University of the Highlands and Islands
Inverness College

Board of Management

Meeting	Audit Committee
Date and time	Tuesday 27 November 2018 at 8.30 a.m.
Location	Room 201d, 1 Inverness Campus

College Secretary
20 November 2018

AGENDA

Welcome and Apologies

Declarations of Interest

ITEMS FOR DECISION

1. **MINUTES**
   Minutes of Meeting of the Audit Committee held on 18 September 2018

2. **OUTSTANDING ACTIONS**
   Action List

3. **AUDIT COMMITTEE ANNUAL REPORT TO THE BOARD OF MANAGEMENT**
   Report by Board Secretary

4. **ANNUAL BOARD REVIEW OF RISK MANAGEMENT POLICY**
   Report by Depute Principal

ITEMS FOR DISCUSSION

5. **INTERNAL AUDIT REPORTS**
   a) **FES Audit return**
   b) **Student Support (Bursary, Childcare and FE Hardship) funds**
   c) **EMA**
   d) **2018-19 Audits – Terms of Reference**
   - **Financial Planning**
   - **Business and Commercial Development**
   - **Curriculum Planning**
   - **Research Governance**
   - **Follow up review**
   Audit Reports by BDO

6. **OUTSTANDING AUDIT RECOMMENDATIONS**
Report by Director of Finance

7. **VALUE FOR MONEY AND PROCUREMENT ANNUAL REPORT 2017/18**
Joint Report by APUC Supply Chain Manager and Contracts and Procurement Co-ordinator

8. **RISK REGISTER**
Report by Depute Principal (to follow)

9. **JOINT AUDIT CHAIRS MEETING – 14 NOVEMBER 2018**
Draft Minutes and Verbal update from Chair

10. **FINANCE SYSTEM STATUS UPDATE (CONFIDENTIAL)**
Report by Director of Finance

11. **BUSINESS CONTINUITY (CONFIDENTIAL)**
Report by Estates and Campus Services Manager

12. **HEALTH AND SAFETY**
Report by Health and Safety Manager

13. **PUBLIC BODIES CLIMATE CHANGE REPORT**
Report by Estates and Campus Services Manager

14. **GDPR – 6 MONTH POST COMPLIANCE REPORT**
Report by Information Development Manager

15. **COMMITTEE EVALUATION – IMPLEMENTATION REPORT**
Report by Board Secretary

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ITEMS FOR NOTING

16. **ICT CYBER RESILIENCE CERTIFICATION (CONFIDENTIAL)**
Report by ICT Services Manager

17. **COMPLAINTS - QUARTERLY REPORT**
Report by Quality Manager

18. **AOCB**

19. **DATE OF NEXT MEETING**
Tuesday 26 February 2019 at 8.30 a.m.

Board of Management

MINUTES of the MEETING of the AUDIT COMMITTEE held in the Boardroom, 1 Inverness Campus, on Tuesday 18 September 2018

PRESENT:	Hazel Allen, Sarah Burton, Jaci Douglas, Innis Montgomery, Steve Walsh
CHAIR:	Hazel Allen
APOLOGIES:	Fiona Neilson
ATTENDING:	Principal
	Depute Principal
	Director of Organisational Development
	Director of Finance
	Claire Robertson, BDO
	Andrew O'Donnell, BDO
	Secretary to the Board of Management

1. **MINUTES**
   The Minutes of the Meeting of the Audit Committee held on 29 May 2018 were **AGREED** as a correct record, were **APPROVED** and signed by the Chair.

2. **OUTSTANDING ACTIONS**
   The Committee **AGREED** which actions had been completed and could be signed off and those which were still outstanding and would remain on the list.

3. **POLICIES**
   a. **Freedom of Information**
   The revised policy was discussed at Scrutiny Panel on 30th May and at SMT on 19 July 2018. There were only minor changes, namely the updating of the section on legislative framework.

   The Audit Committee **APPROVED** the revised Freedom of Information Policy.

   b. **E Mail Usage & Retention**
   This policy was considered by the committee at its meeting in May 2018 and had been recommended to the Board of Management for approval. The Board had requested that a number of points of clarification be made. These had now been included in the revised policy.

   The Audit Committee **AGREED** to recommend the new E Mail Usage & Retention policy to the Board of Management for **APPROVAL.**

4. **RISK MANAGEMENT**
   A joint Report by the Depute Principal and the Director of Finance highlighted the key financial risks/challenges currently facing Inverness College UHI and finance resourcing within this context. The most significant risk was an inability to maintain financial sustainability. A number of actions were being taken to mitigate this risk.

There was a long and detailed discussion which included reference to the way funding was allocated by UHI, on the challenges of increasing the international student body, the increase in the overall commercial activity targets, the planned curriculum review and the continuing discussions on integration.

The Chair was concerned that there was a gap in the governance of risk. She suggested that in order for the Board to take a risk assessed view, it required a broad understanding of the wider issues which were taken into account by management when drawing up financial forecasts. It was therefore important for, e.g. the Learning, Teaching and Research Committee to be involved in the curriculum planning exercise. In this context, it was **AGREED** that a paper on scenario planning be submitted to a future meeting of the Board of Management so that they were fully aware of the worst and best case scenarios.

The Director of Finance provided an update on the finance system and the amended timeline. There was a detailed discussion on the risks associated in waiting for the new system or looking at alternative options.

The Chair **REQUESTED** the Director of Finance to prepare an options paper for the next meeting.

5. **LETTER FROM EXTERNAL AUDITORS - ERNST & YOUNG**
    A report by the Board Secretary advised that Auditing standards required Ernst and Young, the Colleges External Auditors to formally update their understanding of the College's arrangements for oversight of management processes and arrangements annually. A letter was received in April 2018 and the Committee, at its meeting in May 2018 agreed that the letter be considered at this meeting in September. The 10 questions asked in the letter of April 2018 were outlined in the body of the report and suggested responses were shown.

    The Chair asked for a point of clarification to be inserted in the answer to question 3 and subject to this amendment, the Committee **AGREED** that the response should be sent to Ernst & Young

6. **FOLLOW UP REVIEWS 2017-18**
    Andrew O'Donnell of BDO advised that, to provide assurance that the control improvements recommended by Internal Audit were being achieved, a review of the progress made by Management in implementing previous Internal Audit recommendations had been undertaken. In accordance with the Annual Internal Audit Plan, BDO had followed up on the implementation status of all recommendations raised during 2017-18, and those raised in previous years which were still outstanding at the time of the last follow up review. A total of 22 audit recommendations were followed up.

    A summary of the status of all outstanding recommendations were detailed in the report and BDO confirmed that they were content with Management's response.

    The Committee questioned the relevance of the outstanding action in the 2011/12 Data Protection / Freedom of Information Audit as it was considered that this had

been superseded by changes to legislation but **AGREED** that a check should be made to see if this had previously been signed off as complete.

7. **OUTSTANDING INTERNAL AUDIT RECOMMENDATIONS 2017-18**
A report by the Director of Finance provided an update on the implementation of recommendations arising from Internal Audit reports in 2017-18 which were still outstanding. Good progress had been made across all audits with the majority now complete. A small number of actions were still outstanding in relation to the risk management and financial controls audits.

The Committee **NOTED** the good progress which had been made.

8. **INTERNAL AUDIT ANNUAL REPORT FOR 2017-18**
A report by BDO outlined the audits which had been completed during 2017-18. The Corporate Governance, Financial Controls, Partnership Working and Student Support Audits had all been assessed as having a substantial level of assurance. The Risk Management and Data Protection audits had been assessed as having moderate and limited assurance respectively. No recommendations were classed as high significance. There were 9 recommendations classed as medium significance and 12 recommendations classed as low significance.

The Committee questioned the status of the Data Protection audit as three of the four recommendations had been completed by the GDPR implementation date of 25th May 2018.

It was **AGREED** that BDO revise the report to reflect the discussion at the committee and to acknowledge that the recommended actions had been completed immediately.

9. **INTERNAL AUDIT ANNUAL PLAN 2018-19**
A report by BDO set out its internal audit plan for 2018-19. This included audits of financial controls, business continuity management, curriculum planning, research governance and business and commercial development in addition to the standard regulatory and follow up reviews. The Chair was pleased to note that the financial controls audit focussed on financial planning. The scope of the business continuity management audit was also included as this would be the first audit to be carried out in November 2018.

The Director of Finance confirmed that further discussion was required on the number of audit days planned for the business continuity management audit and on the total number of audit days planned, which was shown as the maximum for the year.

The Committee **APPROVED** the internal audit annual plan 2018-19 subject to a satisfactory outcome of the discussions referred to above.

10. **HEALTH AND SAFETY ANNUAL REPORT 2017/18**
A report by the Director of Organisational Development advised that during the last academic year, there had been some significant developments in the management of Health and Safety within the College. The HASMAP standard adopted by the College had been working well, especially with regards to auditing. The "SHE" centralised system of reporting and recording H&S information, which had been

introduced in 2017 had become a vital part of the management of H&S.   Another positive factor had been the reduction in hand injuries compared to the previous year and the increase in the reporting of incidents.

The engagement from staff involved in audits, the H&S training and using SHE had resulted in excellent progress having been made.

The Committee **WELCOMED** the significant progress in health and safety over the last year and recommended the Annual report to the Board of Management.

11. **ANNUAL REVIEW OF AUDITORS PERFORMANCE**
The Board Secretary introduced the process for the annual review of auditors' performance.

The Committee completed the annual review of the internal and external auditors' performance for 2017/18.

