date | Author | Purpose/change | Policy review date |
|----------------|-------------|---------------|---|---------------------------|
| 01 | 30/03/16 | Simon Young | Changes for partnership policies | 30/09/2018 |
| 02 | 11/03/19 | Simon Young | Annual Review | 11/03/2020 |
| 03 | 03/10/19 | Simon Young | Removed signature sheet | 11/03/20 |
| 04 | 04/09/2020 | Simon Young | Reviewed and modified from DPA 1998 to DPA 2018 | 04/09/2021 |

1.2 Policy Summary

| | |
|--|--|
| <p>Overview</p> <p>Why is the policy required?</p> | <p>This Acceptable Use Policy is part of the ISO/IEC 27001:2013 policy documentation set and is a requirement to ensure that relevant staff, students and contractors understand their obligations in the use of the university partnership email and Internet facilities.</p> |
| <p>Purpose</p> <p>What will it achieve?</p> | <p>This policy offers protection and guidance for users and ensures compliance with security good practice and legal requirements.</p> |
| <p>Scope</p> <p>Who does it apply to?</p> | <p>It applies to all personnel whether staff, students, contractor, or other third party with access to the university partnership's data or information systems.</p> |
| <p>Consultation/notification</p> <p>Highlight plans/dates</p> | |
| <p>Implementation and monitoring</p> <p>(including costs)</p> | |
| <p>Enforcement</p> <p>Detail how the policy will be enforced and who will be responsible</p> | |
| <p>References</p> <p>(highlight any advice received from external organisations)</p> | |

SECTION 2

Introduction

2.1 Purpose

This policy is in place to protect the university partnership organisations and employees from illegal or damaging actions that might result from misuse of the university partnership's network. Although specifically aimed at protecting the university partnership's own systems and reputation, it aligns with the Acceptable Use Policy provided by the "JANET" network.

2.2 Scope

This policy applies to persons authorised to use the university partnership's network including its own members to whom it provides network access.

This includes, but is not limited to:

- computer equipment;
- software;
- operating systems;
- storage media;
- own equipment (such as home PCs, mobile and smart-phones);
- network accounts providing electronic mail;
- world wide web (www) browsing;
- File copying, e.g., using the file transfer protocol (FTP).

2.3 Compliance

This policy applies to all users of the university partnership's systems (viz. all students, staff, contractors and third parties employed by university partnership) and any personal device used on university partnerships premises whether connected to the university partnership or a third party network, and it provides guidance on acceptable standards for using information technology (IT) equipment throughout the partnership.

Indications of non-compliance with the provisions of this policy shall be investigated in accordance with the disciplinary or contractual procedures in place with the university partnership as appropriate.

2.4 Terminology

The word "**shall**" is used throughout this document to state where a policy is a mandatory requirement.

The word “**should**” is used throughout this document to state where a policy is a recommended requirement.

For the purposes of this policy the term “**personnel**” includes university partnership staff, contractors, students and third parties who have access to Information Systems.

“**JANET**” (originally a contraction of “Joint Academic NETwork”) is the name given both to an electronic communications network and a collection of electronic communications networking services and facilities that support the requirements of the UK education and research community. All further and higher education organisations in the UK are connected to JANET, as are all the Research Councils, across the UK. This network also carries traffic between schools within the UK, although many of the schools' networks maintain their own general Internet connectivity.

SECTION 3

Policy

3.1 Introduction

The university partnership seeks to promote and facilitate the proper and extensive use of information technology in the interest of learning and research. Whilst the tradition of academic freedom will be fully respected, this also requires responsible and legal use of the technologies and facilities made available to students and staff at the university partnership.

This acceptable use policy is intended to provide a framework for such use of the university partnership's IT resource. It applies to all computing, telecommunication, and networking facilities provided by any department or section of the university partnership.

This acceptable use policy is taken to include the [JANET Acceptable Use Policy](#) and the [JANET Security Policy](#) published by JANET (UK) and the [Eduserv General Terms of Service](#). Members of the university partnership and all other users of the university partnership's facilities are bound by the provisions of these policies in addition to this acceptable use policy. They are also bound by such other policies as published by the university partnership in the IT support section of the university's intranet. It is the responsibility of all users of the university partnership's IT services to read and understand this policy.

3.2 Purpose of Use

The university partnership's computer resources are provided primarily to facilitate a person's essential work as an employee or student or other role within the university partnership.

Use for other purposes, such as personal electronic mail or recreational use of the world wide web, is a privilege, which can be withdrawn, not a right. Any such use must not interfere with the user's duties or studies or any other persons use of the computer systems and must not, in any way, bring the university partnership into disrepute. Priority must always be granted to those needing the facilities for academic work.

University partnership e-mail addresses and associated university partnership e-mail systems must be used for all official university partnership business, in order to facilitate audit and institutional record keeping. All staff and students must regularly read their university partnership e-mail.

Commercial work for outside bodies, using centralised managed services, requires the explicit permission from the director of learning and information services; such use, whether or not authorised, may be liable to charge.

3.3 Responsibilities

All personnel, as described in Section 2.4 Terminology, shall comply with this policy.

The **information security officer** shall be responsible for ensuring that this policy is disseminated amongst relevant personnel and the principles incorporated into an Information Security Awareness programme.

Line managers shall ensure that staff and contractors for whom they have responsibility are properly briefed on this policy.

Human resources shall ensure that the principles of this policy are incorporated into induction training for new staff and contractors.

All users must affirm that they have read and agreed to this Acceptable Use Policy.

3.4 Review period

This policy shall be reviewed and updated, if appropriate, after a period of twelve months.

3.5 Authorisation

In order to use the computing facilities of the university partnership a person must first be registered. Registration of all members of staff and registered students is carried out automatically. Others must apply to the IT service desk (<https://www.uhi.ac.uk/en/lis/>). Registration to use university partnership services implies, and is conditional upon, acceptance of this acceptable use policy, for which a signature of acceptance may be required on joining the university partnership. The lack of a signature does not exempt an individual from any obligation from this policy.

The registration procedure grants authorisation to use the core IT facilities of the university partnership. Following registration, a username and password will be allocated. Authorisation for other services may be granted automatically dependent on the role performed or requirements of the persons' academic programme, or requested by application to the IT service desk.

All individual allocated usernames, passwords and e-mail addresses are for the exclusive use of the individual to whom they are allocated. Passwords should be changed from the default on the first login and should follow password best practice guidelines. The user is personally responsible and accountable for all activities carried out under their username. The user should make sure they do not leave a workstation or device they are logged into unattended and should ensure they are logged out at the end of their session. Attempts to access or use any username or e-mail address which is not authorised to the user, is prohibited. No one may use, or attempt to use, IT resources allocated to another person, except when explicitly authorised by the provider of those resources.

All users must correctly identify themselves at all times. A user must not masquerade as another, withhold their identity or tamper with audit trails. A user must take all reasonable precautions to protect their resources. In particular, passwords used must adhere to current password policy and practice.

3.6 Privacy

It should be noted that IT staff, who have the appropriate privileges, have the ability, which is occasionally required, to access all files, including electronic mail files. It is also occasionally necessary to intercept network traffic. In such circumstances appropriately privileged staff will take all reasonable steps to ensure the privacy of service users. The university partnership fully reserves the right to monitor e-mail, internet access, telephone and any other electronically-mediated communications, whether stored or in transit, in line with its rights under the Regulation of Investigatory Powers Act (2000) www.opsi.gov.uk/acts/acts2000/ukpga_200000023_en_1.

Reasons for such monitoring may include the need to:

- Ensure operational effectiveness of services;
- Prevent a breach of the law, this policy, or other university partnership policy;
- Investigate a suspected breach of this law, this policy, or other university partnership policy;
- Monitor standards.

Access to staff and student files, including e-mail files, will not normally be given to another member of staff unless authorised by a member of the senior management team at each partner, or nominee, who will use their discretion, if appropriate. In such circumstances the head of section, or more senior line manager, or in the case of an HE student, the university dean of students, will be informed, and will normally be consulted prior to action being taken. Such access will normally only be granted in the following circumstances:

- Where a breach of the law or a breach of this or another university partnership policy is suspected;
- When a documented and lawful request from a law enforcement agency such as the police or security services has been received;
- On request from the relevant head of section, where the managers or co-workers of the individual require access to e-mail messages or files, which are records of university partnership activity, and the individual is unable, e.g. through absence, to provide them.

The university partnership sees student privacy as desirable but not as an absolute right, hence students should not expect to hold or pass information, which they would not wish to be seen by members of staff responsible for their academic work. In addition to when a breach of the law or of this policy is suspected, or when a documented and lawful request from law enforcement agency such as the police or security services has been received, IT staff are also authorised to release the contents of student's files, including e-mail files, when required to by any member of staff who has a direct academic work-based reason for requiring such access.

After a student or member of staff leaves the university partnership, files which are left behind on any computer system owned by the university partnership, including servers and including e-mail files, will be considered to be the property of the university partnership, staff should make arrangements to transfer to colleagues any e-mail or other computer-based information held under their personal account, as this will be closed on their departure.

3.7 Behaviour

No person shall jeopardise the integrity, performance or reliability of computer equipment, software, data and other stored information. The integrity of the university partnership's computer systems is put at risk if users do not take adequate precautions against malicious software, such as computer virus programs. All users of the university partnership's IT services must ensure that any computer, for which they have responsibility and which is attached to the university partnership's network, is adequately protected against viruses, through the use of up to date anti-virus software (any exceptions to this must be approved by the director of learning and information services), and has the latest tested security patches installed. Reasonable care should also be taken to ensure that resource use does not result in a denial of service to others.

N.B. All university partnership computers connected to the network are updated on a routine basis

Conventional norms of behaviour apply to ICT-based media, just as they would apply to more traditional media. Within the university partnership setting this should also be taken to mean that the tradition of academic freedom will always be respected. The university partnership, as expressed in its Equality and Diversity Charter, is committed to achieving an educational and working environment which complies with the Equality Act 2010.

Distributing material, which is offensive, obscene, abusive or extremist, may be illegal and may also contravene the university partnership's policy on harassment and bullying and the university partnership's policy on social media and may result in disciplinary action.

No user shall interfere or attempt to interfere in any way with information belonging to or material prepared by another user. Similarly, no user shall make unauthorised copies of information belonging to another user. The same conventions of privacy should apply to electronically held information as to that held on traditional material such as paper.

For specific services the university partnership may provide more detailed guidelines, in addition to the policies provided in this acceptable use policy.

Users of services external to the university partnership are expected to abide by any policies, rules and codes of conduct applying to such services. Any breach of such policies, rules and codes of conduct may be regarded as a breach of this acceptable use policy and be dealt with accordingly. The use of university partnership credentials to gain unauthorised access to the facilities of any other organisation is similarly prohibited.

3.8 Definitions of Acceptable & Unacceptable Usage

Unacceptable use of the university partnership's computers and network resources may be summarised as:

- the creations, retention or propagation of material that is offensive, obscene, indecent or extremist, except in the course of recognised research or teaching that is permitted under UK and international law; propagation will normally be considered to be a much more serious offence;

- intellectual property rights infringement, including copyright, trademark, patent, design and moral rights, including use internal to the university partnership;
- causing annoyance, inconvenience or needless anxiety to others, as specified in the JANET Acceptable Use Policy;
- defamation (genuine scholarly criticism is permitted);
- unsolicited advertising, often referred to as "spamming";
- sending e-mails that purport to come from an individual other than the person actually sending the message using, e.g., a forged address;
- attempts to break into or damage computer systems or data held thereon;
- actions or inactions which intentionally, or unintentionally, aid the distribution of computer viruses or other malicious software;
- attempts to access or actions intended to facilitate access to computers for which the individual is not authorised;
- using the university partnership's network for unauthenticated access;
- unauthorised resale of the university partnership's or JANET services or information;
- excessive IT use during working hours that significantly interferes with a staff member's work, or that of other staff or students.
- the recording audio/visual of others without their permission
- using the university partnership's network to access gambling sites

These restrictions should be taken to mean, for example, that the following activities will normally be considered to be a breach of this policy (potential exceptions should be discussed with IT):

- the downloading, uploading, distribution, or storage of music, video, film, or other material, for which you do not hold a valid licence, or other valid permission from the copyright holder;
- the use of peer-to-peer software and related applications to illegally download and/or share music, video, film, or other material, in contravention of copyright law
- the publication on external websites of unauthorised recordings, e.g. of lectures;
- the distribution or storage by any means of pirated software;
- connecting an unauthorised device to the university partnership network, i.e. one that has not been configured to comply with this policy and any other relevant regulations and guidelines relating to security, IT purchasing policy, and acceptable use. This includes network hubs, switches and wireless access points not approved or managed by IT but excludes halls of residence.
- circumvention of Network Access Control;
- monitoring or interception of network traffic, without permission;
- probing for the security weaknesses of systems by methods such as port-scanning, without permission;

- associating any device to network Access Points, including wireless, for which you are not authorised;
- non-academic activities which generate heavy network traffic, especially those which interfere with others' legitimate use of IT services or which incur financial costs;
- frivolous use of university partnership owned computer laboratories, especially where such activities interfere with others' legitimate use of IT services;
- opening an unsolicited e-mail attachment, especially if not work or study-related;
- the deliberate viewing and/or printing of pornographic images;
- the passing on of electronic chain mail;
- posting of defamatory comments about staff or students on social networking sites;
- the creation of web based content, portraying official university partnership's business without express permission or responsibility;
- the use of the university partnership business mailing lists for non-academic purposes;
- the use of CDs, DVDs, and other storage devices for copying unlicensed copyright software, music, etc.;
- the copying of other people's web site, or other, material without the express permission of the copyright holder;
- plagiarism, i.e. the intentional use of other people's material without attribution.

Other uses may be unacceptable in certain circumstances. The installed machine on each network socket must be a workstation only and not provide any server based services, including, but not limited to, Web, FTP, IRC, Streaming media server, peer to peer facilities, or e-mail services.

It should be noted that individuals may be held responsible for the retention of attachment material that they have received, via e-mail that they have never opened, via e-mail that they have read. Similarly, opening an attachment, received via unsolicited e-mail, especially if clearly unrelated to work or study, which leads to widespread virus infection, may result in disciplinary action being taken.

Acceptable uses may include:

- Personal e-mail and recreational use of internet services, as long as these are in keeping with the framework defined in this policy document and do not interfere with one's duties, studies or the work of others.

However, such use must be regarded as a privilege and not as a right and may be withdrawn if abused or if the user is subject to a disciplinary procedure.

3.9 Personal Safety

- Users will not e-mail personal contact information about other people without their consent. Personal contact information includes the address, telephone, work address, etc.
- Student users should promptly disclose to a member of staff or other university partnership employee any message they receive that they feel is inappropriate or that makes them feel uncomfortable.

3.10 Inappropriate Language

- Restrictions against inappropriate language apply to public and private e-mail messages; file names, the content of files and material posted on web pages.
- Such inappropriate language includes obscene, profane, lewd, vulgar, rude, inflammatory, threatening, or disrespectful language.

3.11 E-mail Misuse

- Users will not email information that could cause damage or a danger of disruption.
- Users will not harass another person. Harassment is persistently acting in a manner that distresses or annoys another person.
- Users will not knowingly or recklessly e-mail false or defamatory information about a person or organisation.
- Users will not forward an e-mail that was sent privately without permission of the person who sent the message.
- Users will not e-mail private information about another person.

SECTION 4

Legal Constraints

Any software and / or hard copy of data or information which is not generated by the user personally and which may become available through the use of the university partnership's computing and communications resource shall not be copied or used without permission of the university partnership's copyright owner. In particular, it is up to the user to check the terms and conditions of any license for the use of software or information and to abide by them. Software and / or information provided by the university partnership may only be used as part of the user's duties as an employee or student of the university partnership or for educational purposes. The user must abide by all licensing agreements for software entered into by the university partnership with other parties, noting that the right to use any such software outside the university partnership will cease when an individual leaves the institution. Any software on a privately owned computer that has been licensed under a university partnership agreement must then be removed from it, as well as any university partnership owned data, such as documents and spread sheets. When a computer ceases to be owned by the university partnership all data and software must be removed from it. The user must comply with all relevant legislation and legal precedent including the provisions of the following acts of parliament, or any re-enactment thereof:

- Copyright, design and patents act 1988_
www.opsi.gov.uk/acts/acts1988/Ukpga_19880048_en_1.htm
- Malicious communications act 1988_
www.opsi.gov.uk/acts/acts1988/Ukpga_19880027_en_1.htm
- Computers misuse act 1990_
www.opsi.gov.uk/acts/acts1990/Ukpga_19900018_en_1.htm

- Criminal justice and public order act 1994_
www.opsi.gov.uk/acts/acts1994/Ukpga_19940033_en_1.htm
- Trade marks act 1994_
www.opsi.gov.uk/acts/acts1994/Ukpga_19940026_en_1.htm
- Data protection act 2018_
www.opsi.gov.uk/acts/Ukpga/2018/12/contents/enacted
- Human rights act 1998_
www.opsi.gov.uk/acts/acts1998/Ukpga_19980042_en_1.htm
- Regulation of investigatory powers act 2000_
www.opsi.gov.uk/acts/acts2000/Ukpga_20000023_en_1.htm
- Telecommunications (lawful business practice)(interception of communications)regulations 20000_
www.opsi.gov.uk/acts/si/si2000/ukpga_20002699.htm
- Freedom of information act Scotland 2002_
www.legislation.gov.uk/asp/2002/13/contents
- Communications act 2003_
www.opsi.gov.uk/acts/acts2003/ukpga_20030021_en_1
- Equality Act 2010_
www.legislation.gov.uk/ukpga/2010/15/contents
- Counter Terrorism and Security Act 2015_
www.legislation.gov.uk/ukpga/2015/6/contents

See below for a summary of the main points.