The Committee **NOTED** that the results of the evaluations would be fed back to the auditors in writing.

12. **AUDIT COMMITTEE SELF EVALUATION EXERCISE**
A report by the Board Secretary advised that all members had completed the committee self evaluation process. A number of points of clarification had been made and a number of actions identified.

The Committee **AGREED** the actions outlined in the report and **REQUESTED** the Board Secretary to draw up an implementation plan for the next meeting.

The Chair left the meeting

13. **COMMITTEE CHAIR EVALUATION**
To comply with the Code of Good Governance for Scotland's Colleges and good governance best practice, an annual evaluation of the Committee Chair required to be undertaken.

The Committee collectively completed the annual committee chair evaluation exercise.

The following items were included in the agenda for noting only and therefore no discussion took place at the meeting.

14. **REGULATORY AUDITS – TERMS OF REFERENCE**
The terms of reference for the three regulatory audits, FES return, Education Maintenance Allowance and Student Support funds were noted.

15. **BUSINESS CONTINUITY**
A report by the Director of Organisational Development provided an update on business continuity planning including reference to the exercise which had been held in April and the ongoing training.

16.   GENERAL DATA PROTECTION REGULATION (GDPR) COMPLIANCE
A report by the Information Development Manager provided an update on the GDPR points of compliance identified by the internal auditors and addressed the point of clarification requested at the last committee meeting. The Director of Organisational Development would confirm the status of data controller and data processor of student records with the UHI Head of Governance and Records Management.

17.   DATE OF NEXT MEETING
Tuesday 27th November 2018 at 8.30 a.m.

Signed by the Chair: _____

Date: _____

Outstanding Actions - Audit Committee

27 February 2018

Item	Action	Responsibility	Time line	Actioned
risk management audit	Progressed at board development day or at Joint Audit committee chairs meeting	Chair – Audit	Next Audit Chairs meeting `4 Nov 2018	
Academic Partner Audit Committee Chairs meeting	Risk, including those identified within the RM audit, finance system contract and student residences to be considered	Board Secy/Chair of Audit	~~3 May 2018~~ 14 November 2018	

29 May 2018

Item	Action	Responsibility	Time Line	ACTIONED
Business Continuity plan	Look at the level of counselling support within college and available after an event – investigate additional support	Director of Org Dev	ongoing	COMPLETE Added to Tender for Occupational Health Contract

18 September 2018

Item	Action	Responsibility	Time Line	ACTIONED
Risk Management	Paper on scenario planning to future meeting of the BOM	Principal / DoF	25 January 2019	
Letter from External Auditors	Minor amendment to response then send to E&Y	Board Secretary	End September	COMPLETE – sent 21 Sept
Follow up reviews	Data Protection/Freedom of Information Audit 2011/12 – check if this had previously been signed off as complete	DoF/ Do Org Dev	In advance of next meeting – Nov 2018	

Internal Audit Annual Report for 17-18	Report to be revised to reflect the discussion at the committee and to acknowledge that the recommended actions had been completed immediately	BDO	By End of Sept	COMPLETE
Internal Audit Annual Plan 2018-19	Plan approved subject to discussion on the number of audit days planned for the Bus Continuity audit and on the total number of days planned	DoF	By mid Oct	
Annual review of Auditors performance	Results of evaluations to be fed back to the auditors in writing	Chair	By mid October	COMPLETE
Committee Self Evaluation	Implementation plan to be drawn up	Board Secretary	November meeting	

University of the Highlands and Islands
Inverness College

Board of Management

Subject/Title:	Annual Audit Committee report to the Board of Management 2017-18
Author: [Name and Job title]	Fiona Ambrose, Board Secretary
Meeting:	Audit Committee
Meeting Date:	27 November 2018
Date Paper prepared:	16 November 2018
Brief Summary of the paper:	The report highlights the membership of the Audit Committee, meetings held, those attending and the key reports presented during 2017-18. This includes the final work carried out by the previous Internal Auditors, Henderson Loggie, the new Internal Auditors (BDO) and Ernst & Young the External Auditors in relation to the work carried out on the 2016-17 Audit of the Accounts. 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]	The Committee is requested to recommend the report to the Board of Management for approval
Link to Strategy: Please highlight how the paper links to, or assists with:: • 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 2017-18

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 2017-18
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 2017-18 Academic Year.
Membership	The Membership of the Committee during the 2017-18 academic year was as follows:- Hazel Allen, Chair Jaci Douglas, Vice chair Lindsey Mitchell (resigned 13 November 2017) Steve Walsh Sarah Burton Fiona Neilson (appointed 20 November 2017 (previously co-opted member)) Innis Montgomery Board Secretary – Fiona Ambrose (Clerk to the Committee)
Meetings	4 meetings were held throughout the year and the attendance was as follows:- **19 September 2017** Hazel Allen, Sarah Burton, Innis Montgomery, Fiona Neilson, , Steve Walsh **28 November 2017** Hazel Allen, Sarah Burton, Jaci Douglas, Innis Montgomery, Fiona Neilson **27 February 2018** Hazel Allen, Sarah Burton, Jaci Douglas, Innis Montgomery, Fiona Neilson, Steve Walsh **29 May 2018** Hazel Allen, Jaci Douglas, Innis Montgomery, Fiona Neilson, Steve Walsh Hazel Allen chaired all meetings

	The previous/outgoing Internal Auditors (Henderson Loggie) attended the meeting in September 2017 to present their final reports. BDO attended all four meetings in 2017-18 although substitutes were in attendance and by teleconference at the meeting in February 2018. Ernst & Young attended the meetings in November 2017 and May 2018. The Director of Finance attended every meeting, as did the Depute Principal and the Director of Organisational Development
	Jason Thurlbeck, Head of UHI Audit, was copied in to all papers and had an open invitation to attend
Terms of Reference	The terms of Reference were reviewed in September 2017 and approved by the Board of Management at its meeting in October 2017. Amended wording was approved, specifically "comprehensiveness, reliability and integrity of assurances" reflecting the wording within the audit section of the Code of Good Governance for Scotland's Colleges. Reference to the Audit committee meeting the internal and external auditors in private was included. This was one of the recommendations within the Externally facilitated review of board effectiveness carried out by Henderson Loggie and which had been reported to the Board of Management in March 2017.
Internal Audit	**Provider**
	The Internal Auditors are BDO. They were appointed for the three year period 2017-2020 at a cost of £60,480.
	Audit committee assessment of performance
	The annual review of the performance of BDO was undertaken on 18 September 2018 for the 2017-18 academic year. This was the first year of the audit contract and the ratings from the committee on the key areas were as follows:-
	understanding - good
	skills and experience - average
	communication - average
	performance – good
	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.
	Details of the seven internal audit reviews and the follow up review undertaken during 2017-18 were reported to the Audit Committee throughout the year and were discussed at length with consideration and scrutiny of management responses and timescales proposed.
	The plan was based on the proposed allocation of days for set out in the 2017-18 operational plan. There was no change in the time spent – Planned v budget. 45 days' work was undertaken.

Summary of Internal Audit reports 2017-18 (Full report attached)??

Reports Issued	RED	AMBER	GREEN	Design	Operational Effectiveness
Student Support Funds	0	0	0	n/a	n/a
FES Return	0	1	6	n/a	n/a
Corporate Governance	0	0	1	Substantial	Substantial
Risk Management	0	3	0	Moderate	Moderate
Financial Controls	0	1	1	Substantial	Moderate
Partnership Working	0	0	2	Substantial	Substantial
Data Protection	0	4	1	Limited	Limited
Student Support	0	0	1	Substantial	Substantial
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.
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	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	Non compliance and/or compliance with inadequate controls.

organisation's overall internal control framework.		overall internal control framework.	

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	**9**
Low	**12**
Total number of recommendations:	**21**

The Committee made specific comments on two of the reports as follows:-

Risk Management
- the adoption of the UHI risk register template had, in essence, led to there being a two tier risk register with UHI strategic risks and IC local risks being identified.
- risks should not be identified as being solely within one department, rather they should be aligned to strategy.

Data Protection /GDPR
- A review was undertaken of the arrangements in place to prepare for compliance with the EU General Data Protection Regulation (GDPR). The report, dated March 2018, made four recommendations. All actions had been implemented by 25th May when GDPR came into force. BDO confirmed that the immediate implementation of the actions would be acknowledged in their annual report.

BDO were of the opinion that Management were conscientious in reviewing and commenting on their reports in a positive manner. The responses indicated that appropriate steps to implement recommendations had been or were being put in place.

Risk Management
The Committee discussed each quarterly risk management report in detail. A number of recommendations were made by the Committee and Management considered these at subsequent SMT meetings. In summary, the key issues raised and agreed in 2017-8 were that:-
- the SMT would review items from the Risk Register on a rolling basis at each monthly SMT meeting. Subsequent amendments would be highlighted for presentation to the Audit Committee.
- SMT to determine whether an additional risk should be added on disaster recovery
- in future, only variations or amendments to the register be brought to the committee for consideration
- internal audit recommendations and actions be inserted within the actions area of the register
- the wording of risk 32, relating to student residences be reviewed as both the risk description and the causes related to the recent specific incident as it was felt that it should be shown as a more generic risk.

In addition to a report being submitted to each Audit Committee, the Standing Committees, namely Learning, Teaching and Research, Human Resources and Finance and General Purposes each considered the items of risk from the risk register with specific relevance to their remits. A number of recommendations were made and the Risk Register was amended accordingly.

Closed Meeting
The Audit Committee held a closed session with the Internal Auditors at the meeting held on 29 May 2018. The key points made were as follows:-
- *Management had co-operated quickly with queries and had taken on board the recommendations made.*

	• *It had been helpful to agree in advance the dates and the terms of reference of the audits to be carried out. Very strong control arrangements had been found to be in place in the majority of audits.* • *More regular conversations with management would be helpful and an improved outline for the risk register would enhance the content and give Board members a clearer understanding of the key issues and of the remediation actions which were being taken.* • *the current format of the UHI risk register was not helpful to either Board members or to management.* • *the Committee should consider in depth a number of risks at each committee, similar to the format which the SMT had adopted. This would lead to an improved discussion and understanding of the key risks.* **Overall opinion of risk management, control and governance arrangements** It was the opinion of BDO that "based on the reviews undertaken during the period, and in the context of materiality: • With the exception of our review on Data Protection, whereby we concluded that further work is required to ensure robust processes, 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 (and with the exceptions noted above), 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."
External audit	**Ernst & Young** Ernst & Young completed their audit of the accounts for the year ending 31 July 2017. This was the first 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 2016-17 audit as per Audit Scotland's fee letter 2016-17 was £15,930. These accounts were submitted to and approved by the Board of Management on 19 December 2017. Ernst and Young's independent auditor's report provided an unqualified opinion that the financial statements • 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 2017 and of its surplus for the year then ended; • had been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and • 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). **Audit committee assessment of performance** The annual review of the performance of BDO was undertaken on 18 September 2018 for the 2017-18 academic year. This was the first year of the audit contract and the ratings from the committee on the key areas were as follows:-

	Interaction with the committee- good Overall view of quality of service - good Overall relationship – good Consultation and communication – very good Corporate governance – good/average Audit of the financial statements – good Audit reporting - good **Closed Meeting** The Audit Committee held a closed session with the External Auditors at the joint meeting held on 7 December 2017. The key points made were as follows:- • the level of support provided by the Finance Team had been very good in what was a transition year in respect of the method of working compared to the previous external auditors . • The new Internal Auditors, BDO had only recently been appointed but there were no concerns with their relationship with Management. • Members of the Joint Committee raised a number of general concerns around resourcing and skills in the Finance Team, quality of reports received by the Finance and General Purposes Committee, loss of corporate memory with the resignation of the Director of Corporate Services and the urgent requirement to review a range of finance systems and processes. **Audit of annual accounts 2017-18** During the Financial Year covered by this report the Auditors completed their audit of the accounts for the year ending 31st July 2018. These accounts will be submitted to the Board of Management on 18 December 2018 for approval. The fee for the 2017-18 audit as per Audit Scotland's fee letter 2017-18 is £16,090
Other work done	**Health and Safety** Health and Safety reports are submitted to each audit committee throughout the year. During the last academic year there were some significant developments on how Health and Safety was managed within the College. The HASMAP standard adopted by the College as the standard to follow was working well, especially with regards to auditing. The SHE system provided a centralised system for reporting and recording H&S information such as accidents and incidents and had become a vital part of the management of H&S. The engagement from staff involved in audits, the H&S training and using SHE had been excellent. Very good progress had been made across a number of areas. Significant work had been carried out to address the number of hand injuries and a hand safety presentation

was now continuously rolled out to staff. In 2017-18, hand injuries accounted for around 7% of reported accidents/incidents compared to 48% the previous year.

- ***Riddor***
  There was 3 Reported RIDDOR incidents during academic year 2017-18. The incidents related to a slip on an icy footpath, a hand injury which resulted in an infection and a mountain biking incident.

- **Accident/incident/near miss reporting**
  There was a further increase in the number of reports relating to accidents/incidents and near misses in comparison to the previous year. The increase in numbers was welcomed as this confirmed the increased awareness and reporting requirements.
  August 2017- July 2018 No. of reports received 340
  August 2016 –July 2017 No. of reports received 175

ICT and data security issues
The Committee now receive high level information on ICT issues rather than quarterly reports which included operational issues. The following key issues were considered by the Committee during 2017-18

- General Data Protection Regulation (GDPR) Compliance
- Information Security Check-up Project – student data and tertiary retention schedule
- Mandatory training in Information Security and Data protection for staff
- Cyber resilience public sector action plan
- Information risk review
- UHI Finance system
- ICT projects including Wi-FI Procurement, VLE review, Service desk replacement, single print project, UHI ICT services review

With GDPR due to come into force on 25 May 2018, the Committee received updates on a regular basis on the actions being taken by the College to ensure compliance. The GDPR/Data Protection audit made a number of recommendations which were acted on immediately and in advance of 25th May.

Policies
The following key policies were reviewed during 2017/18

- Data protection
- Health and safety and statement
- Public interest disclosure
- Risk management
- Complaints
- Records management
- E mail usage and retention

The Data Protection and Records Management policies were reviewed and amended, specifically to ensure compliance with GDPR.

The Annual report on Data Protection, Freedom of Information, Complaints and Public Interest Disclosure was presented to the committee in February 2018. No major issues were reported.

Value for Money and Procurement Annual Report 2017-18

The new GDPR legislation which came into force in May 2018 has led to an increase in work due to contracts and suppliers having to be assessed for GDPR relevance.

Value for Money
- The Financial Regulations and Procurement Strategy were updated to reflect changes in the new regulatory framework and procurement best practice
- As a result of the Professional Electronic Commerce Online System (PECOS) training sessions, the number of orders being placed has increased by 138.67% and spend going through PECOS has increased by 14.38%. As of 31st July 2018 there were 797 live suppliers on PECOS which represented a 145% increase from the number reported in 2017. Credit card spend has decreased substantially against the 2016/17 figures
- All contract information was placed on the Hunter database to ensure that all contracted spend was captured and reported on
- Provision has been made within the new finance system to provide an eInvoicing module to meet the timelines, alternatively Scottish Government have a free solution that the college can access.

Tendering activity
Collaborative savings have been achieved through national and regional exercises as follows –
BT1 Cash Savings £132,375.14
BT2 Cash Savings £254,845.06
Cost Avoidance £60,000.00

Throughout 2017/18, the procurement team focused on non-compliance areas to ensure new contracts were placed to ensure compliance with all regulations including GDPR and Health and Safety.

Non-Compliant Regulated Procurements
In the FY17-18 period Inverness College UHI had two occurrences of non-compliance. This occurred where historic suppliers had been used without a contract and the spend exceeded £50k over a 4 year period.

	Other procurement activities A number of other procurement activities were undertaken including working on innovative ways to reduce waste, provision of free sanitary products, local cost saving initiatives, increased involvement in a number of management meetings, and attending a recent meet the Buyer Event North, organised by the Scottish Government, Scotland Excel and HIE **Business Continuity Plan** In October 2017 the college undertook a comprehensive review of the business continuity plan in light of a number of developments including the cybersecurity review, engagement with police scotland anti-terrorism officers and the college Prevent plans as well as a review of security arrangements generally. Training for the crisis management team, emergency response team and other departments including Front of House and Estates was completed in January 2018. A full test across UHI took place in April 2018.
Other	In October 2017, the Board of Management agreed to adopt the UHI risk policy and risk appetite statements and a workshop on risk appetite was held as part of the Board of Management Away Day in April 2018. In line with UHI arrangements, further review of risk and risk appetite statements will be considered at a UHI workshop which is being planned for Spring 2019.
Opinion	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. The Audit Committee concurs with the 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."
Circulation	Copy to the Auditors once approved by the Board of Management
Conclusion	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 Signed………………………………………… Chair, Audit Committee Date ………………………………………………

University of the Highlands and Islands
Inverness College

Board of Management

Subject/Title:	Risk Management Policy – Board Review
Author: [Name and Job title]	Roddy Henry, Depute Principal
Meeting:	Audit Committee
Meeting Date:	27 November 2018
Date Paper prepared:	20 November 2018
Brief Summary of the paper:	The Risk Management Policy was approved by the Board in March 2018. In order to align the annual review cycle, the committee is asked to review the policy.
Action requested: [Approval, recommendation, discussion, noting]	Discussion
Link to Strategy: Please highlight how the paper links to, or assists with:**:** • compliance • partnership services • risk management • strategic plan • new opportunity/change	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	n/a

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

Risk Management Policy – Annual Review

Executive summary

The college's Risk Management Policy is presented for annual review.

Background information

The policy was approved by the Board of management in March 2018, following recommendation at the Audit Committee in February 2018. The existing policy was revised to broadly adopt the UHI Risk Management Policy.

The Committee is asked to review the policy In November 2018 to align the review with the annual cycle.

Roddy Henry
Depute Principal

RISK MANAGEMENT POLICY

REFERENCE: PL/CS/2018/001

Policy Owner	Principal
Lead Officer	Depute Principal
Review Officer	Depute Principal
Date first approved by BoM	10 December 2007
First Review Date	December 2010
Date review approved by BoM	22 March 2018
Next Review Date	December 2020
Equality impact assessment	N/A
Further information (where relevant)	

Reviewer	Date	Review Action/Impact
Director of Corporate Services	20.12.10	Review approved by BoM
Director of Corporate Services	02.12.14	Review approved by BoM
Director of Corporate Services	24.12.15	Review approved by Audit Committee
Depute Principal	22.03.18	Review approved by BoM

Contents

1 Policy Statement

The Board of Management of Inverness College UHI has adopted this policy for the management of risk at the College. This policy forms part of the governance arrangements of the University of the Highlands and Islands.