Copyright, designs and patent act 1988

This act, together with a number of statutory instruments that have amended and extended it, controls copyright law. It makes it an offence to copy all, or a substantial part, which can be a quite small portion, of a copyright work. There are, however, certain limited user permissions, such as fair dealing, which means under certain circumstances permission is not needed to copy small amounts for non-commercial research or private study. The act also provides for moral rights, whereby authors can sue if their name is not included in work they wrote, or if the work has been amended in such a way as to impugn their reputation. Copyright covers material in print and electronic form, and includes words, images, sound and moving images, TV broadcasts and many other media.

Malicious Communications Act 1988

Under this Act it is an offence to send an indecent, offensive, or threatening letter, electronic communication or other article to another person. Additionally, under the Telecommunications Act 1984 it is a similar offence to send a telephone message, which is indecent, offensive, or threatening.

Computer Misuse Act 1990

This Act makes it an offence:

- to erase or amend data or programs without authority;
- to obtain unauthorised access to a computer;

- to "eavesdrop" on a computer;
- to make unauthorised use of computer time or facilities;
- maliciously to corrupt or erase data or programs;
- to deny access to authorised users.

Criminal Justice & Public Order Act 1994

This defines a criminal offence of intentional harassment, which covers all forms of harassment, including sexual. A person is guilty of an offence if, with intent to cause a person harassment, alarm or distress, they: -

- use threatening, abusive or insulting words or behaviour, or disorderly behaviour; or
- Display any writing, sign or other visible representation which is threatening, abusive or insulting, thereby causing that or another person harassment, alarm or distress.

Trade Marks Act 1994

This Act provides protection for Registered Trade Marks, which can be any symbol (words or images) or even shapes of objects that are associated with a particular set of goods or services. Anyone who uses a Registered Trade Mark without permission can expose themselves to litigation. This can also arise from the use of a Mark that is confusingly similar to an existing Mark.

Data Protection Act 2018

UHI has a comprehensive Data Protection Policy

The policy applies to all staff and students of UHI. Any breach of the Data Protection Act 2018 or UHI Data Protection Policy is considered to be an offence and in that event, UHI disciplinary procedures will apply. As a matter of good practice, other agencies and individuals working with UHI, and who have access to personal information, will be expected to have read and comply with this policy.

Human Rights Act 1998

This act does not set out to deal with any particular mischief or address specifically any discrete subject area within the law. It is a type of higher law, affecting all other laws. In the context of UHI, important human rights to be aware of include:

- the right to a fair trial;
- the right to respect for private and family life, home and correspondence;
- freedom of thought, conscience and religion;
- freedom of expression;
- freedom of assembly;
- prohibition of discrimination;
- the right to education.

These rights are not absolute. UHI, together with all users of its LIS services, is obliged to respect these rights and freedoms, balancing them against those rights, duties and obligations which arise from other relevant legislation.

Regulation of Investigatory Powers Act 2000

The Act states that it is an offence for any person to intentionally and without lawful authority intercept any communication. Monitoring or keeping a record of any form of electronic (including telephone) communications is permitted, in order to:

- Establish the facts;
- Ascertain compliance with regulatory or self-regulatory practices or procedures;
- Demonstrate standards, which are or ought to be achieved by persons using the system;
- Investigate or detect unauthorised use of the communications system;
- Prevent or detect crime or in the interests of national security;
- Ensure the effective operation of the system.

Monitoring but not recording is also permissible in order to:

- Ascertain whether the communication is business or personal;
- Protect or support help line staff.

UHI reserves the right to monitor e-mail, telephone, and any other communications in line with its rights under this act. The Lawful Business Practice Regulations allow exceptions to the basic principle of non-interception as stated in the RIPA, and allow interception without consent in certain instances.

Freedom of Information Act 2000

The Act, intended to increase openness and transparency, obliges public bodies, including Further / Higher Education Institutions, to disclose a wide range of information, both proactively and in response to requests from the public. The types of information that may be found and released are wide-ranging, for example minutes recorded at a board meeting of the institution or documentation relating to important resolutions passed. Retrieval of such a range of information places a considerable burden on an institution subject to such an information request. In addition to setting a new standard of how such bodies disseminate information relating to internal affairs, the Act sets time limits by which the information requested must be made available, and confers clearly stated rights on the public, regarding such information retrieval. UHI has its own Freedom of Information policy.

Communications Act 2003

This act makes it illegal to dishonestly obtain electronic communication services, such as email and the World Wide Web.

Equality Act 2010

The Act simplifies, strengthens and harmonises the current legislation to provide Britain with a new discrimination law which protects individuals from unfair treatment and promotes a fair and more equal society.

The nine main pieces of legislation that have merged are:

- the Equal Pay Act 1970;
- the Sex Discrimination Act 1975;
- the Race Relations Act 1976;

- the Disability Discrimination Act 1995;
- the Employment Equality (Religion or Belief) Regulations 2003;
- the Employment Equality (Sexual Orientation) Regulations 2003;
- the Employment Equality (Age) Regulations 2006;
- the Equality Act 2006, Part 2;
- the Equality Act (Sexual Orientation) Regulations 2007.

Counter Terrorism and Security Act 2015

UHI has a statutory duty, under the Counter Terrorism and Security Act 2015, termed “PREVENT”. The purpose of this duty is to aid the process of preventing people being drawn into terrorism.

You must not create, download, store or transmit unlawful material, or material that is indecent, offensive, defamatory, threatening, discriminatory or extremist. UHI reserves the right to block or monitor access to such material.

SECTION 5

Discipline

Staff or students who break this acceptable use policy will find themselves subject to the university partnership’s disciplinary procedures. Individuals may also be subject to criminal proceedings. The university partnership reserves its right to take legal action against individuals who cause it to become involved in legal proceedings as a result of their violation of licensing agreements and / or other contraventions of this policy.

Inverness College

**Annual Audit Plan Addendum
Year ended 31 July 2020**



Building a better
working world

Introduction

The Impact of Covid-19 on our audit

Our annual audit plan was agreed with management and presented at the Audit Committee meeting in June 2020. We provided an overview of our audit scope and approach for the audit of the financial statements and the wider scope audit work. This addendum provides an update to the Audit Committee on the planned scope and approach to the external audit for 2019/20 in light of the significant impact of the Covid-19 global pandemic on the further education sector, and associated impact on the accounting arrangements and disclosure requirements.

Our audit procedures have been re-assessed to ensure they address the changing risks and issues which have emerged as a result. Our aim is to deliver a high quality audit while supporting the College to prioritise its core services and strategic aims. We outline below the key areas of impact for our audit in 2019/20, while recognising that the College faces significant challenge and uncertainty in the months and years ahead.

1. Impact on our audit risk assessment

On page 3, we outline the key areas of impact on the risks presented within our annual audit plan, in particular the impact on the valuation of Property, Plant and Equipment and LGPS assets and liabilities.

We have reviewed our consideration of the overall materiality levels used for the audit and concluded that the levels remain appropriate.

2. Impact on the financial statements

On pages 5-6, we highlight our expectations of areas of impact within the financial statements, in particular possible changes to narrative reporting and disclosures to reflect the impact and uncertainty around the current situation.

3. Wider scope risk assessment

On page 8, we outline proposals to reprioritise wider scope work to focus on key areas of risk during the crisis. As a result we have

- ▶ increased our focus on the financial sustainability of the College;
- ▶ incorporate the financial management dimension of wider scope audit into our planned audit work; and
- ▶ focused our consideration around other wider scope dimensions on the impact of Covid-19 during the year.

4. Audit Logistics

The deadlines set by the SFC for the submission of audited financial statements remain the same, with the option for flexibility. On page 9 we set out:

- ▶ We have agreed a revised audit timetable with management;
- ▶ the primacy of maintaining audit quality; and
- ▶ logistical arrangements to allow us to conduct the audit remotely.

1. Impact on audit risk assessment

Changes to our risk assessment as a result of Covid-19

We set out below the significant and inherent risks identified for 2019/20 alongside our other areas of audit focus. We have highlighted any changes in audit focus or new risks alongside any revisions to the expected audit approach. The risks identified may change further as a result of any significant findings or subsequent issues we identify during the audit.

Significant Risk:

Risk of fraud in revenue and expenditure

No change in risk, additional audit focus around revenue recognised in relation to activities or services delayed by Covid-19. There remains a significant risk around the recognition of income and expenditure transactions around year end.

We will consider the recognition of any grant or tuition income for courses which were not completed at the financial yearend due to Covid-19. We will also consider accounting and disclosure of Covid-19 related income and expenditure.

Fraud Risk:

Misstatement due to fraud or error

No change in risk but additional audit focus around year end provisions and estimates that are related to or impacted by Covid-19. We recognise that the control environment for financial statement close processes will likely have evolved due to remote working arrangements. We will assess whether this had an impact on the effectiveness of management's controls designed to address the risk of fraud.

Our specific focus remains on key areas of judgements and estimates, significant unusual transactions and journal entries made by management, and the completeness and valuation of accrued income and expenditure recorded by management at the balance sheet date.

Significant risk:

Valuation of property, plant and equipment

No change in risk, increased focus around ongoing valuation of property, plant and equipment and assets held for sale. The Royal Institute of Chartered Surveyors (RICS) has issued guidance highlighting that the uncertain impact of Covid-19 on markets may cause valuers to conclude that there is a material uncertainty at 31 March 2020. While this guidance may not be in place for 31 July 2020, there remains increased uncertainty around the valuation of assets in the current environment. Caveats may be included within valuation reports and other information provided by valuers, highlighting uncertainties which give rise to additional risks relating to financial statement disclosures as well as the valuations themselves.

To address the increased risk, we will consider the use of internal specialists to examine information provided by the College's independent valuers for the valuation of the College estate at 31 July 2020. There will also be additional focus on management's assessment of the need to revalue assets not subject to full valuation in 2019/20, to comply with the relevant accounting requirements that assets are valued with sufficient regularity to avoid misstatement, and not just within an arbitrary period.

1. Impact on audit risk assessment (continued)

Inherent risks:

Valuation of pension assets and liabilities

No change in risk, increase in audit focus around the valuation of pension assets and impact of legal judgements on liabilities. Since our audit planning report there are a number of areas of increased focus required around the valuation of the College's share of the Highland Council Pension Fund assets and liabilities.

- ▶ A number of local government pension funds have reported material uncertainties around the valuation of its assets at 31 March 2020 and there has been increased volatility in relation to investment returns. This will result in additional consideration being required to accurately assess the roll forward of the College's share of those assets to 31 July 2020. In addition, some local government audits have been delayed due to Covid-19 which may lead to delays in obtaining the assurances we require from the pension fund auditors.
- ▶ Last year the College has accounted for the impact of the McCloud judgement impacting future liabilities in the Pension Fund as a past service cost. A consultation has now been issued on how these costs may be addressed going forward, and should be included in the College's actuaries' assessment of its pension liability at 31 July 2020.
- ▶ Similar to the impact of the McCloud judgement in 2018/19, in July 2020, Scottish Ministers acknowledged that a recent employment tribunal ('the Goodwin tribunal') will require changes to the Local Government Pension Scheme which may impact the College's pension liability. The impact will be considered by the College's and our actuaries.

Audit focus area:

Changes to accounting framework - 2018 SORP

No change in risk or audit focus. While the accounting framework or disclosure requirements have not changed as a result of Covid-19, we have outlined in this addendum the significant impact on the existing disclosure requirements.

Audit focus area:

Capital financial arrangements

No change in risk or audit focus. We will utilise our specialists, as appropriate, to support the core audit team in the performance of audit procedures on this area.

2. Impact on the College's Financial Statements

We remain satisfied that the values reported to you in our Audit Planning Report for planning materiality, performance materiality and our audit threshold for reporting differences remain appropriate.

Our review and reassessment of materiality

In our annual audit plan, we communicated that our audit procedures would be performed using a materiality of £140,000. We have considered whether any change to our materiality is required in light of Covid-19. Following this consideration we remain satisfied that the overall materiality values reported remain appropriate. This is mainly due to the fact that our materiality level was already set at the lower end of our acceptable range to reflect existing financial challenges in place. As outlined on the previous page we will reduce materiality to reflect additional risks around parts of the financial statements more directly impacted by Covid-19.

Our evaluation requires professional judgement and so takes into account qualitative as well as quantitative considerations. Factors which we consider include the perspectives and expectations of users of the financial statements as well as our risk assessment as to the likelihood of material misstatements arising in the financial statements. We will report any changes to our materiality as part of our Annual Audit Report.

The ongoing disruption to daily life and the economy as a result of the Covid-19 virus will have a pervasive impact upon the financial statements.

The financial statements will need to reflect the impact of Covid-19 on the College's financial position and performance.

Accounting policies

Covid-19 will have a pervasive impact on the financial statements. We have outlined below the areas where we believe there is the potential for the most material impact on the Council's financial position at yearend:

- ▶ **Revenue and Expenditure recognition:** Covid-19 specific government support is a new transaction stream and may require development of new accounting policies and treatments. Other policies made need clarified to ensure clarity around how the impact of Covid-19 has been addressed.
- ▶ **Property, Plant and Equipment:** PPE may be impaired if future service potential is reduced by the economic impact of Covid-19. The College may also have already incurred capital costs on projects where the economic case for completion has fundamentally changed. There may be material uncertainties recognised in relation to the valuation of PPE.
- ▶ **Pensions:** volatility in the financial markets is likely to have a significant impact on the valuation of both pension assets and liabilities, and there is the possibility of significant changes to the underlying actuarial assumptions impacting the valuation of liabilities.
- ▶ **Receivables:** there may be an increase in amounts provided for or written off as irrecoverable and impairment of year-end balances due to the increased number of businesses and individuals expected to be under financial stress.

A number of revised disclosures will be required to reflect the impact of the pandemic, including on the financial position and future financial sustainability.

We will continue to work closely with management to share experience and good practice from other education bodies across the UK.

Key disclosures within the Financial Statements

Front end narrative - performance reporting

An addendum to the Government Financial Reporting Manual 2019-20 ('the FReM') was published and permits entities to omit the performance analysis in order to minimise the reporting burden on public sector entities during the Covid-19 crisis. Colleges may decide to include more comprehensive performance analysis.

It will be important that the impact of Covid-19 is disclosed accurately, completely and that disclosures are relevant and tailored to the College. This includes disclosures around the impact on the College's financial and operational performance, its future plans and risks.

Governance Statement

The College's governance statement will need to capture how the control environment has changed during the period impacted by Covid-19, both up to the balance sheet date and through to the approval of the financial statements, and what steps were taken to maintain a robust control environment during the disruption. This includes how key governance functions are continuing to operate, such as key committee meetings and the delivery of internal audit's programme of work.

Accounting estimates and judgements

Additional disclosures will be required throughout the financial statements to reflect the additional risks facing the College, and how these have impacted the key judgements and estimates made in preparation of the financial statements. In particular, we have referenced the potential material uncertainties around the valuation of property, plant and equipment, pension assets and liabilities, and debtors at the balance sheet date.

Events after the balance sheet date

Significant events after the balance sheet date require to be disclosed within the financial statements, either through the post balance sheet events note or in specific accounting notes or the management commentary and governance statement, as appropriate. The detail required in the disclosures will reflect the specific circumstances of the College, however given ongoing uncertainty and daily changes to key issues impacting the College, there is a greater focus on ensuring these disclosures remain up to date in advance of approval of the financial statements.

We will review the updated going concern disclosures within the financial statements, and associated financial viability disclosures within the governance statement. We expect any material uncertainties around the College's future financial position to be fully disclosed.

Disclosures on Going Concern

International Auditing Standard 570 Going Concern, as applied by Practice Note 10: *Audit of financial statements of public sector bodies in the United Kingdom*, requires auditors to undertake sufficient and appropriate audit procedures to consider whether there is a material uncertainty on going concern that requires reporting by management within the financial statements, and within the auditor's report.

In accordance with the FReM, the College shall prepare its financial statements on a going concern basis unless informed by the relevant national body of the intention for dissolution without transfer of services or function to another entity.

Covid-19 has created a number of financial pressures throughout the public sector, including further education. Uncertainty remains about the level of financial support that may become available from the SFC to reflect the financial consequences of Covid-19. As a result, the SFC's 2019/20 Accounts Direction requires an explanation of the adoption of the going concern basis and mitigating actions taken as a result of Covid-19 to be included as part of the going concern commentary within the College's financial statements, both in the Performance Overview and Annual Governance Statement.

Management's assessment of its future financial position and the related financial statement disclosures will be an area of significant focus for our yearend audit work. Management's assessment and associated disclosures will need to cover at least a 12 month period from the date of approval of the financial statements, but should include consideration throughout the remainder of the College's strategic plan period and through its medium term financial plan period and beyond.