The current policy statements on risk were reviewed and agreed by the University Court on 20 September 2017. The College has adopted the statements:

The College's general approach is to minimise its exposure to risk. It will seek to recognise risk and mitigate the adverse consequences. However, the College recognises that in pursuit of its mission and academic objectives it may choose to accept an increased level of risk. It will do so, subject always to ensuring that the potential benefits and risks are fully understood before developments are authorised, and that sensible measures to mitigate risk are established.

1.2 Overview and Scope

Risk is inherent in all activity. Risk management is important to ensure that all significant, relevant risks are understood and prioritised as part of normal management practices. Information on risk must be organised in a way that is useful for management purposes and enables decisions to be taken based on the knowledge of risk versus reward.

Identification and management of risk on a consistent, appropriate and timeous basis is a requirement of the University Court, as regional Strategic Body, and of the Scottish Funding Council (SFC).

The recognition and management of risk is the responsibility of everyone who allocates and/or uses resources so all members of staff should have an awareness of the risks of the organisation.

1.3 Implementation and Monitoring

The policy will be implemented through the Senior Management Team (SMT) of the College. A report comprising the corporate/high level risk register will be presented to the committee of the SMT and to the Board of Management Audit Committee for review and monitoring at each meeting.

2 Legislative framework/related policies

2.1. Health and Safety Policy
2.2. ICT - UHI Partnership Information Security Acceptable Use Policy
2.3. Data Protection Policy
2.4. Financial Regulations
2.5. Data Protection Act 1998
2.6. General Data Protection Regulation (GDPR) (From 25 May 2018)
2.7. Business Continuity Plan.

2 Overview

Risk is inherent in all activity. Risk management is important to ensure that all significant, relevant risks are understood and prioritised as part of normal management practices.

Information on risk must be organised in a way that is useful for management purposes and enables decisions to be taken based on the knowledge of risk versus reward. Identification and management of risk on a consistent, appropriate and timeous basis is a requirement of the University Court, as regional Strategic Body, and of the Scottish Funding Council (SFC).

4 Scope

The scope of this policy was initially developed to apply to faculties and departments of Executive Office and also to create a model of good practice methodology that could be adopted by Academic Partners. The College, as an integral part of the University, has adopted the policy to cover all aspects of its activity and operations.

5 Risk Appetite

The College will take a portfolio approach to risk management: i.e. whilst at any one time it may be carrying a high level of risks in one or more parts of its business, it will ensure that the number of areas exposed to high risk at any time are minimised and balanced with a low risk approach in other areas.

The portfolio of risk will be regularly reviewed by the SMT, Audit Committee and Board of Management.

High risk areas will be very closely aligned to strategic priorities and aligned to high returns i.e. the College should not be exposed to high levels of risk if returns are likely to be minimal or if the activity is not business critical.

The elapsed time over which the College is exposed to a high level of risk in any area should be minimised as much as possible.

6   Partnership Approach to Risk management

The University uses a standardised risk template and this has been adopted by the College. The template and the methodology for recording risks was developed and agreed through the Finance Directors Practitioners Group and the process for completing and sharing risk registers was endorsed by Academic Partners Principals.

The criteria for measuring the likelihood of risks occurring and the gross impact of risks is attached at Appendix 1.

7   Roles and Responsibilities

7.1 The Depute Principal is the policy owner.

The recognition and management of risk is the responsibility of everyone who allocates and/or uses resources, so all members of staff should have an awareness of the risks of the organisation.

Risks need to be evaluated in a controlled manner and the uncertainties involved need to be minimised. The approaches available to managing risk include:

- Terminate – avoid risk by doing something else
- Transfer – risk passed on to someone else e.g. outsourcing, insurance, subcontracting
- Treat – reduce risks by management action
- Tolerate – accept risk and manage appropriately

7.2 Board of Management

The Board of Management has a fundamental role to play in the management of risk. Its role is to:

- Set the tone and influence the culture of risk management within the institution. This includes determining the risk appetite of the institution, i.e. determining what risks are acceptable and which are not, and to provide a framework within which the appropriate level of exposure to risk can be determined in particular circumstances; and;

- Approve major decisions affecting the College's risk profile or exposure.

7.3 Finance and General Purposes Committee

The Finance and General Purposes Committee is responsible for:

- Ensuring that the major risks associated with specific proposals put to it have been properly considered and can be appropriately managed within the policy framework set by the Board.

7.4 Audit Committee

The Audit Committee is responsible for monitoring the College's general arrangements for risk management and specifically for:

- Ensuring that corporate risks are properly managed, reviewing evidence to this effect and ensuring measurement of results as appropriate.

- Advising the Board on the effectiveness of policies and procedures for risk assessment and risk management;

- Annually reviewing the College's approach to risk management and, if appropriate, recommending changes or improvements to key elements of its processes and procedures;

- Providing a statement to the Board annually indicating how the College has complied with good practice with regard to Corporate Governance and, in particular, in relation to effective risk management.

7.5 Role of Internal Audit

A "risk based" internal audit plan is prepared taking account of the College's risk register, strategic plan and wider operating environment.

The College aims to progress towards "risk managed" which is defined as "Enterprise approach to risk management developed and communicated".

Internal audit will:

- Report its findings to the audit committee

- Advise and make recommendations to senior managers as appropriate.

7.6 Senior Management Team

The Senior Management Team is responsible for:

- Implementing the Board's risk management policy and ensuring compliance

- Identifying, evaluating and managing strategic and operational risks in the College and bringing emerging corporate risks to the attention of the Board and/or its committees.

- Ensuring that everyone in each SMT member's area of responsibility understands their risk management responsibilities making clear the extent to which staff are empowered to take risks.

- Communicating College policy and information about the risk management programme to all staff and external partners as appropriate

IMPACT					
5 - Catastrophic	5	10	15	20	25
4 - Major	4	8	12	16	20
3 - Significant	3	6	9	12	15
2 - Minor	2	4	6	8	10
1 - Insignificant	1	2	3	4	5
	1 -Very	2 -	3 - Possible	4 - Likely	5 - Almost
	LIKELIHOOD				

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

IMPACT - CRITERIA		Financi	TIMESCALE 3 YEARS	Reputational (need to
5 - Catastrophic	A disaster with the potential to lead to: •loss of a major UHI partner	> £500,0 00 or lead to	Likely loss of key partner, curriculum area or department Litigation in progress	Incident or event that could result in potentially long term damage to UHI's reputation. Strategy needed to manage the
4-Major	A critical event which threatens to lead to: major reduction in funding	£250,0 00 - £500,0 00 or lead to	•Possible loss of partner and litigation threatened •Major deterioration in quality/pass rates/delivery	Incident/event that could result in limited medium – short term damage to UHI's reputation at local/regional level.
3-Significant	A Significant event, such as financial/ operational difficulty in a department or	£50,00 0 - £250,0	General deterioration in quality/delivery but not persistent	An incident/event that could result in limited short term damage to UHI's reputation and
2-Minor	An adverse event that can be accommodated	£10,00 0 -	•Some quality/delivery issues occurring regularly	Low media profile Problem commented
1- Insignificant	An adverse event that can be accommodated	<£10,0 00	•Quality/delivery issue considered one-off	•No adverse publicity •Credibility unaffected

Inverness College

MANAGEMENT LETTER

FES Return Audit 2017-18

October 2018

BDO

CONTENTS

REPORT STATUS	
Auditors:	Sean Morrison
Dates work performed:	11 September 2018 – 20 September 2018
Draft report issued:	08 October 2018
Final report issued:	25 October 2018

DISTRIBUTION LIST	
Roddy Henry	Depute Principal
Fiona Mustarde	Finance Manager
Andy Coulter	MIS Manager
Audit Committee	Members

Restrictions of use

INTRODUCTION, AUDIT APPROACH AND SCOPE

Introduction

A review of the College's FES (further education statistical) data return has been carried out in accordance with the 'Credit Guidance: 2017-18 student activity data guidance for colleges' (SFC/GD/06/2017) issued in May 2017 and the audit guidance for colleges (SFC/GD/17/2018) issued on 02 August 2018.

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 02 August 2018.

Our fieldwork, which took 5 days to complete, was undertaken by an experienced 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.

AUDIT TESTS

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 2,694 credits (9% of total), was randomly selected based on an initial review of courses by Dominant Programme Group (DPG). The programme codes, the dominant 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.

- In addition, we confirmed that the calculation of the credits attributable to two students from each course selected in the sample above was accurate and that the student records system was recording the correct credits depending on subjects studied.

- 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 after 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 after the required date. Our testing found that for 5 out of the 15 students the withdrawal forms were not completed and processed in a timely manner. However, these withdrawals were after the 25% required date, and therefore there is no inaccuracy in the credits claimed. The College plans to implement an electronic withdrawal form, which should improve the timeliness of processing.

- 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 courses to ensure that the correct superclass code had been used for each course.

- 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 5 ECDL students (10% of the population) to confirm whether the credits claimed were accurate. We also reviewed the enrolment form for each student.

- 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.

AUDIT TESTS (cont'd)

Testing Summary

- 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 20 courses, and confirmed that the required date for each course was correct.

ANALYTICAL REVIEW

Summary

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.

ANALYTICAL REVIEW (cont'd)

Summary

The final 2017/18 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 29,069 credits. In addition the College had an ESF activity target of 437 credits. The total credit target for 2017/18 was therefore 29,506. Total actual credits within the Colleges FES return are 29,548 which is 0.14% above the total target. Within this total the College achieved 543 ESF credits which is 24.14% above the ESF target. These figures have been accepted by SFC.