Disclosures made in the financial statements should include the process that has been undertaken to revise financial plans and cashflow in the light of Covid-19 as well as the outcome of this process. Consideration should also be given as appropriate and material to cash liquidity forecasts, sensitivities and assumptions in forecasting, and mitigating actions planned by management to address any worsening financial performance. In particular the College should consider and disclose its assumptions around current and future compliance with existing loan covenants and its impact on future repayments and requirements for external support.

We recognise that this is a new area of focus at a challenging time for the finance team and we will therefore share with management:

- ▶ guidance on the detailed requirements for a going concern assessment;
- ▶ a template assessment as an example/guide to follow; and
- ▶ example disclosures from our experience to date in auditing financial statements after the impact of Covid-19.

3. Wider scope risk assessment

We have tailored our wider scope audit work to focus on financial sustainability and the specific impact of Covid-19 on the other wider scope audit dimensions.

Wider Scope Risk Assessment

We have outlined below our assessment of the impact of the pandemic on the work planned under wider scope dimensions.

Financial sustainability

In our annual audit plan, we outlined a significant wider scope risk around the continuing financial pressures faced by the College. The financial environment in which the College operates was already challenging, and the Covid-19 pandemic has resulted in further, significant financial pressures. It is expected that, while the College has managed to mitigate some of the impact of Covid-19 on its financial performance in 2019/20, it will be significantly impacted going forward in its plans due to the pandemic. There is a significant risk the financial pressures for future years will prevent the College from being able to develop viable and sustainable financial plans.

Financial management

The importance of strong financial management has never been greater than during the current environment. We recognise that the College's financial management and internal control arrangements will have evolved as part of the response to the pandemic. As part of our yearend audit procedures we will review changes to the financial management arrangements to assess the impact, and consider the impact of the pandemic on pre-existing financial controls such as budget setting and routine expenditure review and approval.

Governance and transparency

In our prior year audit we reported on a number of key areas of governance where progress implementing previous recommendations had been limited. There have also been a significant number of changes in key finance, management and governance positions.

Our work for the year will focus on the College's arrangements to ensure effective governance was in place through the Covid-19 lockdown period. We will consider:

- ▶ How the College ensured the quality of arrangements in place to support good governance during the Covid-19 pandemic including ensuring that there is sufficient transparency around governance and decision making arrangements.
- ▶ Is the Governance Statement within the financial statements complete and does it reflect key matters impacted by Covid-19, such as delays in the completion of internal audit work and non-compliance with the code of good governance where actions were not able to be implemented?

4. Audit Logistics

Changes to reporting timescales

The SFC has maintained the same deadline for submission of audited financial statements as previous years, 31 December 2020.

However, it has been acknowledged that, due to the exceptional circumstances arising from Covid-19, this deadline may not be achievable for some colleges.

Audit quality retains primacy over regulatory deadlines.

In line with previous years the SFC accounts direction has confirmed that Incorporated and non-incorporated colleges are required to provide their annual report and accounts, together with the associated audit reports by 31 December. However, it has been acknowledged that, due to the exceptional circumstances arising from Covid-19, this deadline may not be achievable for some colleges.

The Financial Reporting Council (“FRC”) has issued guidance for both auditors and preparers of the financial statements on issues arising from the Covid-19 pandemic. The guidance to date highlights the practical difficulties in preparing financial statements and performing audits in the new way of working. It is clear that auditors will be required to develop alternative audit procedures to gather sufficient and appropriate audit evidence. The guidance is clear that the new way of working should not undermine the delivery of high quality financial statements preparation or quality audits, which should continue to comply fully with international auditing standards. Where additional time is required to complete audits due to ongoing and developing risks, it is important that this is taken to maintain audit quality rather than seeking to conclude early to meet arbitrary or regulatory deadlines.

For the College’s audit timetable we have noted through discussions with management the following specific matters:

- In previous years the audit has been less efficient and taken longer to conclude than all parties would have wished, primarily driven by requests to start the audit before financial statements are drafted and robust quality assured by finance and management, resulting in significant areas of rework required; and
- The 2019/20 financial statements will be prepared by a largely new finance team, and will be the first prepared by the College with key members of the finance and management team undertaking joint roles with their responsibilities at North Highland College.

With these considerations in mind, we have agreed a revised yearend audit timetable with management. The College yearend audit will start 23 November to allow management and finance time to robustly prepare the financial statements and supporting schedules, and to align with the planned conclusion of the North Highland College core audit work. Our aim is therefore to be materially complete with the core audit work by the middle of December with a view to reporting our audit results to the Audit Committee in January and updating the financial statements for subsequent events and signing the accounts and audit opinion in early February 2021.

Information Produced by the Entity (IPE)

There will be an increased focus around the completeness, accuracy, and appropriateness of information produced by management to support our audit work due to the inability of the audit team to verify original documents or re-run reports on-site from the College's systems. To address the risks around this we will consider the following procedures as appropriate:

- ▶ use the screen sharing function of Microsoft Teams to evidence re-running of reports used to generate the IPE we audited;
- ▶ agree IPE to scanned documents or other system screenshots; and
- ▶ should it be necessary, agree limited onsite visits under appropriate arrangements to verify specific requested documentation and reports in person.

Fee variations will be agreed with management and reported to the Audit Committee in our 2019/20 Annual Audit Report.

Audit Fees

The expected base fee for the College, set out in our annual audit plan, assumes there is no major change in respect of the scope of work in the year, that the College has sound governance arrangements in place and operating effectively throughout the year, prepares comprehensive and accurate draft financial statements and supporting schedules, and meets the agreed timetable for the audit, and an unqualified audit opinion resulting from the audit. Should any of these circumstances change throughout the audit, it is anticipated that additional costs may be incurred through the course of the audit which will be subject to recovery in line with the agreed process and rates set out by Audit Scotland.

In our audit planning report we noted that we had not been able to fully consider and quantify the potential impact of Covid-19 on the financial statements and wider scope audit work. While there remains uncertainty around the quantum of additional time required, the changes impacting the College and the associated risks to the audit outlined in this addendum will have a significant impact on the audit work we need to perform to conclude on the financial statements, in particular:

- ▶ The greater use of internal specialists required to support our work on significant and inherent risk areas, in particular around the valuation of pension assets and liabilities;
- ▶ Additional work required around the appropriateness of going concern and financial sustainability disclosures in the financial statements and the associated wider scope audit consideration required around financial sustainability;
- ▶ The additional work related to the inclusion in our wider scope audit work of financial management considerations this year, in particular assessing the impact of Covid-19 on the existing financial control environment; and
- ▶ The pervasive impact of Covid-19 on the financial statements disclosures required, including the performance reporting, governance statement, key judgements and estimates and post balance sheet events note.

Where further additional work is required, fee variations will be agreed with management and reported to the Audit Committee in our 2019/20 Annual Audit Report.

EY | Assurance | Tax | Transactions | Advisory

About EY

EY is a global leader in assurance, tax, transaction and advisory services. The insights and quality services we deliver help build trust and confidence in the capital markets and in economies the world over. We develop outstanding leaders who team to deliver on our promises to all of our stakeholders. In so doing, we play a critical role in building a better working world for our people, for our clients and for our communities.

EY refers to the global organization, and may refer to one or more, of the member firms of Ernst & Young Global Limited, each of which is a separate legal entity. Ernst & Young Global Limited, a UK company limited by guarantee, does not provide services to clients. For more information about our organization, please visit ey.com.

Ernst & Young LLP

The UK firm Ernst & Young LLP is a limited liability partnership registered in England and Wales with registered number OC300001 and is a member firm of Ernst & Young Global Limited.

Ernst & Young LLP, 1 More London Place, London, SE1 2AF.

© 2020 Ernst & Young LLP. Published in the UK.
All Rights Reserved.

ey.com

Inverness College

INTERNAL AUDIT PROGRESS REPORT 2020-21

November 2020



CONTENTS

| | |
|--------------------------------------|---|
| Executive Summary | 3 |
| Performance Against Operational Plan | 4 |
| Appendices: | |
| I Definitions | 5 |

Restrictions of use

The matters raised in this report are only those which came to our attention during the course of our audit and are not necessarily a comprehensive statement of all the weaknesses that exist or all improvements that might be made. The report has been prepared solely for the management of the organisation and should not be quoted in whole or in part without our prior written consent. BDO LLP neither owes nor accepts any duty to any third party whether in contract or in tort and shall not be liable, in respect of any loss, damage or expense which is caused by their reliance on this report.

EXECUTIVE SUMMARY

Introduction

The purpose of this report is to *advise* the Audit and Risk Committee of the progress of the Internal Audit Plan for 2020-21. This paper together with progress and assignment updates are discussed with management and the Audit and Risk Committee throughout the year. These reports will form the basis of information to support our Annual Internal Audit Report for 2020-21.

Internal Audit Plan 2020-21

Since the last Audit Committee meeting, the following internal audit is underway:

- Workforce Planning

We are awaiting responses from management to complete the refresh of the 2019-20 follow-up audit.

Conclusion

The Audit Committee is asked to *note* this report.

PERFORMANCE AGAINST OPERATIONAL PLAN

| Visit | Date of visit | Proposed Audit | Planned Days | Actual Days | Status |
|-------|---------------|-------------------------------|--------------|-------------|----------------------|
| 1 | October 2020 | Workforce Planning | 5 | - | In Progress |
| 2 | | Finance System Upgrade | 5 | - | Scheduled Jan 2021 |
| 3 | | Covid-19 Health & Safety | 5 | - | Scheduled Dec 2020 |
| 4 | | Covid-19 Quality & Assessment | 5 | - | |
| 5 | | Cyber Security | 7 | - | Scheduled April 2021 |
| 6 | | Follow Up | 3 | - | |

APPENDIX I - DEFINITIONS

| LEVEL OF ASSURANCE | DESIGN of internal control framework | | OPERATIONAL EFFECTIVENESS of internal controls | |
|---|--|--|---|--|
| | Findings from review | Design Opinion | Findings from review | Effectiveness Opinion |
| Substantial  | Appropriate procedures and controls in place to mitigate the key risks. | There is a sound system of internal control designed to achieve system objectives. | No, or only minor, exceptions found in testing of the procedures and controls. | The controls that are in place are being consistently applied. |
| Moderate  | In the main there are appropriate procedures and controls in place to mitigate the key risks reviewed albeit with some that are not fully effective. | Generally a sound system of internal control designed to achieve system objectives with some exceptions. | A small number of exceptions found in testing of the procedures and controls. | Evidence of non compliance with some controls, that may put some of the system objectives at risk. |
| Limited  | A number of significant gaps identified in the procedures and controls in key areas. Where practical, efforts should be made to address in-year. | System of internal controls is weakened with system objectives at risk of not being achieved. | A number of reoccurring exceptions found in testing of the procedures and controls. Where practical, efforts should be made to address in-year. | Non-compliance with key procedures and controls places the system objectives at risk. |
| No  | For all risk areas there are significant gaps in the procedures and controls. Failure to address in-year affects the quality of the organisation's overall internal control framework. | Poor system of internal control. | Due to absence of effective controls and procedures, no reliance can be placed on their operation. Failure to address in-year affects the quality of the organisation's overall internal control framework. | Non compliance and/or compliance with inadequate controls. |

| Recommendation Significance | |
|--|--|
| High  | A weakness where there is substantial risk of loss, fraud, impropriety, poor value for money, or failure to achieve organisational objectives. Such risk could lead to an adverse impact on the business. Remedial action must be taken urgently. |
| Medium  | A weakness in control which, although not fundamental, relates to shortcomings which expose individual business systems to a less immediate level of threatening risk or poor value for money. Such a risk could impact on operational objectives and should be of concern to senior management and requires prompt specific action. |
| Low  | Areas that individually have no significant impact, but where management would benefit from improved controls and/or have the opportunity to achieve greater effectiveness and/or efficiency. |

BDO LLP, a UK limited liability partnership registered in England and Wales under number OC305127, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms. A list of members' names is open to inspection at our registered office, 55 Baker Street, London W1U 7EU. BDO LLP is authorised and regulated by the Financial Conduct Authority to conduct investment business.

BDO is the brand name of the BDO network and for each of the BDO Member Firms.

BDO Northern Ireland, a partnership formed in and under the laws of Northern Ireland, is licensed to operate within the international BDO network of independent member firms.

Copyright ©2020 BDO LLP. All rights reserved.

www.bdo.co.uk

Board of Management

| | |
|---|--|
| Subject/Title: | Annual Audit Committee report to the Board of Management 2019-20 |
| Author: [Name and Job title] | Lisa Ross, Board Secretary |
| Meeting: | Audit Committee |
| Meeting Date: | 10 November 2020 |
| Date Paper prepared: | 27 October 2020 |
| Brief Summary of the paper: | The draft report highlights the membership of the Audit Committee, meetings held, those attending and the key reports presented during 2019-20. This includes both the work carried out by the Internal Auditor BDO for 2019/20, and the External Auditor Ernst & Young for the audit of the 2018/19 financial statements. Other key areas of the work of the committee are highlighted, specifically risk management, health and safety and approval of policies relevant to the terms of reference of the Committee. |
| Action requested: [Approval, recommendation, discussion, noting] | For noting – this cannot be approved until after the Joint Audit & F&GP Committee Meeting |
| Link to Strategy: Please highlight how the paper links to, or assists with:: <ul style="list-style-type: none"> • compliance • partnership services • risk management • strategic plan • new opportunity/change | The Audit Committee is required, in accordance with Scottish Funding Council guidance to report annually to the Board of management. The report relates to the discussions and actions in relation to risk management Linked to Opportunity and Growth in Sustainability within the strategic plan, specifically managing our risks |
| Resource implications: | Not directly, but indirectly in relation to the management of risk |
| Risk implications: | Yes Operational: as outlined in the Risk register Organisational: as outlined in the Risk register |
| Equality and Diversity implications: | N/A |
| Consultation: [staff, students, UHI & Partners, External] and provide detail | No consultation carried out – report is a statement of work carried out by the Audit Committee throughout 2019-20 |

ITEM 06b

| | | | |
|---|------------------|--|--|
| Status – [Confidential/Non confidential] | Non-Confidential | | |
| Freedom of Information Can this paper be included in “open” business* [Yes/No] | Yes | | |
| *If a paper should not be included within “open” business, please highlight below the reason. | | | |
| Its disclosure would substantially prejudice a programme of research (S27) | | Its disclosure would substantially prejudice the effective conduct of public affairs (S30) | |
| Its disclosure would substantially prejudice the commercial interests of any person or organisation (S33) | | Its disclosure would constitute a breach of confidence actionable in court (S36) | |
| Its disclosure would constitute a breach of the Data Protection Act (S38) | | Other (please give further details) | |
| For how long must the paper be withheld? (express either as the time which needs to pass or a condition which needs to be met.) | | | |

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

Annual Audit Committee Annual Report to the Board of Management

| | |
|---------------------|--|
| Title | Inverness College UHI Audit Committee Annual Report 2019-20 |
| Introduction | The Audit Committee is required, in accordance with Scottish Funding Council guidance to report annually to the Board of Management. This report covers the work of the Audit Committee during the 2019-20 Academic Year. |
| Membership | <p>The Membership of the Committee during the 2019-20 academic year was as follows:-</p> <p>Hazel Allen, Chair Jaci Douglas, Vice chair Sarah Burton Innis Montgomery Fiona Neilson Steve Walsh Sally Blyth Samantha Cribb</p> <p>Board Secretary – Lisa Ross (Clerk to the Committee)</p> |
| Meetings | <p>4 meetings were held throughout the year and the attendance was as follows:-</p> <p>17 September 2019 Hazel Allen, Sarah Burton, Jaci Douglas, Fiona Neilson (Hazel Allen chaired this meeting)</p> <p>26 November 2019 Hazel Allen, Sarah Burton, Jaci Douglas, Innis Montgomery (Hazel Allen chaired this meeting)</p> <p>10 March 2020 Jaci Douglas, Innis Montgomery, Fiona Neilson, Sally Blyth (Jaci Douglas chaired this meeting)</p> <p>02 June 2020 Hazel Allen, Fiona Neilson, Innis Montgomery, Samantha Cribb, Sally Blyth (Hazel Allen chaired this meeting)</p> <p>The internal auditors, BDO, attended all four meetings in 2019-20. Ernst & Young attended the meetings in November 2019 and June 2020.</p> |

| | <p>The Director of Finance attended the September 2019, November 2019 and June 2020 meetings.</p> <p>The Principal attended every meeting as did the Director of Organisational Development.</p> <p>The Depute Principal (Planning and Student Experience) attended the March 2020 meeting.</p> | | | | | | | | | | | | | | | | | | |
|------------------------------|---|----------|---|--------|---------------------------|--|--|--|-----|-------|-------|--------|---------------------------|------------------------------|----------|----------|----------|-----|-----|
| Terms of Reference | <p>The terms of Reference were reviewed in May 2019 by the Audit Committee and are due for further review in May 2021.</p> | | | | | | | | | | | | | | | | | | |
| Internal Audit | <p>Provider The Internal Auditors are BDO. They were appointed for the three year period 2017-2020 at a cost of £60,480.</p> <p>Audit committee assessment of performance The annual review of the performance of BDO was discussed at the meeting held on 2nd June 2020. Whereby it was noted that the Annual Review of Internal Auditors performance is usually completed with the Finance Director. As the recently departed Interim Finance Director had the most involvement with BDO it was agreed that the Chair would arrange to meet with the Interim Finance Director to complete the annual review out with the meeting and bring back their thoughts for discussion at the September 2020 meeting.</p> <p>Review of internal audit plan The Internal Audit Strategy 2017-2020 set out the programme of audits to be undertaken in each of the three years from 2017. The rationale for the inclusion of particular reviews was based on the Auditors initial review of the Colleges risk register, discussions with a number of key stakeholders and consideration of various documents, publications and information sources.</p> <p>Eight internal audit reviews and the follow up review were undertaken during 2019-20. Three of the eight are regulatory reviews, these being the Student Support Funds, FES Return and EMA. The outcomes of all reviews has been presented to and discussed by Audit Committee. The initial conclusion is reflected in the summary table below and is not expected to change.</p> <p>The plan was based on the proposed allocation of days for set out in the 2019-20 operational plan. There was no change in the time spent – Planned v budget. 41 days’ work was undertaken.</p> <p>Summary of Internal Audit reports 2019-20</p> <table border="1" data-bbox="387 1246 2168 1417"> <thead> <tr> <th data-bbox="387 1246 981 1294"></th> <th colspan="5" data-bbox="981 1246 2168 1294">Overall Report Conclusions – see appendix I</th> </tr> <tr> <th data-bbox="387 1294 981 1374"></th> <th data-bbox="981 1294 1167 1374">RED</th> <th data-bbox="1167 1294 1352 1374">AMBER</th> <th data-bbox="1352 1294 1538 1374">GREEN</th> <th data-bbox="1538 1294 1848 1374">Design</th> <th data-bbox="1848 1294 2168 1374">Operational Effectiveness</th> </tr> </thead> <tbody> <tr> <td data-bbox="387 1374 981 1417">Student Support Funds</td> <td data-bbox="981 1374 1167 1417">0</td> <td data-bbox="1167 1374 1352 1417">0</td> <td data-bbox="1352 1374 1538 1417">0</td> <td data-bbox="1538 1374 1848 1417">n/a</td> <td data-bbox="1848 1374 2168 1417">n/a</td> </tr> </tbody> </table> | | Overall Report Conclusions – see appendix I | | | | | | RED | AMBER | GREEN | Design | Operational Effectiveness | Student Support Funds | 0 | 0 | 0 | n/a | n/a |
| | Overall Report Conclusions – see appendix I | | | | | | | | | | | | | | | | | | |
| | RED | AMBER | GREEN | Design | Operational Effectiveness | | | | | | | | | | | | | | |
| Student Support Funds | 0 | 0 | 0 | n/a | n/a | | | | | | | | | | | | | | |

ITEM 06b

| | | | | | |
|--|-----|-----|-----|----------|----------|
| Education Maintenance Allowance | 0 | 0 | 0 | n/a | n/a |
| FES Return | 0 | 0 | 1 | n/a | n/a |
| Business Planning and Performance Management | 0 | 1 | 1 | Moderate | Moderate |
| Cash Handling | 0 | 2 | 2 | Moderate | Moderate |
| Health and Safety | 0 | 6 | 1 | Limited | Limited |
| Estates Management | 0 | 2 | 1 | Moderate | Moderate |
| Marketing and Communication | 0 | 2 | 2 | Moderate | Moderate |
| Follow Up | n/a | n/a | n/a | n/a | n/a |

Overall gradings were defined as follows

| LEVEL OF ASSURANCE | DESIGN of internal control framework | | OPERATIONAL EFFECTIVENESS of internal controls | |
|----------------------------|--|--|--|--|
| | Findings from review | Design Opinion | Findings from review | Effectiveness Opinion |
| Substantial (GREEN) | Appropriate procedures and controls in place to mitigate the key risks. | There is a sound system of internal control designed to achieve system objectives. | No, or only minor, exceptions found in testing of the procedures and controls. | The controls that are in place are being consistently applied. |
| Moderate (BLUE) | In the main there are appropriate procedures and controls in place to mitigate the key risks reviewed albeit with some that are not fully effective. | Generally a sound system of internal control designed to achieve system objectives with some exceptions. | A small number of exceptions found in testing of the procedures and controls. | Evidence of non compliance with some controls, that may put some of the system objectives at risk. |

ITEM 06b

| | | | | |
|----------------------------|--|---|---|---|
| Limited (AMBER) | A number of significant gaps identified in the procedures and controls in key areas. Where practical, efforts should be made to address in-year. | System of internal controls is weakened with system objectives at risk of not being achieved. | A number of reoccurring exceptions found in testing of the procedures and controls. Where practical, efforts should be made to address in-year. | Non-compliance with key procedures and controls places the system objectives at risk. |
| No (RED) | For all risk areas there are significant gaps in the procedures and controls. Failure to address in-year affects the quality of the organisation's overall internal control framework. | Poor system of internal control. | Due to absence of effective controls and procedures, no reliance can be placed on their operation. Failure to address in-year affects the quality of the organisation's overall internal control framework. | Non compliance and/or compliance with inadequate controls. |

Recommendation Significance

| | |
|---------------------------|--|
| High (RED) | A weakness where there is substantial risk of loss, fraud, impropriety, poor value for money, or failure to achieve organisational objectives. Such risk could lead to an adverse impact on the business. Remedial action must be taken urgently. |
| Medium (AMBER) | A weakness in control which, although not fundamental, relates to shortcomings which expose individual business systems to a less immediate level of threatening risk or poor value for money. Such a risk could impact on operational objectives and should be of concern to senior management and requires prompt specific action. |
| Low (GREEN) | Areas that individually have no significant impact, but where management would benefit from improved controls and/or have the opportunity to achieve greater effectiveness and/or efficiency. |

Audit reports

Summary of Recommendations made

| | |
|---|-----------|
| High | 0 |
| Medium | 13 |
| Low | 8 |
| Total number of recommendations: | 21 |

The Committee made specific comments on reports as follows:-

FES

- BDO were asked to clarify a statement within the FES return regarding fundable student numbers and agreed to do that.

Business Planning and Performance Management

- A meeting was requested by the Depute Principal Planning and Student Experience to clarify some of the findings and recommendations from the audit.

Health and Safety

The Committee noted the expected completion date of January 21 of the audit which begun in March 2020 and a discussion over whether this was a feasible deadline took place which highlighted:

- Proposed change of system - discussions have been held within the Partnership with regards a common system but this has now been rejected due to the cost which means we may have to consider a possible extension to the SHE contract.
- The impact of Covid-19 and access to the building.
- Liability – whether VDE checks are being carried out by staff at home.
- Record keeping and whether staff are fully engaging with processes.
- Training available on Safetyhub and whether this is being used and properly monitored.
- That focus remains on all Health and Safety issues – not just those affected by Covid-19. It was AGREED that this issue will be revisited at the next meeting for further discussion.
- Fire Evacuation plans and Fire Marshalls.

Estates

The Committee noted that the Estates Dept. are now involved in their budget setting and an update of their spend will be taken to the next meeting for discussion. Additional funding has been allocated from SFC with regards Covid compliance.

| | |
|------------------------------|---|
| | <p>Closed Meeting</p> <p>The Chair of the Audit Committee and the Director of Finance held a closed session with the Internal Auditors during April/May 2020 to discuss concerns which had been raised by SMT. A further meeting was due to be held with the Chair of the Audit Committee in June 2020 to agree timings for the 2020/21 audits but this did not take place.</p> <p>Overall opinion of risk management, control and governance arrangements</p> <p>It was the opinion of BDO that “based on the reviews undertaken during the period, and in the context of materiality:</p> <ul style="list-style-type: none"> • In four of the five assurance audits performed, the risk management activities and controls in the areas which we examined were found to be suitably designed to achieve the specific risk management, control and governance arrangements. Based on our verification reviews and sample testing, the risk management, control and governance arrangements in these four areas were operating with sufficient effectiveness to provide reasonable, but not absolute assurance that the related risk management, control and governance objectives were achieved for the period under review. • However, our review of Health & Safety identified that further work was required to ensure robust processes. As such, we are not able to provide reasonable assurance based on our verification review and sample testing, that risk management, control and governance arrangements were designed and operating with sufficient effectiveness in this area to provide reasonable assurance that the related risk management, control and governance objectives were achieved for the period under review. • In addition, we were not able to gain assurance that management were taking sufficient action to implement previously agreed recommendations and make improvements to the control environment. |
| <p>External audit</p> | <p>Ernst & Young</p> <p>Ernst & Young completed their audit of the accounts for the year ending 31 July 2019. This was the third report by Ernst & Young who had been appointed by the Auditor General for Scotland as the external auditor for the financial years 2016/17 to 2020/21. The fee for the 2018-19 audit as per Audit Scotland’s fee letter 2018-19 was £???</p> <p>These accounts were submitted to and approved by the Board of Management on 17 December 2019. Ernst and Young’s independent auditor’s report provided an unqualified opinion that the financial statements</p> <p>Ernst and Young’s independent auditor’s report provided an unqualified opinion that the financial statements</p> <ul style="list-style-type: none"> • gave a true and fair view in accordance with the Further and Higher Education (Scotland) Act 1992 and directions made thereunder by the Scottish Funding Council (SFC) of the state of the affairs of the College and Group as at 31 July 2019 and of its surplus for the year then ended; • had been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and |

| | |
|-------------------------------|--|
| | <ul style="list-style-type: none"> • had been prepared in accordance with the requirements of the Further and Higher Education (Scotland) Act 1992 and directions made thereunder by the Scottish Funding Council, the Charities and Trustee Investment (Scotland) Act 2005, and regulation 14 of The Charities Accounts (Scotland) Regulations 2006 (as amended). <p>Audit committee assessment of performance The annual review of the performance of EY for the year 2018/19 has not yet been undertaken.</p> <p>Closed Meeting The Audit Committee is scheduled to have a closed session with the External Auditors at a joint meeting scheduled for 27 January 2021.</p> <p>Audit of annual accounts 2019-20 EY are currently carrying out the Audit of the Annual Accounts for 2019-20.</p> |
| <p>Other work done</p> | <p>Health and Safety Health and Safety reports are submitted to each audit committee throughout the year.</p> <p>COVID-19 has had a significant impact upon the College operations since the turn of the calendar year, which resulted in a contingency management group being formed in January which is headed by Ken Russell, Depute Principal as chair of the group. However it has been a positive year for the College in terms of having had no reportable incidents or significant injuries, and prior to the COVID-19 pandemic, was undergoing a continuing trend of increased reporting, predominantly for minor incidents – while of course it is not desirable to have an increase in incidents, it is believed that the increase is due to more proactive reporting rather than an increase in incidents.</p> <p>With this said, there is much to do to ensure that the College has a robust and reliable Health & Safety Management System in place to support Health & Safety improvement. The BDO internal audit has reinforced many of the observations made by the Health & Safety Manager and as such, the measures and actions for improvement have been identified, with key components being the implementation of a HSG65 compliant Management System in addition to a fully functioning and fit for purpose software package.</p> <p>Riddor There have been no RIDDOR reportable incidents for academic year 2019-2020 in comparison to a single RIDDOR event for 2018-2019. There has been a change of Health & Safety Manager within the reporting year (November 2019) and since this appointment, several observations regarding Health & Safety arrangements and areas for improvement have been identified, in particular regarding the conducting and management of Risk Assessments.</p> <p>Incidents</p> |

The College had been observing an increased trend in the reporting of incidents comparable to the previous year, prior to the onset of COVID-19. This may be viewed in a positive light as it superficially implies involvement with Health & Safety within the workforce. However, analysis of incidents within the reporting system is hindered in some respects by the parameters in which the system has been configured to record them.

A key cause of the issue is due to the outdated organisational structure that the system is configured with, though this is compounded by the custom and practice of mis-recording certain events as incidents which further contaminates the data. The lack of clear and readily available (or acknowledged) guidance on the use of the system plays a significant role in this misunderstanding, in addition to other, wider issues relating to the use of the SHE software system.

The key component to effectively utilising a Health and Safety Software System is the configuration of data sets and the accurate representation of the organisational structure. The organisational structure which is currently in use is largely obsolete, though this is exasperated by ad-hoc 'updates' which have not migrated or redirected data appropriately, thus causing multiple issues for the end user, as well as for the local administrator (Health & Safety Manager).

Policies

The following key policies were reviewed during 2019/20

- Annual Review of Risk Management Policy
- Food Safety and Allergens Management Policy
- Secure Handling, Use, Storage and Retention of Disclosure Information Policy
- Data Protection Policy.

The Annual report on Data Protection and Freedom of Information was presented to the committee in June 2020 with the Complaints and Public Interest Disclosure information being presented to the committee in September 2020. No major issues were reported.

Value for Money and Procurement Annual Report 2019-20

This report will be available within January 2021.

Business Continuity Plan

An internal audit review took place within 2019 with a final report being made available in March 2020. This audit resulted in a number of recommendations. The remaining actions are to be completed in the coming months and the full BCP will be updated accordingly.

ITEM 06b

| | |
|--------------------|--|
| Opinion | <p>The Audit Committee is of the opinion that the risk management of activities and controls in the areas examined by BDO were found to be suitably designed to achieve the specific risk management control and governance arrangements.</p> <p>The Audit Committee concurs with the (draft) opinion of BDO that the risk management, control and governance arrangements were operating with sufficient effectiveness to provide reasonable, but not absolute assurance that the related risk management, control and governance objectives were achieved for the period under review.</p> |
| Circulation | Copy to the Auditors once approved by the Board of Management |
| Conclusion | <p>The Audit Committee is pleased to report to the Board of Management that in its opinion the College has adequate internal controls, procedures and systems in place</p> <p>Signed..... Chair, Audit Committee</p> <p>Date</p> |

INVERNESS COLLEGE

MANAGEMENT LETTER

FES RETURN AUDIT 2019-20
OCTOBER 2020



EXECUTIVE SUMMARY 2
 DETAILED FINDINGS 8
 OBSERVATIONS 9
 APPENDIX I - DEFINITIONS..... 10

| DISTRIBUTION | |
|--|---|
| Roddy Henry Jane MacLennan Audit Committee | Depute Principal Information System Manager Members |
| REPORT STATUS LIST | |
| Auditors: | Sean Morrison |
| Dates work performed: | 07 September - 25 September 2020 |
| Draft report issued: | 30 September 2020 |
| Final report issued: | 7 October 2020 |

EXECUTIVE SUMMARY

SUMMARY OF RECOMMENDATIONS: (SEE APPENDIX I)

| | | |
|--------|---|---|
| High |  | 0 |
| Medium |  | 0 |
| Low |  | 1 |

TOTAL NUMBER OF RECOMMENDATIONS: 1

BACKGROUND:

A review of the College's FES (further education statistical) data return has been carried out in accordance with the 'Credit Guidance: 2019-20 student activity data guidance for colleges' (SFC/GD/13/2019) issued in July 2019 and the audit guidance for colleges (SFC/GD/13/2020) issued on 16 July 2020.

Our report is based on information supplied by college management and staff and the audit approach outlined below.

AUDIT APPROACH AND SCOPE:

We assessed the overall control environment by considering whether:

- 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 contains no material misstatement.

The purpose of the review was to examine the adequacy of the sub-systems used by the College in relation to the Credit Guidance, the audit guidance and associated guidance to complete the student data returns.

The assessment of the control environment as outlined above was used to determine specific tests and sample sizes.

Our review also sought to address all the risk areas outlined in Annex D of the audit guidance issued on 16 July 2020.

Our fieldwork, which took 5 days to complete, was undertaken by a fully qualified auditor, and was reviewed by the Director responsible for the assignment. All personnel have previous experience of delivering internal audit assignments to FE Colleges.

Our test samples were selected from full population data sets and were representative of the area under review e.g. sampling across all key modes of attendance.

TESTING SUMMARY:

A summary of the specific tests, together with sample sizes (which were randomly selected), is described below:

- We reviewed class lists for 15 courses and selected a student from each course and confirmed that the student had in fact attended after the 25% required date. This “required date” test was also conducted on all students selected within the other sample tests below.
- A sample of 15 courses, totalling 2,440 credits (roughly 10% of total), was randomly selected. The programme codes, the price group numbers, the number of eligible students and the number of students enrolled on class registers were checked to supporting documentation for reasonableness and accuracy. We also recalculated the individual Credits for each of the 15 courses and assessed whether the 25% required date was accurate.
- We traced our sample of students on each test to an online enrolment form or paper based form where required (or student summary record) to confirm the credits figure was for a bona fide student of the College.
- We tested a sample of 10 separate courses and selected two students from each course, and confirmed that a mechanism was in place to track and record student participation and progress on these courses. We also confirmed credits had been correctly calculated for these courses and that a student summary record was in place for all enrolled students. We also ensured that the attendance for each student surpassed the required date of the course.
- We reviewed a sample of 15 withdrawn students (who had withdrawn within two weeks of the required date) to confirm that, for each student, their withdrawal was processed correctly and in a timely manner and that the date of last attendance agreed to the class register, and was before or after the required date.
- We reviewed the process in place for Programme design within the College to ensure that controls were operating to correctly classify courses as HE or FE and FT or PT. We also reviewed a sample of 15 courses to ensure that the correct superclass code had been used for each course, for one of the courses sampled we determined that a more appropriate superclass code could be used, we note that this was the same price group as the current code, further details in the observations section below.
- We reviewed a sample of 15 Price Group 5 students and assessed whether the students were eligible to be classed as Price Group 5 students and on eligible courses, and assessed whether students attended beyond the required date.
- We confirmed with management that the College do not have spanning courses within their course catalogue.
- We reviewed a sample of 10 infill students to confirm that credits were only claimed for students that had attended past the required date, who were properly enrolled and who were eligible to claim credits under infill.
- We reviewed a sample of 5 non-accredited work experience/placement students to confirm that credits for these units were claimed in line with the guidance of one credit for every 80 hours of teaching. We found no issues with the credits claimed, however the student records system (SITS) used by the college does not have the capability to apportion one credit to the 80 hours of teaching for the non-accredited work experience/placement units. As SITS is programmed to apportion one credit for every 40 hours of teaching, as per the credits guidance.
- We reviewed a sample of 15 students to ensure that a College fee waiver form was completed and authorised and appropriately backed up by supporting documentation. We also assessed whether a student summary record and evidence of attendance existed (past the required date) and that students were enrolled on

eligible courses. We also tested the credits data to confirm that only one full-time fee is recorded per student in the academic year.