Fundable Student Headcounts		
Student Numbers	2017/18	2016/17
Head Count:		
FEFT	1,232	1,285
FEPT	3,005	2,533
	4,237	3,818

Fundable student numbers have increased by 419 in comparison with last year. The increase is in relation to the part time students as the full time further education students dropped.

ANALYTICAL REVIEW (cont'd)

Summary

All Student Enrolments		
Student Numbers	2017/18	2016/17
Enrolments		
FEFT	1,276	1,329
FEPT	3,425	2,764
	4,701	4,093

There has been a increase of roughly 15% in the number of student enrolments during the year.

ANALYTICAL REVIEW (cont'd)

Source of Finance of Fee for Student	2017/18 (£)	2016/17 (£)
22 - Fee Waiver - full-time non-advanced	1,006,992.00	1,042,272.00
23 - Fee Waiver - income support	1,015.20	2,707.20
24 - Fee Waiver - low income	710.64	2,312.40
25 - Fee Waiver - Islands Authority Fee Waiver (excl. Orkney and Shetland)	0.00	0.00
26 - Fee Waiver - cost borne by college	26,433.27	11,330.46
28 - Fee Waiver - Incapacity Benefit	0.00	0.00
29 - Fee Waiver - Severe Disablement Allowance	380.70	0.00
30 - Fee Waiver - housing benefit	1,917.60	1,621.50
33 - Fee waiver - student on a DPG 18 programme	33,219.60	32,289.00
37 - Fee Waiver - carers allowance	0.00	0.00
38 - Fee Waiver - disability living allowance	2,058.60	2,261.64
39 - Fee waiver - pension credit	225.60	282.00
40 - Fee Waiver - working tax credit	3,553.20	4,173.60
41 - Fee waiver - old FT criteria	41,172.00	45,317.40
42 - Fee waiver - school pupil	104,588.00	122,703.80
43 - Fee waiver - attendance allowance	0.00	0.00
44 - Fee waiver - income based job seekers allowance	686.67	451.00
47 - Fee waiver - income-related employment and support allowance	2,848.20	2,130.36
48 - Fee Waiver - student in care	282.00	0.00
49 - Fee Waiver - Asylum seeker or spouse or child of an asylum seeker	56.40	0.00
50 - Fee Waiver – contribution based employment and support allowance	394.80	169.20
52 - Fee Waiver – Personal Independence Payment (PIP)	2,425.20	1,500.24
53 - Fee Waiver – Universal credit (UC)	3,807.00	1,190.04
Overall	1,232,767	1,272,712
Total - including cost borne by college	1,232,767	1,272,712
Total overclaim for individual students	28,253	33,435
Total - excluding cost borne by college	1,206,334	1,261,382
Total - excluding cost borne by college and overclaims	1,178,080	1,227,947

ANALYTICAL REVIEW

Fee Waiver Summary

There has been an overall decrease in fee waiver (excluding cost borne by college and over claims) of roughly 4%.

There has been a decrease of 63% (£1,692) in fee waivers for income support students. Fee waiver for school pupils decreased by roughly 15% (£18,115) due to a decrease in the volume of school pupil activity.

There was a increase in fee waiver claims for other categories such as 'housing benefit' (18%, £296) and 'cost borne by college' (2337%, £15,103).

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 AND ACKNOWLEDGEMENT

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.

Appendix I - Observations

Observations

1. Student Withdrawals:

Our audit found that for five out of the fifteen students tested, the withdrawal form was not completed and processed in a timely manner. The students had all withdrawn after the 25% cut off date and therefore there is no impact on the credits claimed for these students. This point was also raised as a finding last year. Management have explained that the College is planning to implement an electronic withdrawal process, which should improve the timeliness of processing.

APPENDIX II - DEFINITIONS

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.

Inverness College

INTERNAL AUDIT REPORT

Student Support Fund Audit

October 2018

BDO

CONTENTS

REPORT STATUS	
Auditors:	Sean Morrison
Dates work performed:	17 September 2018 – 28 September 2018
Draft report issued:	08 October 2018
Final report issued:	25 October 2018

DISTRIBUTION LIST	
Roddy Henry	Depute Principal
Fiona Mustarde	Finance Manager
Andy Coulter	MIS Manager
Audit Committee	Members

INTRODUCTION, AUDIT APPROACH AND SCOPE

Introduction

A review of the College's student data returns has been carried out in accordance with the 'Student Support Fund' Audit Guidance Notes for 2017-18 issued on 27 July 2018.

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 3 days to complete, was undertaken by a part-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.

AUDIT TESTS

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

- A sample of 15 students, from a population of 959 eligible students was selected.

- 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 back up 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 receive 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 92 confirming eligibility for further education or higher education childcare award.

- We tested a sample of 7 students from a population of 73 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 AND ACKNOWLEDGMENT

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

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.

Inverness College

INTERNAL AUDIT REPORT

EMA Audit

October 2018

BDO

CONTENTS

REPORT STATUS	
Auditors:	Sean Morrison
Dates work performed:	18 September 2018 – 28 September 2018
Draft report issued:	08 October 2018
Final report issued:	25 October 2018

DISTRIBUTION LIST	
Roddy Henry	Depute Principal
Fiona Mustarde	Finance Manager
Andy Coulter	MIS Manager
Audit Committee	Members

INTRODUCTION, AUDIT APPROACH AND SCOPE

Introduction

A review of the College's student data returns has been carried out in accordance with the Scottish Government's 'EMA' Audit Guidance released to stakeholders on the 25th of July 2018 and the Scottish Funding Council EMA audit guidance issued on 3 August 2016.

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 sub-systems used by the College in relation to the management of EMA funds in the context of the SFC audit guidance.

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

Our fieldwork, which took 3 days to complete, was undertaken by a part-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 selected from data from the student records system, SITS.

AUDIT TESTS

Testing Summary

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

- A sample of 15 students from the population of 172 students was selected.

- We traced each of our sample of students to a completed enrolment form confirming eligibility and the existence of a valid audit trail.

- We re-assessed the applications to ensure they received the correct rate of EMA, and had all relevant documentation in place, such as completed learner agreements.

- We assessed whether student attendance has been monitored effectively for each of the sample.

- We traced the total income received from the SFC to the College's bank account and the monthly remittance advice slips received from the SFC to ensure claims had been correctly recorded.

- We reviewed the College's EMA reconciliation to confirm its accuracy.

- We reviewed the College's spot check workings to assess whether they had spot checked at least 5% of total students.

CONCLUSION AND ACKNOWLEDGMENT

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 EMA payments.

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

APPENDIX I - DEFINITIONS

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.

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INVERNESS COLLEGE

INTERNAL AUDIT TERMS OF REFERENCE

FINANCIAL PLANNING

2018-19

BDO

INVERNESS COLLEGE, FINANCIAL PLANNING

BACKGROUND

As part of the 2018-19 Internal Audit Plan, it was agreed that Internal Audit would review the design and operating effectiveness of the controls in place at Inverness College surrounding financial planning arrangements.

PURPOSE OF REVIEW

The purpose of this review is to provide management and the Audit Committee with assurance that Inverness College has well designed, effective controls in place in relation to financial planning.

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:

- Financial plans may not be based on accurate, reliable or relevant information;
- The financial planning process may not be carried out in a timely manner in accordance with a clearly defined timetable;
- Financial plans may be based upon unreasonable assumptions or forecasts;
- No, or limited, scenario planning or sensitivity analysis has been undertaken;
- Budget reforecasts may not be carried out on a regular basis to reflect changes which may occur to plans, or to predict the outturn where expenditure in some areas differs from expectations; and
- Financial plans may not be subject to effective consultation, review or approval.

SCOPE OF REVIEW

The scope of our review is to assess whether:

- Financial plans are based on reasonable assumptions and forecasts and accurate, reliable information;
- Financial plans are developed in a timely manner with appropriate consultation, review and approval arrangements;
- Scenario planning and sensitivity analysis has been carried out to ensure budgets are flexible and robust enough to meet organisational requirements and respond to funding changes; and
- Budget reforecasts are carried out on a regular basis to reflect changes which may occur to plans, or to predict the outturn where expenditure in some areas differs from expectations.

BDO

INVERNESS COLLEGE, FINANCIAL PLANNING

However, 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 1 Inverness Campus, Inverness, IV2 5NA.

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.

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.

BDO

INVERNESS COLLEGE, FINANCIAL PLANNING

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	- Financial plan/budget and associated Board and Committee minutes and papers. - Budget timetable.	Fiona Mustarde	04/02/2019 (2 weeks ahead of 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
Scott Peterson	Manager	T: 0141 249 8476 E: scott.peterson@bdo.co.uk
Chloe Ridley	Senior Internal Auditor	T: 0131 347 0358 E: chloe.ridley@bdo.co.uk
INVERNESS COLLEGE		
Fiona Mustarde	Director of Finance	E: fiona.mustarde.ic@uhi.ac.uk

INVERNESS COLLEGE, FINANCIAL PLANNING

PROPOSED TIMELINE	
AUDIT STAGE	DATE
Commence fieldwork	25/02/2019
Number of audit days planned	5
Planned date for closing meeting	01/03/2019
Planned date for issue of the draft report	15/03/2019
Planned date for receipt of management responses	29/03/2019
Planned date for issue of proposed final report	05/04/2019
Planned Audit Committee date for presentation of report	28/05/2019

SIGN OFF			
ON BEHALF OF BDO LLP:		ON BEHALF OF INVERNESS COLLEGE:	
Signature:	Claire Robertson	Signature:	
Title:	Director	Title:	
Date:	20/11/2018	Date:	

BDO

INVERNESS COLLEGE

INTERNAL AUDIT TERMS OF REFERENCE

BUSINESS & COMMERCIAL DEVELOPMENT

2018-19

BDO

INVERNESS COLLEGE, BUSINESS & COMMERCIAL DEVELOPMENT

BACKGROUND

In accordance with the 2018-19 Internal Audit Plan, it was agreed that Internal Audit would review the design and operating effectiveness of the controls in place at Inverness College surrounding business & commercial development arrangements.