- For a sample of 10 students with more than one enrolment (e.g. enrolled on a FT and PT course) we obtained explanations and reviewed records to confirm that credits were not over-claimed.
- We reviewed a sample of 10 ESOL courses to confirm that the credits claimed were accurate. We then selected 10 students from the courses to assess whether the students were properly enrolled in the College and attended past the required date.
- We reviewed a sample of 15 students on school based programmes to assess whether credits claimed were accurate.
- We confirmed with management that the college no longer run any courses in collaboration with other institutions.
- We tested a sample of 10 open distance learning courses, and confirmed that the correct credits were claimed for each student, that the progress of the students was sufficient and that students were resident in Scotland.
- We tested a sample of 15 courses, and confirmed that the required date for each course was correct.

ANALYTICAL REVIEW:

A brief summary of the analytical review work undertaken is as follows:

- We compared the student numbers per mode of attendance with the prior year, investigating any significant fluctuations with College staff; and
- We obtained the fee waiver figures per category of fee waiver and compared these with the previous year's figures, investigating any significant fluctuations with College staff.

The final 2019/20 FES return submitted to SFC by the College matched the figures we reviewed. The Colleges core activity credit target set by the Regional Board was 28,915 credits. In addition the College had an ESF activity target of 296 credits. The total credit target for 2019/20 was therefore 29,211. Total actual credits within the Colleges FES return are 28,331 which is 3% below the total target. These figures have been accepted by the SFC.

| Student Numbers | 2019/20 | 2018/19 |
|-----------------|---------|---------|
| Head Count | | |
| FEFT | 1,122 | 1,132 |
| FEPT | 2,260 | 2,901 |
| Total | 3,382 | 4,033 |

Fundable student numbers have decreased by roughly 16% in comparison with last year. The decrease is largely due to the Covid-19 restrictions, which prevented the college from enrolling planned activity after lockdown. Some of this activity has been deferred to 2020-21.

| All Student Enrolments | | |
|------------------------|---------|---------|
| Student Numbers | 2019/20 | 2018/19 |
| Enrolments | | |
| FEFT | 1,218 | 1,273 |
| FEPT | 3,260 | 4,160 |
| Total | 4,478 | 5,433 |

There has been a decrease of roughly 17.6% in the number of student enrolments during the year.

Fee Waiver Summary:

| Source of Finance of Fee for Student | 2019/20 (£) | 2018/19 (£) |
|--|-------------|--------------|
| 22 - Fee Waiver - full-time non-advanced | 948,528 | 974,736 |
| 23 - Fee Waiver - income support | 1,173.12 | 817.80 |
| 24 - Fee Waiver - low income | 225.60 | 56.40 |
| 25 - Fee Waiver - Islands Authority Fee Waiver (excl. Orkney and Shetland) | 0.00 | 0.00 |
| 26 - Fee Waiver - cost borne by college | 15,925.80 | 17,484 |
| 28 - Fee Waiver - Incapacity Benefit | 0.00 | 0.00 |
| 29 - Fee Waiver - Severe Disablement Allowance | 0.00 | 0.00 |
| 30 - Fee Waiver - housing benefit | 0.00 | 564 |
| 33 - Fee waiver - student on a DPG 18 programme | 49,618.08 | 29,201.19 |
| 37 - Fee Waiver - carers allowance | 0.00 | 0.00 |
| 38 - Fee Waiver - disability living allowance | 225.60 | 1,290 |
| 39 - Fee waiver - pension credit | 0.00 | 451.20 |
| 40 - Fee Waiver - working tax credit | 1,438.20 | 338.40 |
| 41 - Fee waiver - old FT criteria | 47,996.40 | 63,241.80 |
| 42 - Fee waiver - school pupil | 103,553.20 | 96,052.75 |
| 43 - Fee waiver - attendance allowance | 0.00 | 0.00 |
| 44 - Fee waiver - income based job seekers allowance | 648.60 | 1,311.15 |
| 47 - Fee waiver - income-related employment and support allowance | 56.40 | 1,015.20 |
| 48 - Fee Waiver - student in care | 0.00 | 0.00 |
| 49 - Fee Waiver - Asylum seeker or spouse or child of an asylum seeker | 0.00 | 0.00 |
| 50 - Fee Waiver - contribution based employment and support allowance | 0.00 | 56.40 |
| 52 - Fee Waiver - Personal Independence Payment (PIP) | 1,057.50 | 1,480.50 |
| 53 - Fee Waiver - Universal credit (UC) | 7,535.04 | 4,074.90 |
| | | |
| Total - including cost borne by college | 1,177,982 | 1,192,172 |
| | | |
| Total overclaim for individual students | 27,524.88 | 22,022.10 |
| | | |
| Total - excluding cost borne by college | 1,162,056 | 1,174,687.60 |
| Total - excluding cost borne by college and overclaims | 1,134,531 | 1,152,665.50 |

There has been an overall decrease in fee waiver (excluding cost borne by college and over claims) of roughly 1.1%.

There has been an increase of 43% (£355) in fee waivers for income support students. Fee waiver for school pupils increased by roughly 7.8% (£7,500) due to an increase in the volume of school pupil activity.

There was a decrease in fee waiver claims for other categories such as 'pension credit' (100%, £451) and 'income based job seekers allowance' (50%, £647).

Categories fluctuate as a result of the type of student enrolled at the College and, as such, it is not unreasonable for the totals within the individual categories to vary from year to year.

CONCLUSION:

The College's systems and procedures were found to be sufficiently adequate to promote the accurate collection and recording of data in respect of the credits return.

ACKNOWLEDGEMENT:

We wish to thank the College staff for their co-operation and assistance throughout this review, which was much appreciated.

DETAILED FINDINGS

RISK: STUDENT INCLUDED IN THE RETURN DO NOT MEET THE ATTENDANCE CRITERIA. GRANT-IN-AID COULD BE OVERSTATED.

| Ref | Sig. | Finding |
|-----|------|---------|
|-----|------|---------|

| | | |
|---|---|--|
| 1 |  | Students that withdraw prior to the course required date are not eligible for credits to be claimed. |
|---|---|--|

For two of the 15 students tested that withdrew within two weeks of the course requirement date we found that the end date was incorrectly recorded as after the required date. This was due to human error. Both students end date was appropriately adjusted, and further checks were carried out by the college on students withdrawing close to the cut off to confirm no further students were affected.

There is a risk that credits could be incorrectly claimed if the wrong withdrawal date is recorded in SITS.

RECOMMENDATION:

We recommend that spot checks are undertaken on students that have withdrawn from their course prior to the end date, to verify that the date has been accurately recorded within SITS. Records should be kept of this check.

MANAGEMENT RESPONSE:

A sample of students will be selected during December and March each year to coincide with required attendance dates of September and January start courses. Withdrawal forms will be checked against dates held in SITS and attendance records in Celcat.

Responsible Officer: Information Systems Manager

Implementation Date: December 2020

OBSERVATIONS

SUPER CLASS CODES

Our audit found that for one out of the fifteen courses tested, there was a more suitable super class code that could have been used. However, we note that the price group for each of the super class codes is the same.

NON ACCREDITED WORK EXPERIENCE/PLACEMENT CREDITS

The student records system (SITS) used by the college does not have the capability to apportion one credit for every 80 hours of teaching for the non-accredited work experience/placement units. As SITS is programmed to apportion one credit for every 40 hours of teaching, as per the credits guidance for all other eligible courses. We note that one unit was affected by this, however adjustments were made to ensure that the credits being claimed for the unit is 0.5 for the 40 hours, and not 1 credit.

FEE WAIVER CODES

Our audit found that for two of the fifteen fee waiver student's tests, the students had been assigned the wrong fee waiver code. These were identified by management and the correct code was applied to the student. Discussions have been held internally to ensure that the correct code is applied to all students going forward. We note that there was no issue relating to this in the 2018/19 review.

APPENDIX I - DEFINITIONS

| LEVEL OF ASSURANCE | DESIGN OF INTERNAL CONTROL FRAMEWORK | | OPERATIONAL EFFECTIVENESS OF CONTROLS | |
|---|--|--|---|---|
| | FINDINGS FROM REVIEW | DESIGN OPINION | FINDINGS FROM REVIEW | EFFECTIVENESS OPINION |
| Substantial  | Appropriate procedures and controls in place to mitigate the key risks. | There is a sound system of internal control designed to achieve system objectives. | No, or only minor, exceptions found in testing of the procedures and controls. | The controls that are in place are being consistently applied. |
| Moderate  | In the main there are appropriate procedures and controls in place to mitigate the key risks reviewed albeit with some that are not fully effective. | Generally a sound system of internal control designed to achieve system objectives with some exceptions. | A small number of exceptions found in testing of the procedures and controls. | Evidence of non-compliance with some controls that may put some of the system objectives at risk. |
| Limited  | A number of significant gaps identified in the procedures and controls in key areas. Where practical, efforts should be made to address in-year. | System of internal controls is weakened with system objectives at risk of not being achieved. | A number of reoccurring exceptions found in testing of the procedures and controls. Where practical, efforts should be made to address in-year. | Non-compliance with key procedures and controls places the system objectives at risk. |
| No  | For all risk areas there are significant gaps in the procedures and controls. Failure to address in-year affects the quality of the organisation's overall internal control framework. | Poor system of internal control. | Due to absence of effective controls and procedures, no reliance can be placed on their operation. Failure to address in-year affects the quality of the organisation's overall internal control framework. | Non compliance and/or compliance with inadequate controls. |

RECOMMENDATION SIGNIFICANCE

| | |
|--|--|
| High  | A weakness where there is substantial risk of loss, fraud, impropriety, poor value for money, or failure to achieve organisational objectives. Such risk could lead to an adverse impact on the business. Remedial action must be taken urgently. |
| Medium  | A weakness in control which, although not fundamental, relates to shortcomings which expose individual business systems to a less immediate level of threatening risk or poor value for money. Such a risk could impact on operational objectives and should be of concern to senior management and requires prompt specific action. |
| Low  | Areas that individually have no significant impact, but where management would benefit from improved controls and/or have the opportunity to achieve greater effectiveness and/or efficiency. |

FOR MORE INFORMATION:

CLAIRE ROBERTSON

+44 (0)7583 237 579
claire.robertson@bdo.co.uk

BDO LLP, a UK limited liability partnership registered in England and Wales under number OC305127, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms. A list of members' names is open to inspection at our registered office, 55 Baker Street, London W1U 7EU. BDO LLP is authorised and regulated by the Financial Conduct Authority to conduct investment business.

BDO is the brand name of the BDO network and for each of the BDO Member Firms.

BDO Northern Ireland, a partnership formed in and under the laws of Northern Ireland, is licensed to operate within the international BDO network of independent member firms.

Copyright ©2020 BDO LLP. All rights reserved.

www.bdo.co.uk

INVERNESS COLLEGE

MANAGEMENT LETTER

STUDENT SUPPORT FUND AUDIT 2019-20
OCTOBER 2020



EXECUTIVE SUMMARY 2
APPENDIX I - DEFINITIONS..... 4

DISTRIBUTION

| | |
|--|---|
| Roddy Henry Jane Maclennan Audit Committee | Depute Principal Information System Manager Members |
|--|---|

REPORT STATUS LIST

| | |
|-----------------------|----------------------------------|
| Auditors: | Sean Morrison |
| Dates work performed: | 07 September - 25 September 2020 |
| Draft report issued: | 29 September 2020 |
| Final report issued: | 07 October 2020 |

EXECUTIVE SUMMARY

SUMMARY OF RECOMMENDATIONS: (SEE APPENDIX I)

| | | |
|--------|---|---|
| High |  | 0 |
| Medium |  | 0 |
| Low |  | 0 |

TOTAL NUMBER OF RECOMMENDATIONS: 0

BACKGROUND:

A review of the College's student data returns has been carried out in accordance with the 'Student Support Fund' Audit Guidance Notes for 2019-20 issued on 17 July 2020.

Our report is based on information supplied by College management and staff, and the audit approach outlined below.

AUDIT APPROACH AND SCOPE:

We assessed the overall control environment by considering the following:

- Procedures and controls in place to capture data; and
- High level review and involvement by College management.

The purpose of the review was to examine the system used by the College in relation to the student support fund, in the context of the national policy for further education bursaries, and with consideration of the audit guidance, to examine the processes used to administer student support funds and to complete the aggregated return.

The assessment of the control environment as outlined above was used to determine specific tests and sample sizes.

Our fieldwork, which took 4 days to complete, was undertaken by a fully qualified auditor, and was reviewed by the Director responsible for the assignment. All personnel have previous experience of internal audit of FE Colleges.

Our samples were randomly selected from data from the student records system, SITS.

TESTING SUMMARY:

A summary of the specific tests, together with our (randomly selected) sample sizes is detailed below:

- A sample of 20 students, from a population of 842 eligible bursary students was selected, this included care experienced students.
- We traced each of our sample of students to an online application (or paper form where required) confirming the eligibility criteria were checked and evidence retained, and reviewed the backup documentation supporting each of the applications, including confirmation that the applicant's income status is reviewed before awarding a bursary.
- We confirmed that student attendance is monitored effectively for the sample, and confirmed that withdrawn students, or those no longer meeting acceptable attendance criteria, no longer received payment.
- We confirmed for the sample that the bursary was paid into the bank account of the correct student.
- We traced the total income received from the SFC to the College's bank account and nominal ledger and cross checked the total income to the monthly remittance advices received from the SFC to ensure these have been correctly recorded.
- We matched the College's aggregated returns to the underlying records.
- We confirmed that bursary overspends have been properly accounted for within the College.
- We tested a sample of 12 students from a population of 93 confirming eligibility for further education or higher education childcare award.
- We tested a sample of 5 students from a population of 53 confirming eligibility for further education discretionary award.
- We confirmed that payments made under discretionary and childcare funds were for allowable expenditure in each of the sample selected.

CONCLUSION:

The College's systems and procedures were found to be sufficiently adequate to promote the accurate collection and recording of data in respect of the aggregated student support funds returns.

ACKNOWLEDGEMENT:

We wish to thank the College staff for their co-operation and assistance throughout this review.

APPENDIX I - DEFINITIONS

| LEVEL OF ASSURANCE | DESIGN OF INTERNAL CONTROL FRAMEWORK | | OPERATIONAL EFFECTIVENESS OF CONTROLS | |
|---|--|--|---|---|
| | FINDINGS FROM REVIEW | DESIGN OPINION | FINDINGS FROM REVIEW | EFFECTIVENESS OPINION |
| Substantial  | Appropriate procedures and controls in place to mitigate the key risks. | There is a sound system of internal control designed to achieve system objectives. | No, or only minor, exceptions found in testing of the procedures and controls. | The controls that are in place are being consistently applied. |
| Moderate  | In the main there are appropriate procedures and controls in place to mitigate the key risks reviewed albeit with some that are not fully effective. | Generally a sound system of internal control designed to achieve system objectives with some exceptions. | A small number of exceptions found in testing of the procedures and controls. | Evidence of non compliance with some controls that may put some of the system objectives at risk. |
| Limited  | A number of significant gaps identified in the procedures and controls in key areas. Where practical, efforts should be made to address in-year. | System of internal controls is weakened with system objectives at risk of not being achieved. | A number of reoccurring exceptions found in testing of the procedures and controls. Where practical, efforts should be made to address in-year. | Non-compliance with key procedures and controls places the system objectives at risk. |
| No  | For all risk areas there are significant gaps in the procedures and controls. Failure to address in-year affects the quality of the organisation's overall internal control framework. | Poor system of internal control. | Due to absence of effective controls and procedures, no reliance can be placed on their operation. Failure to address in-year affects the quality of the organisation's overall internal control framework. | Non compliance and/or compliance with inadequate controls. |

RECOMMENDATION SIGNIFICANCE

| | |
|--|--|
| High  | A weakness where there is substantial risk of loss, fraud, impropriety, poor value for money, or failure to achieve organisational objectives. Such risk could lead to an adverse impact on the business. Remedial action must be taken urgently. |
| Medium  | A weakness in control which, although not fundamental, relates to shortcomings which expose individual business systems to a less immediate level of threatening risk or poor value for money. Such a risk could impact on operational objectives and should be of concern to senior management and requires prompt specific action. |
| Low  | Areas that individually have no significant impact, but where management would benefit from improved controls and/or have the opportunity to achieve greater effectiveness and/or efficiency. |

FOR MORE INFORMATION:

CLAIRE ROBERTSON

+44 (0)7583 237 579
claire.robertson@bdo.co.uk

BDO LLP, a UK limited liability partnership registered in England and Wales under number OC305127, is a member of BDO International Limited, a UK company limited by guarantee, and forms part of the international BDO network of independent member firms. A list of members' names is open to inspection at our registered office, 55 Baker Street, London W1U 7EU. BDO LLP is authorised and regulated by the Financial Conduct Authority to conduct investment business.