PURPOSE OF REVIEW

The purpose of this review is to provide management and the Audit Committee with assurance that Inverness College has well designed, effective controls in place in relation to business & commercial development.

KEY RISKS

Based upon discussions with management and our collective audit knowledge and understanding, the key risks associated with the area under review are:

- The College may have targets which are not aligned to the College's strategic objectives;
- Progress against targets may not be actively monitored;
- The College may not have a clearly defined assessment process and system for approving commercial activities;
- The College may not have appropriate contractual arrangements in place for commercial activities; and
- Commercial activities may not have appropriate management reporting and oversight.

SCOPE OF REVIEW

The following areas will be covered as part of this review:

- Assess if management are setting targets for commercial activity which are aligned to the College's strategic objectives;

- Assess whether the College are actively monitoring progress against these targets;

- Assess whether the College has an appropriate framework in place to cost, risk assess and approve commercial activities to ensure they offer value for money and risks are effectively managed;

- Assess whether appropriate contractual arrangements are put in place for commercial activities; and

- Assess whether there is appropriate management reporting and oversight regarding commercial activities.

However, 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.

INVERNESS COLLEGE, BUSINESS & COMMERCIAL DEVELOPMENT

APPROACH

Our approach will be to conduct interviews to establish whether the controls 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.

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 onsite at 1 Inverness Campus, Inverness, IV2 5NA.

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.

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	- Commercial activity targets and any reporting schedules - Process notes for commercial activity consideration - Papers and minutes of commercial activity being reported	Georgina Parker	08/04/2019 (2 weeks prior to fieldwork)

INVERNESS COLLEGE, BUSINESS & COMMERCIAL DEVELOPMENT

	- Listing of all commercial activity contracts			

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).

KEY CONTACTS		
BDO LLP		
Claire Robertson	Director	T: 0141 249 5206 E: claire.robertson@bdo.co.uk
Scott Peterson	Manager	T: 0141 249 8476 E: scott.peterson@bdo.co.uk
Chloe Ridley	Internal Audit Senior	T: 0131 347 0358 E: chloe.ridley@bdo.co.uk
INVERNESS COLLEGE		
Georgina Parker	Director of Business Development	T: 01463 273000 (switchboard)

INVERNESS COLLEGE, BUSINESS & COMMERCIAL DEVELOPMENT

PROPOSED TIMELINE	
AUDIT STAGE	**DATE**
Commence fieldwork	22/04/2019
Number of audit days planned	5 days
Planned date for closing meeting	26/04/2019
Planned date for issue of the draft report	10/05/2019
Planned date for receipt of management responses	17/05/2019
Planned date for issue of proposed final report	20/05/2019
Planned Audit Committee date for presentation of report	28/05/2019

SIGN OFF			
ON BEHALF OF BDO LLP:		**ON BEHALF OF INVERNESS COLLEGE:**	
Signature:	Claire Robertson	Signature:	
Title:	Director	Title:	
Date:	20/11/2018	Date:	

INVERNESS COLLEGE

INTERNAL AUDIT TERMS OF REFERENCE

CURRICULUM PLANNING

2018-19

BDO

INVERNESS COLLEGE – CURRICULUM PLANNING

BACKGROUND

As part of the 2018-19 Internal Audit Plan, it was agreed that we would carry out a review of the curriculum planning arrangements in place and compare them with good practice.

PURPOSE OF REVIEW

The purpose of this review is to provide assurance to management and the Audit Committee regarding the adequacy and effectiveness of curriculum planning arrangements and to recommend improvements to those arrangements as necessary.

Specifically, we will assess whether a robust curriculum planning process is in place which is aligned to the requirements of the regional outcome agreement, and evaluate whether the College has adequately considered learner demand, estates resources and capacity as part of curriculum planning processes.

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:

- The curriculum planning process may not be supported by both curriculum and finance staff, and may not be effectively linked to the Regional Outcome Agreement;
- Curriculum staff may not engage effectively with other education providers locally to plan pathways effectively;
- Draft timetabling may not be subject to validation checks to identify clashes in relation to subjects, estates capacity or teaching resource;
- Consideration may not have been given to available estate resources to facilitate efficient occupancy levels; and
- Consideration may not have been given to financial aspects of course provision, so as to determine the viability of course provision and the minimum enrolment required to maintain course viability.

SCOPE OF REVIEW

Our review will assess whether:

- the College has a robust curriculum planning process which is in line with the Regional Outcome Agreement and is fully supported by both curriculum and finance staff;
- draft timetabling is subject to appropriate validation checks to identify any subject, estate or teaching resource clashes;
- the availability of estate resources is fully considered in advanced to facilitate efficient occupancy levels;
- key financial elements of course provision are considered to identify viability and minimum enrolments required;

INVERNESS COLLEGE – CURRICULUM PLANNING

However, 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.

ADDED VALUE

In addition to the above areas we will also assess the risk management arrangements in operation against our risk management maturity assessment model.

DATA ANALYTICS

We have not considered the use of data analytics as part of this audit.

MANAGEMENT COMMENTS

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

LOCATIONS

Fieldwork will be performed at 1 Inverness Campus, Inverness, IV2 5NA.

BDO

INVERNESS COLLEGE – CURRICULUM PLANNING

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.

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	- Curriculum planning supporting documentation for the 2017/18 and 2018/19 academic years. - Minutes of planning discussion - Supporting financial consideration of course provision	Gillian Berkeley	25th February 2019 (1 week ahead of 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:

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INVERNESS COLLEGE – CURRICULUM PLANNING

KEY CONTACTS		
BDO LLP		
Claire Robertson	Director	T: 0141 249 5206
		E: claire.robertson@bdo.co.uk
Scott Peterson	Manager	T: 0141 249 8476
		E: scott.peterson@bdo.co.uk
Chloe Ridley	Senior Internal Auditor	T: 0131 347 0358
		E: chloe.ridley@bdo.co.uk
INVERNESS COLLEGE		
Gillian Berkeley	Head of Curriculum	T: 01463 273000 (switchboard)

PROPOSED TIMELINE	
AUDIT STAGE	**DATE**
Commence fieldwork	04/03/2019
Number of audit days planned	6
Agreed date for closing meeting	08/03/2019
Planned date for issue of the draft report	22/03/2019
Planned date for receipt of management responses	05/04/2019
Planned date for issue of proposed final report	12/04/2019
Planned Audit Committee date for presentation of report	28/05/2019

INVERNESS COLLEGE – CURRICULUM PLANNING

SIGN OFF			
ON BEHALF OF BDO LLP:		**ON BEHALF OF INVERNESS COLLEGE:**	
Signature:	Claire Robertson	Signature:	
Title:	Director	Title:	
Date:	20/11/2018	Date:	

INVERNESS COLLEGE

INTERNAL AUDIT TERMS OF REFERENCE

RESEARCH GOVERNANCE

2018-19

BDO

INVERNESS COLLEGE, RESEARCH GOVERNANCE

BACKGROUND

It was agreed with management and the Audit Committee within the 2018-19 internal audit plan that Internal Audit would assess whether the governance structure and management processes currently in place at the College provide sufficient levels of direction, support, management and scrutiny to the college's research department.

PURPOSE OF REVIEW

The purpose of this review is to provide management and the Audit Committee with assurance that sufficient levels of direction, support, management and scrutiny are being provided to the college's research department.

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:

- There may not be a Research Strategy in place which is clearly aligned to Inverness College's strategic priorities;
- Research governance and management roles and responsibilities may not be clearly defined;
- There may not be a clear protocol in place for completing and assessing applications for research grant funding;
- Applications for research grant funding may not be completed and assessed appropriately;
- Funding provided from the Research Development Fund may not be approved appropriately;
- There may not be an effective process in place for ensuring that research active individuals utilise their allocated research days; and
- There may not be effective monitoring, reporting and scrutiny arrangements in place in relation to research grant funding.

SCOPE OF REVIEW

The scope of the review will be to assess whether:

- There is a Research Strategy in place which is clearly aligned to Inverness College's strategic priorities;
- Research governance and management roles and responsibilities are clearly defined;
- There is a clear protocol in place for completing and assessing applications for research grant funding;

INVERNESS COLLEGE, RESEARCH GOVERNANCE

- Applications for research grant funding are completed and assessed appropriately;
- Funding provided from the Research Development Fund is approved appropriately;
- There is an effective process in place for ensuring that research active individuals utilise their allocated research days; and
- There is effective monitoring, reporting and scrutiny arrangements in place in relation to research grant funding.

However, 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 interview management and a sample of relevant staff to discuss the areas within our scope and document the control arrangements in place, assessing the design and effectiveness of these controls. We will review all relevant documentary evidence, and perform sample testing to confirm satisfactory operation of the project management controls.

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 1 Inverness Campus, Inverness, IV2 5NA.

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.

BDO

INVERNESS COLLEGE, RESEARCH GOVERNANCE

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
Documentation	- Research governance policies and procedures - Example research governance reports - Minutes of research management meetings from previous 12 months	Melanie Smith

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.

KEY CONTACTS

BDO LLP

Claire Robertson	Director	T: 0141 249 5206 E: claire.robertson@bdo.co.uk
Scott Peterson	Manager	T: 0141 249 8476 E: scott.peterson@bdo.co.uk
Sean Morrison	Trainee	T: 0141 249 8493 E: sean.morrison@bdo.co.uk

INVERNESS COLLEGE

Melanie Smith	Head of Research Development	T: +44 (0) 1463 273080 E: Melanie.Smith.ic@uhi.ac.uk

BDO

INVERNESS COLLEGE, RESEARCH GOVERNANCE

PROPOSED TIMELINE	
AUDIT STAGE	**DATE**
Commence fieldwork	18/03/2019
Number of audit days planned	6
Proposed date for closing meeting	25/03/2019
Planned date for issue of the draft report	08/04/2019
Planned date for receipt of management responses	22/04/2019
Planned date for issue of proposed final report	23/04/2019
Planned Audit Committee date for presentation of report	28/05/2019

SIGN OFF			
ON BEHALF OF BDO LLP:		**ON BEHALF OF INVERNESS COLLEGE:**	
Signature:	Claire Robertson	Signature:	
Title:	Director	Title:	
Date:	20/11/2018	Date:	

BDO

INVERNESS COLLEGE

INTERNAL AUDIT TERMS OF REFERENCE

FOLLOW UP REVIEW

2018-19

INVERNESS COLLEGE, FOLLOW UP REVIEW

BACKGROUND

As part of the 2018-19 Internal Audit plan for Inverness College, we will follow up on previously agreed recommendations made in Internal Audit reports in previous years, and where relevant during the current year.

PURPOSE OF REVIEW

The purpose of this review is to provide assurance to management and the Audit Committee that previous internal audit recommendations have been implemented effectively and within targeted timescales.

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 risk associated with the area under review are:

- Action is not taken to implement recommendations resulting in weaknesses in control and subsequent loss, fraud or error.

SCOPE OF REVIEW

We will review management's action taken to implement internal audit recommendations. This will involve the review of recommendations made in each of the internal audit reports issued during 2017/18, and a follow up of any outstanding recommendations from previous years.

However, 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:
- Review the recommendations from previous audit reports, and review management updates on progress towards their implementation.
- Review documentary evidence and conduct interviews to establish the effective completion of actions to implement the recommendations.

INVERNESS COLLEGE, FOLLOW UP REVIEW

MANAGEMENT COMMENTS

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

LOCATIONS

Fieldwork will be performed at 1 Inverness Campus, Inverness, IV2 5NA.

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.

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
Documentation	- Reports on progress on implementing recommendations / recommendation tracker.	Fiona Mustarde

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.4). 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.

BDO

INVERNESS COLLEGE, FOLLOW UP REVIEW

KEY CONTACTS		
BDO LLP		
Claire Robertson	Director	T: 0141 249 5206
		E: claire.robertson@bdo.co.uk
Scott Peterson	Manager	T: 0141 249 8476
		E: scott.peterson@bdo.co.uk
Sean Morrison	Trainee	T: 0141 249 8493
		E: sean.morrison@bdo.co.uk
INVERNESS COLLEGE		
Fiona Mustarde	Director of Finance	T: 01463 273260
		E: Fiona.Mustarde.ic@uhi.ac.uk

PROPOSED TIMELINE	
AUDIT STAGE	**DATE**
Commence fieldwork	10/06/2019
Number of audit days planned	3
Planned date for closing meeting	12/06/2019
Planned date for issue of the draft report	26/06/2019
Planned date for receipt of management responses	10/07/2019
Planned date for issue of proposed final report	11/07/2019
Planned Audit Committee date for presentation of report	TBC

BDO

INVERNESS COLLEGE, FOLLOW UP REVIEW

SIGN OFF			
ON BEHALF OF BDO LLP:		**ON BEHALF OF INVERNESS COLLEGE:**	
Signature:	Claire Robertson	Signature:	
Title:	Director	Title:	
Date:	20/11/2018	Date:	

BDO

University of the Highlands and Islands
Inverness College

0

Board of Management

Subject/Title:	Outstanding Internal Audit Recommendations
Author: [Name and Job title]	Fiona Mustarde, Director of Finance
Meeting:	Audit Committee
Meeting Date:	27 November 2018
Date Paper prepared:	20 November 2018
Brief Summary of the paper:	Update on progress against audit recommendations resulting from internal audits not previously reported as completed.
Action requested: [Approval, recommendation, discussion, noting]	Discussion
Link to Strategy: Please highlight how the paper links to, or assists with:**:** • compliance • partnership services • risk management • strategic plan • new opportunity/change	Risk Management – demonstrates the steps taken to address the risks identified as a result of internal audit reviews.
Resource implications:	Yes. Potential for reduced income/increased costs if correct procedures not followed.
Risk implications:	Yes **If yes, please specify:** Operational: clear procedures identified and followed Organisational: reputational risk of failure to adhere
Equality and Diversity implications:	No
Consultation: [staff, students, UHI & Partners, External] and provide detail	N/A

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

Update on Outstanding Internal Audit Recommendations

Executive summary

This report provides the Committee with an updated position regarding the implementation of action points arising from Internal Audit reports that have not already been reported to Committee as completed.

Background information

The College is committed to following up on internal recommendations and implementing these timeously and has made significant progress in efficient and timely implementation of action points arising from internal audit recommendations.

A summary of the recommendations is attached containing current status and progress updates. This report includes all recommendations not previously reported as completed.

Outstanding Audit Recommendations 2017/18

The final remaining action points resulting from the Risk Management audit that reported to the November 2017 Audit Committee meeting have now been updated as completed as these related to items the Chair was to take to the November Joint Audit Committee Chairs meeting.

There is one remaining action point resulting from the Financial Controls audit that took place in January 2018 and reported back to the February Audit Committee meeting. Further detail is provided in the attached summary.

There was one remaining action point resulting from the Data Protection (GDPR) review that took place in February 2018 and reported back to the May Audit Committee meeting. Further detail is provided in the attached summary.

Outstanding Audit Recommendations prior to 2017/18

The annual review of outstanding recommendations carried out by BDO identified four recommendations from prior years that had not been evidenced or reported as completed.

On further investigation, one of these recommendations was considered and not implemented and therefore is not outstanding. This status was accurately reported to Audit Committee in the follow review report by Henderson Loggie for 2016/17.

The remaining three recommendations have been added to the attached summary.

Action No.	Audit Recommendation	Action Required	Actioned By	Due Date	Status	Comments
	2017/18 Internal Audit Actions					
	Risk Management – Report Date 15 November 2017					
1	**Inverness College may not have set out clearly its strategic direction and objectives in relation to risk management (including policy, roles and responsibilities, objectives and communication).** We recommend that the College takes the following steps to improve the effectiveness of the Risk Management Policy: 1. Review and update the Risk Management Policy to reflect current risk management procedures and staffing structures; 2. Develop a risk appetite model in consultation with the Audit Committee and embed this into the risk management policy and risk register; 3. Develop detailed risk management processes that outline the methods of identifying, analysing and reporting risks. This should include a framework for escalating and de-escalating risks as required; and 4. Document detailed responsibilities in relation to risk management, including the Board of Management, Audit Committee, SMT and departments. We also recommend that the Audit Committee reviews and approves the Risk Management Policy on an annual basis to ensure that it is accurate and reflects current practice.	2. Engage with Executive Office, directly and via the Joint Audit Committee, to review risk appetite and management processes.	Depute Principal	27/02/2018	Complete	Chair attended the Joint Audit Committee on 14th November 2018, see Agenda item 9

Action No.	Audit Recommendation	Action Required	Actioned By	Due Date	Status	Comments
2	**Inverness College may not have adopted a systematic process in identifying, evaluating and measuring its key strategic and operational risks.** We recommend that Management takes the following steps to improve the effectiveness of the risk register 1. Consider significant risks that are currently omitted for inclusion within the College's risk register; 2. Expand the categories of risks currently utilised. Example categorisations is provided within Appendix VII; 3. Record actions to mitigate each risk, with assigned owners and target completion dates; 4. Assess the effectiveness of each control listed, with actions identified where controls are not operating as expected; 5. Record the College's risk appetite within the risk register; 6. Agree and document a target score for each risk identified; and 7. Review existing risk matrices to reflect the impact and likeliness of risks occurring during one year, in line with annual reporting arrangements.	4. The recommendations relating to risk categories, recording risk appetite and three-year timescale will be presented to the Chair of Audit Committee for discussion at the Joint Audit Committee, as they relate to the university risk management template and processes.	Depute Principal	27/02/2018	Complete	Chair attended Joint Audit Committee 14 November 2018, see Agenda item 9

Action No.	Audit Recommendation	Action Required	Actioned By	Due Date	Status	Comments
3	**Inverness College may not be providing appropriate risk management training.** We recommend that the College develop a risk management training plan/programme to ensure that appropriate provisions are in place for staff at all levels of the College. We also recommend that, at all levels, risk management is made a part of the staff appraisal process. Agreed training arrangements for risk management should be documented within the Risk Management Policy.	1.The college will develop a risk management training plan, to include all key staff, which will be documented in the updated risk management policy. 2. Where risk management is identified as a key part of a staff member's role, it will already feature within the existing Professional Development and Review (PDR) process. The college will ensure that the training programme emphasises the need for this aspect to be covered effectively during PDRs.	Director of Organisational Development	27/02/2018	In progress	**Partially complete**. A risk management workshop is being held on 8 January for SMT and key managers. This is being run by Roger Sendall from UHI EO.
	Financial Controls 2017/18 – Report Date 19 February 2018					
2	**Ineffective or inefficient procedures and controls may be in place for the finance processes.** We recommend that a comprehensive fixed asset register is developed and maintained on a regular basis.	All fixed assets are identified at time of purchase and recorded appropriately. Assets are correctly allocated to a class in line with the depreciation policy and depreciated accordingly. We are aware that the fixed asset register currently used requires to be enhanced to reflect all relevant information at a detailed asset level.	Finance Manager	31/07/2018	In progress	**Partially complete**. This task could not be completed without the detailed group 2 equipment from GTEIL. This information was received in June however this has not been completed due to staff availability. Once staff are in post, this task will be taken forward.