BDO is the brand name of the BDO network and for each of the BDO Member Firms.

BDO Northern Ireland, a partnership formed in and under the laws of Northern Ireland, is licensed to operate within the international BDO network of independent member firms.

Copyright ©2020 BDO LLP. All rights reserved.

www.bdo.co.uk

Audit Committee

| | |
|--|---|
| Subject/Title: | Financial Recovery Plan – Update |
| Author: [Name and Job title] | Professor Chris O’Neil, Principal & Chief Executive |
| Meeting: | Audit Committee |
| Meeting Date: | 10 November 2020 |
| Date Paper prepared: | 30 October 2020 |
| Brief Summary of the paper: | To provide the Audit Committee with an update on the progress of the FRP. |
| Action requested: [Approval, recommendation, discussion, noting] | Discussion |
| Link to Strategy: Please highlight how the paper links to, or assists with:: <ul style="list-style-type: none"> • compliance • partnership services • risk management • strategic plan • new opportunity/change | |
| Resource implications: | Yes / No If yes, please specify: |
| Risk implications: | Yes / No If yes, please specify: Operational: Organisational: |
| Equality and Diversity implications: | Yes/No If yes, please specify: |
| Consultation: [staff, students, UHI & Partners, External] and provide detail | |

Item 07

| | | | |
|---|--------------|--|---|
| Status – [Confidential/Non confidential] | Confidential | | |
| Freedom of Information Can this paper be included in “open” business* [Yes/No] | No | | |
| *If a paper should not be included within “open” business, please highlight below the reason. | | | |
| Its disclosure would substantially prejudice a programme of research (S27) | | Its disclosure would substantially prejudice the effective conduct of public affairs (S30) | X |
| Its disclosure would substantially prejudice the commercial interests of <u>any person or organisation</u> (S33) | X | Its disclosure would constitute a breach of confidence actionable in court (S36) | |
| Its disclosure would constitute a breach of the Data Protection Act (S38) | | Other (please give further details) | |
| For how long must the paper be withheld? (express either as the time which needs to pass or a condition which needs to be met.) | | | |

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

Audit Committee

| | |
|--|--|
| Subject/Title: | Business Continuity Management Update Report |
| Author: [Name and Job title] | Ken Russell, Depute Principal Academic Development |
| Meeting: | Audit Committee |
| Meeting Date: | 10 th November 2020 |
| Date Paper prepared: | 2 nd November 2020 |
| Brief Summary of the paper: | The purpose of this narrative is to provide the Audit Committee with an update on Business Continuity Management at Inverness College |
| Action requested: [Approval, recommendation, discussion, noting] | Decision to support proposed reformatting of the BCP to adopt a more formal Business Continuity Management System |
| Link to Strategy: Please highlight how the paper links to, or assists with: <ul style="list-style-type: none"> • compliance • partnership services • risk management • strategic plan • new opportunity/change | <ul style="list-style-type: none"> • Compliance • Risk Management |
| Resource implications: | No If yes, please specify: |
| Risk implications: | No If yes, please specify: Operational: Organisational: |
| Equality and Diversity implications: | No If yes, please specify: |
| Consultation: [staff, students, UHI & Partners, External] and provide detail | Active consultation has been undertaken with The Estates and Campus Services Manager and The Health and Safety Manager. Aspects affecting ICT were drawn to the attention of the last Audit Committee Report with support from The ICT Services Manager. |
| Status – [Confidential/Non confidential] | Non confidential |
| Freedom of Information Can this paper be included in “open” business* [Yes/No] | Yes |

ITEM 09

| | | | |
|---|--|--|--|
| *If a paper should not be included within “open” business, please highlight below the reason. | | | |
| Its disclosure would substantially prejudice a programme of research (S27) | | Its disclosure would substantially prejudice the effective conduct of public affairs (S30) | |
| Its disclosure would substantially prejudice the commercial interests of any person or organisation (S33) | | Its disclosure would constitute a breach of confidence actionable in court (S36) | |
| Its disclosure would constitute a breach of the Data Protection Act (S38) | | Other (please give further details) | |
| For how long must the paper be withheld? (express either as the time which needs to pass or a condition which needs to be met.) | | | |

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

Executive Summary

“Covid-19 has provided a clear test of our resilience to continue operations over the last 7 plus months”

This report is intended to provide the Audit Committee with the highlights of a desk-based review of the existing Business Continuity Plan. A series of recommendations for improvement, based on this review, have been put forward for discussion and decision. Migration to SharePoint can be achieved within existing resources but would be subject to prioritisation. The proposed changes would seek to promote greater alignment with and ownership of the Business Recovery process by line management. Planned health and safety training will be utilised to partially underpin this development.

The Audit Committee is asked for approval to produce a revised functional design of the Business Continuity Management System prior to proceeding to the implementation phase.

Introduction

This paper is split into 4 main sections covering:

1. An overview of our current Business Continuity Plan
2. Use of ISO22301 (2019) Security and Resilience – Business Continuity Management Systems – Requirements as a self-audit tool
3. Identification of areas for improvement
4. Next steps

Followed by a conclusion.

1. An overview of our current Business Continuity Plan (BCP)

“A test of any plan is whether it is turned to in the event of a crisis to determine the way forward.”

The BCP is based on a template provided by Marsh who until recently were the College insurers. The current version (v7) was last approved by the Board in April 2019 and this had superseded the May 2018 version. The Estates and Campus Services Manager played a major role in coordinating the updating of the BCP. The contingency planning group that was initiated to plan for lockdown did draw on the BCP as a guide to action and we were able to test run many business-critical processes remotely prior to lockdown. We have also been able to ensure that we fulfil our statutory and mandatory obligations throughout the pandemic. In March 2020, a number of updates were undertaken to maintain currency of emergency contact details and two additional staff were afforded editing rights (only one individual had editing rights at that point in time).

The BCP is divided into four main sections:

- i) An introduction (“Read Me First Section”) – includes the BCP Policy statement
- ii) Emergency Response Section
- iii) Crisis Management Section
- iv) Business Continuity Section

The document is currently 117 pages long.

The Emergency Response Section has the following content:

-
- Summary
-
- Action Task Lists
-
- Incident Report Form
-
- Fire Evacuation
-
- Gas Leak or loss
-
- Water Damage or loss
-
- Power Failure
-
- Cyber Security Breach
-
- Serious Medical Emergency
-
- Terrorist Threat
-
- Building Occupation by Protesters or Denial of Access
-
- Severe Weather
-
- Site Plan/ Utility Shut-Off Points
-

Analysis

There are parallel processes going on here as we already have separate policies/procedures for: Fire Evacuation, Cyber Security and Severe Weather etc. Whilst there is an advantage to having all the content in one place there is an additional administrative burden caused by the need to maintain different instances of these policies and procedures. It is recommended that a SharePoint System is developed that accesses master copies of such information so that we have a “single source of the truth”. A list of First Aiders and contact numbers is also embedded in the document and again it is suggested that a single accessible master list is retained. The main value of this section appears to lie within the “checklists” of what to do if x happens. It would be useful if these checklists were available as downloadable documents with shared updating access for the Emergency Response Team.

The Crisis Management Section has the following content:

-
- Plan Activation

 - Command Centre

 - First Actions Agenda

 - Command Centre

 - Contingency Box

 - Off-Site Items List

 - Tasks and Responsibilities

 - Communications

 - Event Log

 - Communications Log

 - Media Golden Rules

Analysis

Contains a number of useful checklists with embedded templates to monitor progress in dealing with the crisis and an incident report log. The content related to crisis communications may benefit from being collocated rather than distributed across this section.

The Business Recovery Section is structured in the following manner:

| |
|-----------------------------------|
| ▪ Recovery Priorities |
| ▪ Tasks and Responsibilities |
| ▪ Process 1 Plan |
| ▪ Recovery Actions and Milestones |
| ▪ Process Call Cascade |
| ▪ Process 2 Plan |
| ▪ Recovery Actions and Milestones |
| ▪ Process Call Cascade |

Etc for each of the areas of line management (referred to generically as Process x above) identified in the BRP.

Analysis

The Business Continuity section is best described as unwieldy though necessary. This section could be improved by retaining core content that applies to all aspects of business recovery in one file and then having separate files, that cross reference the core content, for each of the line management areas together with clear responsibilities for updating the content.

2. Use of ISO22301 (2019) Security and Resilience – Business Continuity Management Systems – Requirements as a self-audit tool

The purpose of this overview is not to suggest adoption of this standard but to use it as a self-audit tool to determine areas for improvement.

A Business Continuity Management System (BCMS), like any other management system, includes the following components:

- a) a policy
- b) competent people with defined responsibilities
- c) management processes relating to:
 - 1) policy
 - 2) planning
 - 3) implementation and operation
 - 4) performance assessment
 - 5) management review
 - 6) continual improvement
- d) documented information supporting operational control and enabling performance evaluation.

(Source:

ISO22301

(2019))

An annotated self-audit for ISO22301 has been completed as a desktop exercise. This was constructed, in dialogue with the Health and Safety Manager and the Estates and Campus Services Manager, to conduct an initial sense check on how the existing BCP fares in relation to components identified above. This initial sense check was focused on reviewing how the BCP could be improved given our experiences with COVID-19. This review embraced both the “chronic” condition of operating under COVID-19 and the “acute” situation of dealing with our first reported positive case. Notwithstanding this perspective other broader issues have been identified and are discussed below.

1. Context of the organization

Whilst the mission and vision of ICUHI is unlikely to change in the short run, the risks from the external environment are likely to be more dynamic and this is reflected in the risk register. Modifications to the risk register have included taking account of the impact of COVID-19. The author monitors the briefings from Police Scotland to consider potential escalation of threats. The BCP contains guidance regarding responses to a range of eventualities but we remain vigilant. If some of the other recommendations are adopted, it is suggested that a more formal BCMS policy is drawn up and posted on SharePoint.

2. Leadership

The SMT have committed to undertake a Leading Safely course (where members do not have evidence of training in this area) and the first tranche of training (Managing Safely) for Heads and some Deputies has been scheduled for late November. Further training and development will be undertaken in the new calendar year. These training courses will also be used to underpin the development of competence to enhance support for the execution of the BCP however more specific training needs may be identified.

3. Planning

The current recovery time objectives would appear to be appropriate however these should be relocated to the BCMS policy document. A 4-tier strategy for recovery times is in place with clear precedence in the hierarchy established.

4. Support

Aside from the training identified above, a training needs assessment should be conducted to cover the Emergency Response Team (Estates and Campus Services Manager & Supervisor, H&S Manager, and ICT Manager) to ascertain whether further development is required. If there is any change to key managers in this cadre, the expectations for supporting the BCMS should be incorporated into the specific induction for these posts. Further support will be required to move the content to a SharePoint site and update the Business Recovery section for each line management area.

5. Operation

An annual review is included in the BCP and for this cycle it has been real in the sense that it relates to COVID-19. Adoption of cloud-based computer systems has undoubtedly made ICT recovery easier. Note: the last report to Audit Committee covered developments in relation to maintaining our cybersecurity and will not be rehearsed here. Operating under COVID-19 has meant a loss of

effective capacity on campus in order to maintain 2m physical separation. When we were dealing with the reported positive case, we were able to bring the plumbing workshops back on stream within 3 days following the thorough cleaning provided by Pristine and including a safety margin for return to occupancy. A more detailed scrutiny of the Business Recovery sections will be required to ensure that line management responsibility is clear. Regarding crisis communications, a number of very clear lessons were learned from the first positive case and a COVID-19 specific Communications Plan has been implemented to support what has been referred to as the “Gold Team” (led by the author) to manage any further incident(s), in close liaison with the NHS Highland Health Protection Team, with even greater effectiveness and clarity.

6. Performance evaluation

We continue to monitor our normal key performance indicators alongside the infrastructure support provided by the COVID-19 Management Team. We have now expanded the COVID-19 team to include the Director of Curriculum to provide better linkages with curriculum delivery and enhance, where possible, our arrangements. The annual review of the BCP should include scrutiny of performance and include recommendations for improvement.

7. Improvement

As mentioned throughout this desk-based review of the operation of the BCP under COVID-19, a number of areas for improvement have been identified and the top priorities have been collated in the next section of this report. Bringing more rigour to the overall process should lead to a more recognisable continuous improvement process for the BCMS.

3. Identification of priority areas for improvement

- i) A business systems analysis is undertaken to reformat the BCP into a more manageable design for hosting on SharePoint with the express purpose of separating largely static information from dynamic content to allow for greater clarity and ease of maintenance and operation.
- ii) Part of this re-structuring should include a separate policy document that would be subject to scrutiny and re-approval on a regular basis.
- iii) There should be greater line management ownership of the sections of the business recovery plan that relate to their areas of responsibility.
- iv) A greater emphasis needs to be placed on performance evaluation and the linkage with continual improvement.

4. Next Steps

The following is a set of recommended next steps:

- i) produce a functional specification for the restructured BCMS/BCP for approval by SMT. This should utilise more accessible language that reflects purpose/area of responsibility and not terms like “Process 1”.
- ii) liaise with new insurers to obtain confirmation that we comply with their expectations

of a BCMS/BCP.

iii) enact the planned Health and Safety training and use this to partially underpin improvements in the BCP.

iv) Populate the content and monitor progress towards completion.

v) Present new design for sign-off by SMT and Board of Management.

Conclusions

This desk-based review has highlighted a number of areas for improvement in the ICUHI Business Continuity Management System and more specifically for the Business Continuity Plan.

Subject to Audit Committee comments and approval, it is anticipated that the ideas presented will be discussed with the Internal Auditors when they undertake the COVID-19 Health and Safety Audit commencing on the 7th December to demonstrate our learning and proactivity.

Professor Ken Russell, Depute Principal – Academic Development

Board of Management

| | |
|---|--|
| Subject/Title: | Health and Safety Q1 Report (20-21) |
| Author: [Name and Job title] | Allan Kerr – Health & Safety Manager |
| Meeting: | Audit Committee |
| Meeting Date: | 10 Nov 2020 |
| Date Paper prepared: | 28 Oct 2020 |
| Brief Summary of the paper: | To provide the Audit Committee with the Quarter 1 report, 1 Aug 2020 – 31 October 2020 on matters pertaining to health and safety. |
| Action requested: [Approval, recommendation, discussion, noting] | Discussion |
| Link to Strategy: Please highlight how the paper links to, or assists with:: <ul style="list-style-type: none"> • compliance • partnership services • risk management • strategic plan • new opportunity/change | |
| Resource implications: | No If yes, please specify: |
| Risk implications: | No If yes, please specify: Operational: Organisational: |
| Equality and Diversity implications: | No If yes, please specify: |
| Consultation: [staff, students, UHI & Partners, External] and provide detail | Health and Safety Committee, comprising a cross section of the college including management, staff and trade union reps. |

Item 10

| | | | |
|--|--------------|--|--|
| Status – [Confidential/Non confidential] | Confidential | | |
| Freedom of Information Can this paper be included in “open” business* [Yes/No] | No | | |
| *If a paper should not be included within “open” business, please highlight below the reason. | | | |
| Its disclosure would substantially prejudice a programme of research (S27) | | Its disclosure would substantially prejudice the effective conduct of public affairs (S30) | |
| Its disclosure would substantially prejudice the commercial interests of any person or organisation (S33) | X | Its disclosure would constitute a breach of confidence actionable in court (S36) | |
| Its disclosure would constitute a breach of the Data Protection Act (S38) | | Other (please give further details) | |
| For how long must the paper be withheld? (express either as the time which needs to pass or a condition which needs to be met.) | | | |

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

<http://www.itpublicknowledge.info/ScottishPublicAuthorities/ScottishPublicAuthorities.asp> and

http://www.itpublicknowledge.info/web/FILES/Public_Interest_Test.pdf

Board of Management

| | |
|--|---|
| Subject/Title: | Audit Committee Evaluation Feedback Update |
| Author: [Name and Job title] | Lisa Ross, Board Secretary |
| Meeting: | Audit Committee |
| Meeting Date: | 10 November 2020 |
| Date Paper prepared: | 04 November 2020 |
| Brief Summary of the paper: | Update on the feedback received from Committee members with regards the Audit Committee Evaluation along with an implementation plan. |
| Action requested: [Approval, recommendation, discussion, noting] | It is recommended that the committee discuss the feedback received along with the suggested actions and timescales set out in the implementation plan. |
| Link to Strategy: Please highlight how the paper links to, or assists with: <ul style="list-style-type: none"> • compliance • partnership services • risk management • strategic plan • new opportunity/change | Compliance with Code of Good Governance for Scotland's Colleges. Providing assurance to the Board on the effectiveness of the audit committee's key responsibilities and thus mitigating risk. |
| Resource implications: | Cost of Internal Audit services |
| Risk implications: | Yes/No Operational: to ensure that the internal audit function is appropriate and effective |
| Equality and Diversity implications: | N/A |
| Consultation: [staff, students, UHI & Partners, External] and provide detail | |

| | | | |
|---|------------------|--|--|
| Status – [Confidential/Non confidential] | Non-Confidential | | |
| Freedom of Information Can this paper be included in “open” business* [Yes/No] | Yes | | |
| *If a paper should not be included within “open” business, please highlight below the reason. | | | |
| Its disclosure would substantially prejudice a programme of research (S27) | | Its disclosure would substantially prejudice the effective conduct of public affairs (S30) | |
| Its disclosure would substantially prejudice the commercial interests of any person or organisation (S33) | | Its disclosure would constitute a breach of confidence actionable in court (S36) | |
| Its disclosure would constitute a breach of the Data Protection Act (S38) | | Other (please give further details) | |
| For how long must the paper be withheld? (express either as the time which needs to pass or a condition which needs to be met.) | | | |

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

Background

The Audit Committee Evaluations for both the Chair and the Committee were carried out offline during June-August 2020; from the responses received an aggregated evaluation form was completed by the Board Secretary. This information was circulated to Audit Committee members along with a proposed implementation plan (Appendix 1) as part of the papers for the Audit Committee Meeting held on 15th September 2020. Due to time constraints it was agreed that feedback on the evaluation and the implementation plan would be passed to the Board Secretary off-line and an update to the recommendations be brought back to the November Audit Committee Meeting for a full discussion.

Proposed Recommendations

It was recommended that the Committee discuss the following suggested actions and timescales set out in the implementation plan:

- Determine and agree the skills gap required within the Audit Committee to ensure that these are met by the upcoming recruitment campaign.
- Discussion to take place regarding mechanisms, other than Internal Audit, which are in place to ensure the Committee are aware of all legal and regularly issues.
- Discussion and agreement of a procedure to ensure that the Committee obtains the level of detail, information and evidence which they require with regards to planning.
- Discussion around the current timing of Audit Meetings and whether they should be moved to late afternoons instead.

Feedback from Committee Members

➤ **Skills Gap**

The Committee highlighted their awareness of the ongoing recruitment campaign and the requirement for a new Chair of the Audit Committee following the departure of Hazel Allan. The Committee felt that due to the loss of Hazel's audit skills combined with the impending loss of legal skills (with Fiona Neilson due to leave the Board of Management in March/April 2021) that we should primarily focus on recruiting those with an audit, finance or legal background.

The Committee also acknowledged that the Committee required at least 5 members to ensure their quorum of 3 which due to the lack of members leaves little room for members to be absent from meetings.

The Committee also felt that there is a risk that the College, the Board and its Committees are becoming heavily dependent on the experience of the Director of Finance and it is felt that a discussion on the undernoted is required:

- How resilient we are.
- Whether there is adequate backup available in the case of the Director of Finance's absence.
- The level of work expected from the Director of Finance from both Colleges.

➤ Legal & Regulatory Mechanisms

The Committee are conscious that issues are picked up on an ad hoc basis via internal SMT reports as well as internal audit but wondered if that is sufficient or whether the Committee should have a standing item on each agenda which allows for a very brief update with regards any material changes arising in each quarter in order to raise awareness of these. The Committee felt that this would not be a disproportionate burden on the SMT given the risk.

The Committee also requested confirmation on whether Inverness College has an agreement with its legal advisors to provide monthly/quarterly updates on legal changes or case law that may be of interest to the College. With the loss of the Director of Organisational Development, the Committee feels that we have lost our in-house legal knowledge across many areas which could result in fewer regulatory issues will be being picked up internally.

➤ Procedure for ensuring detailed information and evidence is received

The Committee raised within the September Audit Committee Meeting issues with regards financial planning and following reflection feel that there is a need for the Committee to continue to robustly challenge the adequacy of newly introduced processes to ensure that they are applicable for Inverness College. The Committee felt that some papers which are presented prove confusing and that papers sometimes feel hastily put together which although is done to ensure their content is as up-to-date as possible means that they sometimes contain erroneous information and/or confusing information

The Committee feel that a high level summary of the FRP progress as discussed at the September Audit Committee Meeting would be helpful. This would be in the form of a table which fits onto one page and gives the Committee headline messages. With the Principal and/or the Director of Finance then talking to the paper to provide any additional context to the Committee.

The Committee also highlighted a concern that there is a cultural reluctance to put plans on paper despite this being an audit requirement. As seen with financial planning this potentially has a wider staff group benefit/impact. The Committee's view was that not meeting audit actions should be identified as a risk and the SMT held accountable and that clear goals to respond to actions and implementations should be in place.

➤ Timing of Meetings

The Committee noted the need to consider external and internal auditors who might reasonably expect that Audit Committee Meetings are held largely within the working day. Whilst there were those who would prefer an afternoon meeting it was agreed that the current timings remain as they are.

With regards the overrunning of the meetings it was felt that a 2 hour meeting was too long and that the meetings often overrun which then impacts on Committee Members other commitments. If the meetings remain as morning meetings then additional meetings may be required to ensure that proper thought and discussions are given to each item on the agenda.

Updated Recommendation

It is recommended that the Committee discuss and/or agree the following points:

- Discussion on finance and our dependence on the Director of Finance.
- The insertion of a standing item to the agenda in respect of legal and regulatory items.
- Confirmation of whether Inverness College has an agreement with our legal advisors to provide monthly/quarterly updates.
- That actions and implementations from audits are followed.
- That the Committee agree how they would like the FRP to be presented within meetings.
- The proposal of additional Audit Committee meetings within the year to allow all issues to be discussed.

APPENDIX 1



AUDIT COMMITTEE SELF-EVALUATION – ACTION PLAN

| | Issue | Action required | Responsible person | Timescale/ Comments |
|---|--|--|--|--|
| 1 | <p>Does at least one of the Committee members have a background relevant to the remit of the Committee?</p> <p><i>It has been highlighted that the outgoing Chair of the Audit Committee provided this and it was felt that the Committee had become reliant on their expertise, support and guidance. Due to the Chair having stepped down it is felt that further members with Audit and Financial/Accounting Expertise is required.</i></p> | <p>Recruitment is beginning for both new Board Members and a new Chair of the Audit Committee. Recruitment will focus on skills required following an updated skills matrix being carried out:</p> <ul style="list-style-type: none"> • Accountancy; • Legal; • School/Higher/Further Education • Risk Management • Audit • Entrepreneurial • ICT • Marketing/Media/PR <p>The Recruitment Plan will be taken to the S&N Committee for approval on 10 September 2020.</p> | Board Secretary | End of 2020 for recruitment campaign to take place, interviews and new Chair to be in place. |
| 2 | <p>Have new Committee Members received all necessary training?</p> <p><i>Members of the Audit Committee in the past were able to attend an Audit Committee Training Course which was found to be very helpful. No training has been offered to new members and the Committee feels that training for all members of the Committee should be compulsory.</i></p> | Audit Committee Training will be sourced for all members to attend. | Board Secretary | November Audit committee – for discussion and approval of training course found. |
| 3 | <p>Does the Membership of the Committee need to be changed?</p> <p><i>The Committee felt that the composition of the Committee has changed with the introduction of new members and the loss of the Chair and Vice Chair. Procedures for how to fill the loss of these outgoing members to be discussed.</i></p> | As noted above a recruitment campaign is due to start to recruit new Board Members and a Chair of the Audit Committee. In the meantime steps have been taken to ensure that an Interim Audit Chair is in place. As such Fiona Neilson has taken on this position for the remainder of the year with the hope that the new Chair will be available for the next cycle of meetings in 2021. Fiona will be active in setting the agenda and chairing the meetings in the meantime. Fiona has also been added to the Audit Chair mailing list for UHI. | Interim Chair of Audit Committee & Board Secretary | Ongoing |
| 4 | <p>Does the Committee have a mechanism to keep it aware of topical legal and regulatory issues?</p> <p><i>The Committee felt that this was true however reassurance and evidence of this to be shown to ensure that there is a formal mechanism in place other than the internal audit process and</i></p> | Issue to be discussed at Audit Meeting on 15 September and if required steps will be put in place to ensure that this is done. | Audit Committee & Board Secretary | September 2020 Audit Committee Meeting. |

| | Issue | Action required | Responsible person | Timescale/ Comments |
|----|---|---|-----------------------------------|--|
| | <i>reporting.</i> | | | |
| 5 | Does the Committee regularly review relevant strategic plans? <i>The Committee highlighted that they have struggled to obtain evidence that would provide assurances of this which has proved a source of frustration. The Committee noted that financial planning/reporting has been lacking or insufficient and has resulted in the Financial Recovery Plan.</i> | Committee to discuss and agree a procedure for obtaining evidence and financial planning. | Audit Committee | Audit Committee – September 2020 |
| 6 | Does the Committee consider the level of detail and information it receives appropriate? <i>Again the Committee felt that there had been a lack of detailed reporting/focus on certain key financial issues/risks over the last year.</i> | As previously noted the Committee will discuss and agree a procedure for obtaining evidence and financial planning. | Audit Committee | Audit Committee – September 2020 |
| 7. | Are appropriate internal performance measures monitored by the Committee? <i>The Committee highlighted that the need for a Financial Recovery Plan may suggest that there is not appropriate internal performance measures being monitored by the Committee.</i> | As previously noted the Committee will discuss and agree a procedure for obtaining evidence and financial planning. The Financial Recovery Plan will be reviewed at each Audit Committee Meeting. | Audit Committee | Audit Committee – September 2020 |
| 8. | Are Committee papers distributed in sufficient time for members to give them due consideration? <i>The Committee felt that some members may benefit from earlier delivery of papers.</i> | All papers will be circulated one week prior to the meeting. The Board Secretary is currently getting AdminControl set up for all Committee Meetings and papers will appear within AdminControl as they are received. This way members will be able to read the papers as they are received and there will be no delay in receiving the papers. | Board Secretary | Admin Control to be in place by November 2020 Audit Committee Meeting. |
| 9. | Is the timing of Committee meetings discussed with all involved? <i>The Committee felt that the timing of meetings are understood by all but it was noted that the meetings tend to run over and the possibility of moving them to afternoon was highlighted.</i> | The Committee to discuss whether they would prefer the meetings to be moved to late afternoon or remain at the time they are currently set for. The Board Secretary will ensure that timings are noted on each agenda to assist the Chair with keeping the meeting on time. | Audit Committee & Board Secretary | September 2020 Audit Committee |

Audit Committee

| | |
|---|---|
| Subject/Title: | Complaints Report (YTD) |
| Author: [Name and Job title] | Liz Cook, Quality Manager |
| Meeting: | Audit Committee |
| Meeting Date: | 10 November 2020 |
| Date Paper prepared: | 02 November 2020 |
| Brief Summary of the paper: | Analysis of complaints year to date, covering Quarter 1 |
| Action requested: [Approval, recommendation, discussion, noting] | Noting |
| Link to Strategy: Please highlight how the paper links to, or assists with:: <ul style="list-style-type: none"> • compliance • partnership services • risk management • strategic plan • new opportunity/change | Paper assists with compliance as the College are required to monitor complaints as per SPSO requirements. |
| Resource implications: | Yes / No If yes, please specify: |
| Risk implications: | Yes / No If yes, please specify: Operational: Organisational: |
| Equality and Diversity implications: | Yes / No If yes, please specify: |
| Consultation: [staff, students, UHI & Partners, External] and provide detail | None |

ITEM 12

| | | | |
|---|------------------|--|--|
| Status – [Confidential/Non confidential] | Non-confidential | | |
| Freedom of Information Can this paper be included in “open” business* [Yes/No] | Yes | | |
| *If a paper should not be included within “open” business, please highlight below the reason. | | | |
| Its disclosure would substantially prejudice a programme of research (S27) | | Its disclosure would substantially prejudice the effective conduct of public affairs (S30) | |
| Its disclosure would substantially prejudice the commercial interests of any person or organisation (S33) | | Its disclosure would constitute a breach of confidence actionable in court (S36) | |
| Its disclosure would constitute a breach of the Data Protection Act (S38) | | Other (please give further details) | |
| For how long must the paper be withheld? (express either as the time which needs to pass or a condition which needs to be met.) | | | |

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

Summary Report: Complaints 2020-21 year to date (YTD)

Introduction

Complaints are received all year round, from a number of different sources although the primary source tends to be from students. Complaints are received via a variety of mechanisms including direct emails, complaints forms, Red Button. IC UHI uses the SPSO categories and sub-categories to classify complaints, which allows us to feed into sector wide data. The outcomes from complaint resolution are reported to UHI (HE) and published on the IC UHI website (FE).

Complaints are grouped into quarters depending on the time of year in which they are received. The quarter dates are detailed below:

- Quarter 1 (Q1): August – end of October,
- Quarter 2 (Q2): November – end of January,
- Quarter 3 (Q3): February – end of April,
- Quarter 4 (Q4): May – end of July.

This report provides an overview of the complaint categories and outcomes across academic year 2020-21 for Quarter 1.

Complaints by Category

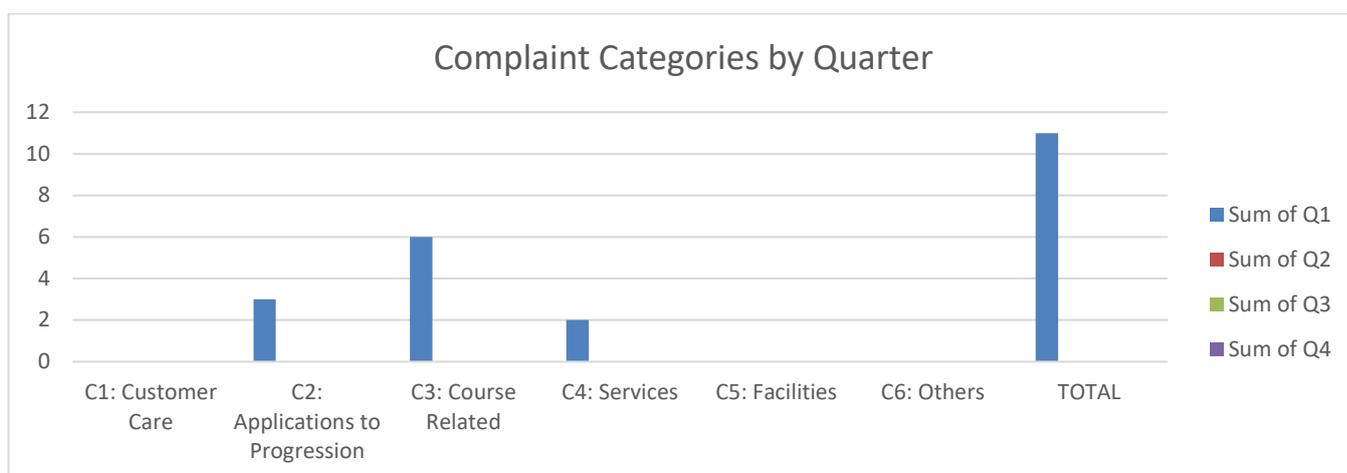
11 complaints have been received in Q1, a decrease of 10 compared to the same quarter last year. This continues the trend of fewer complaints being received, initially seen in Q3 of 2019/20 and continued into Q4, which correlated with the Covid 19 campus lockdown.

The category of 'Course Related' remains the highest occurring category of complaint and is at a comparable level to Q1 last year.

| Customer Category: Current Year (Quarter) 2020/21 | YTD CY | Q1,CY | Q2,CY | Q3,CY | Q4,CY |
|---|-----------|-----------|----------|----------|----------|
| C1: Customer Care | 0 | 0 | 0 | 0 | 0 |
| C2: Applications to Progression | 3 | 3 | 0 | 0 | 0 |
| C3: Course Related | 6 | 6 | 0 | 0 | 0 |
| C4: Services | 2 | 2 | 0 | 0 | 0 |
| C5: Facilities | 0 | 0 | 0 | 0 | 0 |
| C6: Others | 0 | 0 | 0 | 0 | 0 |
| TOTAL | 11 | 11 | 0 | 0 | 0 |

ITEM 12

| Customer Category: Current Year (Quarter) 2019/20 | YTD CY | Q1,CY | Q2,CY | Q3,CY | Q4,CY |
|---|-----------|-----------|-----------|-----------|-----------|
| C1: Customer Care | 12 | 3 | 3 | 5 | 1 |
| C2: Applications to Progression | 9 | 3 | 0 | 2 | 4 |
| C3: Course Related | 31 | 7 | 10 | 8 | 6 |
| C4: Services | 13 | 5 | 4 | 4 | 0 |
| C5: Facilities | 11 | 3 | 5 | 3 | 0 |
| C6: Others | 3 | 0 | 1 | 1 | 1 |
| TOTAL | 79 | 21 | 23 | 23 | 12 |



In relation to the level of delivery, 27.3% of complaints received in Q1 relate to HE programmes, 27.3% relate to FE programmes and 45.4% complaints came from members of the public. Of the 5 complaints received from members of public, 4 were from relatives of students and 1 from a former student

3 of the 4 HE complaints centred on communications issues with different departments or lecturing staff, the fourth was a resulting and certification issue.