Action No.	Audit Recommendation	Action Required	Actioned By	Due Date	Status	Comments
	Data Protection (GDPR) – Report Date 22 May 2018					
3	**Emails** We recommend that e-mail should be deleted automatically after a set period of time and that this should be clearly documented within the policy for data retention.	This needs to be done to fit in with requirements to maintain data for audits (e.g. EU funding audits can go back 20 years) and business practice e.g. Finance current year plus 6, Researchers can be 10+ years, educators 1 module length etc. I think the recommendation, therefore, has a lack of awareness of our business requirements, as one size may not fit all in a body with a wide tertiary education, research and commercial remit. We would suggest that this action is better met by the creation of an Email Retention Policy to address the points above. In the interim, however we will look to analyse the exceptions and consider a reasonable general e-mail retention period.	ICT Manager	31/07/2018	Complete	The Email Usage and Retention Policy was approved by the Board of Management on 11 October 2018 and has now been rolled out to staff.

Action No.	Audit Recommendation	Action Required	Actioned By	Due Date	Status	Comments
	Internal Audit Actions – Henderson Loggie					
	Data Protection / Freedom of Information 28 February 2011					
R4	The Project Steering Group for the information management project should meet and agree a plan of action to complete the project within a reasonable timeframe. This should include the completion of the information audits and drafting of a Records Management Policy. The Policy should clearly document the College's procedures in relation to record creation, maintenance, closure, archiving, retention and disposal	In light of changes within the College, the project will be reviewed as will the composition of the Steering Group with a view to taking the whole project forward in the near future.	Information Development Managers	April 2011	Complete	This action was partially completed and then overtaken by work to address the requirements of EU GDPR. A group was set up and met but the original project was linked with a UHI project based the use of Sharepoint as a records management system which was not meeting IC needs. Information audits have been undertaken. A Records Management Policy is in place and was reviewed in June 2018.
	Budgetary Control / General Ledger – Report Date 12 February 2015					
2	Establish a formal timetable and procedure for the budget setting process and ensure that these are communicated to all budget holders.	The timetable to be completed as part of the operational planning cycle for 2015/16	Director of Corporate Services now Director of Finance	March 2015	Partially Complete	Formal timetable not developed due to senior vacancies. Timetable to be prepared for 2019/20 budget setting process.

Action No.	Audit Recommendation	Action Required	Actioned By	Due Date	Status	Comments
Student Fees and Contracts – Report Date 13 May 2016						
R5	SITS / SUN Transfers Amounts transferred between SITS and SUN should be reconciled regularly and explanations for any variances documented and corrections made if necessary. Such reconciliations should be reviewed and agreed by a second member of staff; with both the preparer and reviewer signing the reconciliations as evidence this is being done.	This task was reallocated within the team and is to be embedded into month end procedures.	Finance Manager	August 2016	Partially complete	Good progress has been made however staffing availability has impacted on full completion. This is a key area being addressed through the new structure being implemented for the Finance Team.

University of the Highlands and Islands
Inverness College

Board of Management

Subject/Title:	Value for Money and Procurement Annual Report – 2017/18
Author: [Name and Job title]	Derek Cowie, APUC Supply Chain Manager Swarna Bhargava, Contracts and Procurement Coordinator
Meeting:	Audit Committee
Meeting Date:	27/11/2018
Date Paper prepared:	31/10/2018
Brief Summary of the paper:	This paper details the college outcomes against objectives set out in the 2016/17 audit committee value for money report. It also provides 2017/18 tendering activity and sets 2018/19 procurement objectives.
Action requested: [Approval, recommendation, discussion, noting]	Discussion
Link to Strategy: Please highlight how the paper links to, or assists with:**: • compliance • partnership services • risk management • strategic plan • new opportunity/change	Linked to Strategic Plan: The procurement strategy is supporting the vision set out in strategic plan on two key sections namely - opportunity and growth in organisation development, opportunity and growth in sustainability benefits, these are linked to specific KPI's
Resource implications:	Yes **If yes, please specify**: reducing costs and creating efficiencies
Risk implications:	Yes **If yes, please specify:** Operational: budgetary implications Organisational: sustainability
Equality and Diversity implications:	No
Consultation: [staff, students, UHI & Partners, External] and provide detail	N/A

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

Value for Money and Procurement Annual Report – 2017/18

Recommendation

The Audit Committee is requested to discuss this report.

Purpose of report

To provide an update on procurement and value for money activities across College departments during 2017/2018.

Background

On the 18 April 2016, the landscape of procurement changed with the introduction of the new EU Procurement Directive 2014, Procurement Reform (Scotland) Act 2014 and the Procurement Regulations (Scotland) 2016. This made compliance more onerous by having to advertise all tender opportunities over £50,000 via Public Contracts Scotland and each organisation has a requirement to publish and maintain a contract register for all regulated procurement contracts.

Under the new legislation, section 9 of the Procurement Reform (Scotland) Act 2014, there is also a requirement to comply with the Sustainable Procurement Duty, which exemplifies the Scottish Model of Procurement, and places sustainable and socially responsible purchasing at the heart of the process. As best practice, GDPR legislation has increased the procurement workload through due diligence and liaising with the DPO and the stakeholders in order to comply.

On 25 May 2018 new GDPR legislation came into force relating to the processing of data in the EU, whether the data subject is an EU citizen or not, and to data concerning an EU citizen processed out-with the EU. This means that where the College is working with any EU based organisation or who has EU staff or students we need comply and be able to demonstrate that they meet the requirements.

Fines for non-compliance are set in 2 tiers with the maximum based on 4% of global turnover or €20 million for tier 2 breaches and 2% or €10 million for tier 1. The highest levels are most likely to be used in cases of total systemic control failure and where no or not enough attention has been paid to properly collecting, processing and managing data.

This has seen an increase in work due to contracts having to be assessed for GDPR relevance, then suppliers that are relevant being assessed based on the risk profile with changes to contractual arrangements, action plans and ongoing contract management being adapted accordingly to these suppliers and their sub-suppliers as appropriate.

In 2017-18, Inverness College in conjunction with the APUC introduced a different procurement model with two resources dedicated to manage the increased procurement activity and tendering requirements over £10,000. This was based on a Category split with an equal financial spend of around £2.5million each. The new procurement model has

demonstrated a positive change in the College to meet it legal regulatory obligations for the Public Sector.

Inverness College continues to promote devolved procurement exercises for low value requirements. Budget holders are responsible for procuring these requirements in line with the governance rules and delegated authority.

2017/18 Objectives

In 2017/18 a Value for Money Report was submitted to the Audit Committee, below is a performance update on the objectives that the college committed to;

- The Financial Regulations and Procurement Strategy were updated to reflect changes in the new regulatory framework and procurement best practice;

    Procurement Strategy was signed off by Board of Management in June 2017 and is now published on the Inverness College UHI website. This strategy is from 2017 – 2020.

    The procurement strategy is supporting the vision set out in strategic plan on two key sections namely - opportunity and growth in organisation development, opportunity and growth in sustainability benefits, these are linked to specific KPI's.

    The new internal governance rules commenced on 1st August 2017 and during the year 2017/18 there was more emphasis on encouraging good procurement practices from devolved procurement via Route 1 and 2. This provided greater flexibility when purchasing low value requirements whilst also maintaining a process for compliance and value for money.

    The Inverness College UHI Financial Regulations were updated with the new internal governance rules and to reflect the changes in procurement regulations.

    In addition the college have adopted the Terms and Conditions compiled by APUC and Thornton Law for the sector, to provide a robust set of Terms and Conditions that provides Inverness College UHI with legal protection when procuring any goods or services. These new T&C's include the following regulatory requirements under recent legislative changes;
    - Compliance with Modern Slavery and Human Trafficking Laws 2015
    - Anti-Facilitation of Tax Evasion in line with the Criminal Finances Act 2017
    - Data Protection and compliance with the Data Protection Legislation (GDPR) 2018

- Identify and train additional PECOS users with the objective of increasing the overall percentage orders placed through PECOS;

    The Professional Electronic Commerce Online System (PECOS) is a cloud based purchase to pay system which can be accessed via any secure online connection. By using PECOS, the College is able to reduce the paperwork and inefficiencies

associated with paper processing of purchase orders, goods receipts, invoices and returns. It can also increase control and accountability of spend through the use of flexible approval workflows which help to support and drive procurement controls and procedures.

14 PECOS training sessions were delivered to requisitioners throughout FY 2017/18.

As a result of the training sessions there has been an increase in number of orders being placed has increased by 138.67% and spend going through PECOS has increased by 14.38%. As of 31st July 2018 there were 797 live suppliers on PECOS which represents a 145% increase from the number reported in 2017.

In previous years Inverness College UHI has processed minimal spend through the tool with the majority of spend going through the SUN finance system. To drive efficiencies and deliver value for money this issue was identified as a priority in the FY15/16 VFM report, over the last year the College has increased both the number of suppliers added to