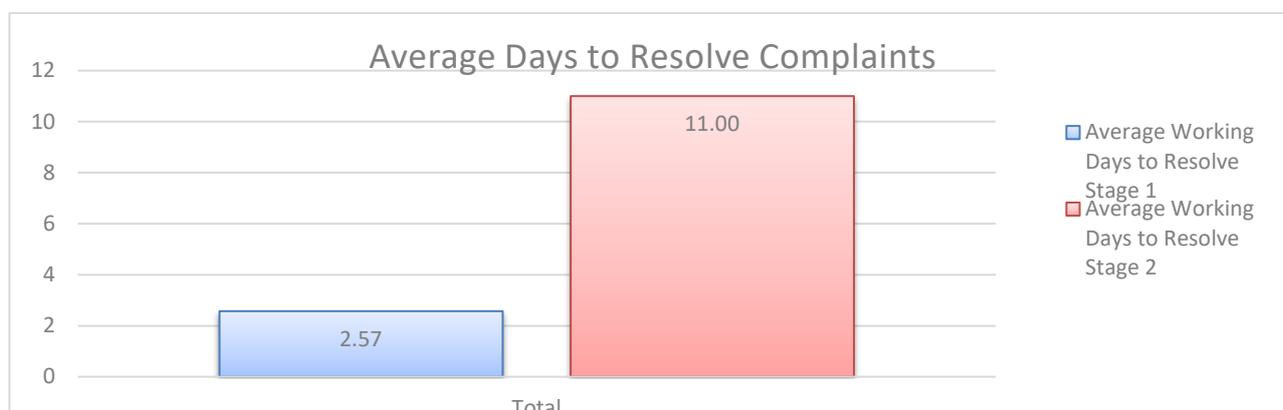
Of the 7 FE complaints received, 5 were related to funding and applications, 1 related to an awarding body process, 1 regarding PVG requirements and 1 regarding a certification issue.

Complaint Outcomes

The graph below details the complaint outcomes. 22.2% of the resolved complaints in Q1 have been upheld, compared to 38% for the same quarter in 2019/20. 33.3% of complaints have been partially upheld compared to 19% for the same time last year. 44.4% were not upheld, compared to 38% for the same period last year. 2 complaints were not resolved by the end of Q1 and will be completed in Q2. 2 complaints were escalated to stage 2 due to their complexity.

| Outcome | Stage 1 | Stage 2 | Total |
|---------------------------|---------|---------|-------|
| Not upheld | 3 | 1 | 4 |
| Partially upheld | 2 | 1 | 3 |
| Upheld | 2 | 0 | 2 |
| Still under investigation | 0 | 2 | 2 |
| Escalated to Stage 2 | 2 | | |

Complaint Timescales



The chart above displays the average number of days taken to resolve complaints in this quarter.

The range of days taken to resolve Stage 1 complaints in Q1 is between 1 – 3 days. The range of days taken to resolve Stage 2 complaints in Q2 is between 10 – 11 days.

SPSO guidelines state pre-defined timescales of a 5 day turnaround for Stage 1, and 20 days for Stage 2. As part of the Stage 2 process, updates are provided to complainants where the complaint is complex and may take longer than 20 working days.

Learning from Complaints

Complaints often result in reviews of processes and procedures and they also allow us to identify opportunities for staff development. The Quality team continues to identify any learning points from each complaint in order to identify themes emerging. Programme and support teams use complaints as part of their evidence bank to inform their evaluative activities aimed at improving the student experience.

The types of complaints received in Q1 is varied, and often related to particular individual circumstances. A number of complaints received this month have an underlying theme related to difficulties in communicating with the appropriate department or individual or a slow response to information requests causing frustration and dissatisfaction. Whilst no

ITEM 12

specific improvements to processes or procedures were identified by teams in Q1, timely communications in the current working environment will be highlighted through Quality bulletins and relevant management meetings. The introduction of a student facing Quality email address will be piloted to provide an additional layer of general signposting and support.

Health, Safety & Wellbeing Committee

Date and Time: 10th June 2020 at 14:00 – 16:00 hrs

Location: MS Teams Meeting

Present: George MacGregor, Allan Kerr, Lesley Cole, Jimmy Henry, Laurie Symon, Ken Russell, Nicola Quinn, Iain King, Lynsey Mason, David MacLennan

Beau Fraser - Minutes

Chair: Chris O'Neil

Apologies: Martin Kerr, HISA VP Education, Sharon MacFarlane, Gill Berkeley, Lindsay Ferries

1 Update on previous actions

Update on outstanding actions from previous meeting-

| Action Ref | Action | Owner | Date for Completion | Update / Status |
|------------|---|-------|---------------------|--|
| Sep-18 4.1 | Discuss inclusion of mandatory Health & Safety Training at induction with Fiona Gunn & Martin Robinson to capture all staff on VLE | LF/NQ | | Ongoing |
| Sep-19 1 | Asked for the taxi company to drop students off at the rear of the building. Martin Kerr to discuss with Craig Lowther Change the pick-up and drop off point to the lochan facing door | MK | | Closed - Overtaken by transport risk assessment |
| Dec-18 4.4 | Provide a message to all staff that equipment should not be removed from the college premises. | AK/MK | | Ongoing |
| Mar-19 4.7 | To prepare a draft Water Management Plan and present it at the June meeting | MK | | Ongoing – in discussion with GTFM |
| Dec-19 | Allan to discuss PUWER with Procurement | AK | | Ongoing – discussed with DC – get 3 rd party in to do it but may require other solution |
| Dec-19 | Allan to lead on PUWER and provide support on machinery review/risk assessments | AK | | Ongoing |
| Dec-19 | Organise Fire Warden Training | AK | | Ongoing – training arranged – hold due to lockdown |

| | | | | |
|--------|---|---------|--|-------------------------|
| Dec-19 | Chris and Allan to visit WASPS for Health and Safety inspection | AK & CO | | On hold due to lockdown |
| Jun-20 | Contextual explanation on how exiting policy can be used. | AK | | |

2 Previous minutes

Minutes of meeting held on 11th March 2020 were approved

3 Items for Decision - NA

4 Items for Discussion

4.1 Implementation of Health and Safety Management System (HASMAP)

The College is closed due to Covid-19 Lockdown. Refer to AOCB – Contingency Plan for more information.

4.2 Incidents/Accidents/Near Miss Reports

AK provided a verbal update on Incident/Accidents/Near Miss Reports to the Committee. The Quarter has been quiet and there is no update since the last report.

AK also provided an update on the procurement of incidents report software to replace SHE. AK is part of a sub-group within Health and Safety Practitioners looking at the criteria for the replacement software. AK is in touch with DC and APUC will be leading on procurement process. Consultation for feedback on SHE and input for the new software will be arranged with teams and stakeholders.

CO also noted that he is a part of the Executive Management Group and the group is looking at the development of common service. Sharing a trained and qualified Health and Safety Officers across the partnership and having a unified Health and Safety policy would be more efficient and economically effective moving forward.

4.3 Fire Safety

AK provided a verbal update on Fire Safety to the Committee. It was noted that the Fire Risk Assessment/Review has been completed. Recommendation given as reported in the previous committee meeting.

AK will be working on the recommendations in consultation with stakeholders and union representatives. Practical Fire Training plan has been initiated but on hold due to lock down. Covid-19 risk and restriction will be incorporated in the new Fire Training Plan.

4.4 Campus Matters & Facilities Management Report – N/A

4.5 Stress Management

AK provided a verbal update on Stress Management to the Committee. It was noted that this is a hard time for everyone. AK is looking to focus more on providing a programme of support related to stress management. LM suggested for AK to get in touch with the Wellbeing Offer as she is an expert in the area and will be able to help.

AOCB

Covid-19 Contingency Planning – Alcumus Package and Building Access Protocol

AK presented a paper to update the committee and consult unions representatives on transition from lockdown contingency planning. The presented tracker will help with identifying gap, generating necessary actions, and completing risk assessment. The plan of actions will be consulted as widely as possible to make sure the transition is moving forward in a safe and sensible way.

AK added that he and John Newsom has completed the walk round to assess safe level of occupancy and traffic management. Document will be produced and consulted with academic team and stakeholders.

The committee is pleased with the work KR and AK have done on the transitioning plan from lockdown.

It was also noted that exiting policy to be looked and apply to the current context.

KR also presented a paper to update the committee on Building Access. It was noted a few aspects were included in the Protocol so this may cause some confusion. It was also noted that Controlled Access to the building will be on Thursdays and the first of the series is tomorrow. Demand and process will be reviewed in the weekly meeting on Friday. The appointment will be for 30 minutes in 7 locations with one staff in one location at a time.

It was also noted that communication on contingency and transition from lockdown could have been communicated better.

ACTION – contextualise explanation on how existing policy can be used with guidance

Encouraging staff to complete DSE assessment

AK noted he has 30 returns on DSE so far. The number of returns is substantial but not as much as expected considering number of staff working from home. Details of DSE are published and promoted on iConnect.

It was noted that an email should be sent to remind staff to complete the assessment. Especially, academic staff before they go on holiday.

Testing Centre

CO noted that the College is content for the Testing Centre to operate in Car Park 3 for the time being. Decision is to be reviewed again in September to October time.

Health and Safety Manager

CO noted that AK will be reporting directly to the Principal once LF left the college.

5 Date and time of Next Meeting

Date of the next meeting to be confirmed.

Signed by the Chair:

Date:

Health, Safety & Wellbeing Committee

Date and Time: 9th September 2020, 14:00-16:00

Location: VC via MS Teams

Present: George MacGregor, Allan Kerr, Lesley Cole, Laurie Symon, Nicola Quinn, Iain King, Lynsey Mason, Martin Kerr, Sharon MacFarlane, Gill Berkeley, Ken Russell (14:00-15:00)

Aimee Cormack – Minutes

Chair: Chris O’Neil

Apologies: Jimmy Hendry, HISA VP A&W, David MacLennan

1 Update on previous actions

| Action Ref | Action | Owner | Comp. Date | Update / Status |
|------------|--|---------|------------|---|
| Sep-18 4.1 | Discuss inclusion of mandatory Health & Safety Training at induction with Fiona Gunn & Martin Robinson to capture all staff on VLE | AK | | AK provided a brief update on SafetyHub. AK in discussion with FG. |
| Dec-18 4.4 | Provide a message to all staff that equipment should not be removed from the college premises. | MK | | To be returned as part of regular messages to staff. GB – loan policy required, MK to draft something with GM, IK & PM. |
| Mar-19 4.7 | To prepare a draft Water Management Plan and present it at the June meeting | MK | Dec 2020 | Drafted by SFT, awaiting approval. |
| Dec-19 | Allan to discuss PUWER with Procurement | AK | | AK provided update. Covered in Item 3.1. |
| Dec-19 | Allan to issue guidance/support on PUWER mitigation for risk assessments | AK | | AK provided update. Covered in Item 3.1. |
| Dec-19 | Organise Fire Warden training | AK | | AK - brief update to be circulated. |
| Dec-19 | Chris and Allan to visit WASPS for Health and Safety inspection | AK & CO | | AK visited 08/09 – needs further consideration. AK/SM to have a further conversation |
| Jun-20 | Covid - contextual explanation on how existing policy can be used. | AK | | Closed. |

| | | | | |
|----------------|---|-------------------|----------|--|
| Sept-20 4.1 | AK, IK and MK to discuss PC decision re: H&S management system | AK, IK, MK | Dec 2020 | |
| Sept-20 4.5 | CO, IK, AK and NQ to set agenda and hold a remote-working wellbeing meeting. | CO, IK, AK, NQ | Dec 2020 | |
| Sept-20 6.1 | AK to take forward the HSBW committee recommendation on Covid-age risk assessment for all staff to the Covid group. | AK | Dec 2020 | |

2 Previous minutes

The minutes of meeting held on 10th June 2020 were approved.

3 Items for Decision - NA

3.1 PUWER Mitigation

Allan Kerr (AK) provided the committee with some background information as a reminder, noting that PUWER assessment can be a lengthy process, and provided a summary of the mitigation options.

Iain King (IK) queried if there is a PUWER labelling system equivalent to PAT, to easily identify if an item has been assessed against PUWER criteria, AK agreed this would be a good idea.

Ken Russell (KR) queried if SHE had PUWER functionality, AK advised there is a template on SHE yet unsure how up to date it is and not all users have access. This will be looked at longer term in any new software.

Chris O'Neil (CO) asked if the committee were content to approve the mitigation option, this was **agreed**. AK to issue clear guidance on activity Risk Assessments involving work equipment and machinery.

ACTION: AK to issue guidance on PUWER mitigation (existing action updated)

4 Items for Discussion

4.1 Implementation of Health and Safety Management System (HASMAPP)

AK advised that we are following the HSE framework for a H&S management system and provided a clarification of system v software. HASMAP audits on hiatus due to Covid.

AK provided a summary of the BDO audit undertaken in February 2020; the full report is annexed to the meeting papers.

Item 13b

AK advised he is waiting to hear from APUC regarding for a short-term extension for SHE. AK reported that the UHI-wide H&S Practitioner's Group presented a collaborative approach to a management system to Partnership Council (PC) last week, but this was declined. CO advised the rationale on a shared system is accepted and understood, but UHI partnership are facing a significant deficit so there is no appetite to commit monies at this time. AK reported that the H&S Practitioner's Group have taken PC decision "on the chin", contingency now for a short-term extension on SHE. AK, IK and Martin Kerr (MK) to have a further conversation around this.

ACTION: AK, IK and MK to discuss PC decision.

4.2 Incidents/Accidents/Near Miss Reports

AK spoke to the paper, noting a significant drop in reporting due to Covid-closure.

4.3 Fire Safety

No fire events to report.

4.4 Campus Matters & Facilities Management Report

MK spoke to his paper and provided a summary, noting Covid has continued to be the priority. MK stated there has been good support from departments across the College, including HISA, looking for this to continue.

MK provided a summary of the air quality item in his report, noting further reviews and reports are being undertaken by a secondary external contractor. CO queried if we were entering deduction territory with GTFM on this matter, MK advised his preference to continue as is, for now, as work is progressing. The matter will be continuously reviewed and reported to this committee.

MK advised that Pristine (cleaning contractor) are performing well and have been flexible and supportive.

MK noted that weekly inspections continued to be carried out at the Longman site. CO confirmed the site would not be marketed in the current climate.

MK reported that test site traffic has been increasing over the past few weeks, however the site operator has been helpful in providing/working with solutions to mitigate this.

MK provided an update on adaptations to some disabled facilities, hands-free door access (limited areas) and potential improvements to flooring leading to the LRC for visually impaired building users.

4.5 Stress Management & Remote Working Practices

IK wished to discuss a possible culture of “keeping up with the Joneses” regarding over-working and out-of-hours working. A brief discussion followed, and it was **agreed** that CO, IK, AK and Nicola Quinn (NQ) would set an agenda and hold a separate meeting to discuss fully. NQ advised that HR were in the process of drafting a survey of all staff to gather their views of working remotely. IK noted a final point of staff sitting more, and the need for increased breaks, opportunities to stretch etc., this will form part of the above meeting.

ACTION: CO, IK, AK and NQ to set agenda and hold a remote-working wellbeing meeting.

AOCB

6.1 Covid-19 Update *(Item covered at the beginning of the meeting due to KR availability)*

KR provided an update, advising that the transition group is working well and noting the addition of Tuesday meetings to review staff building access requests. KR stressed that the group continue to be vigilant and review/revise in line with Scottish Government guidance. AK added that focus groups have been created for specific tasks or areas of concern, e.g. duty manager protocol, emergency evacuations.

It was stressed that all return to campus documents are live and changing regularly.

Lesley Cole (LC) gave her thanks to the group for consulting with unions and providing good responses to any concerns. Laurie Symon (LS) added that, from a HISA perspective, the ongoing dialogue each week is useful, and issues are resolved quickly. CO requested that KR and AK take those comments back to the group and added his own thanks.

Gill Berkeley (GB) queried if amendments are easy to see on the live documents, AK confirmed there is a version tracker at the top.

KR thanked the trade unions and HISA for all their contributions.

CO queried if staff/students are adhering to booking systems. KR advised that an issue with medical students has been resolved with support from Crichton Lang. KR also advised that early reconciliation of staff QR data and student LRC QR data against the corresponding bookings/approvals will be discussed this Friday (11 September), the matter will continue to be monitored by the Covid group.

KR noted he is attending a Scottish Government meeting this afternoon on how to handle outbreaks if they occur.

KR asked the committee for their views on extending the Covid-age risk assessment to all staff. A lengthy discussion took place, including the possibility of extending to students. It was

Item 13b

recognised that any expansion of the current system would be a large administrative task and would have GDPR implications. CO and AK will continue the student discussion with HISA. The committee confirmed they were not against making this mandatory for staff and **agreed** to strongly recommend it goes to all staff. AK to take forward to Covid group on Friday.

ACTION: AK to take forward the HSBW committee recommendation on Covid-age risk assessment for all staff to the Covid group.

5 Date and time of Next Meeting

Wednesday 9 December 2020, 14:00-16:00

Signed by the Chair:

Date: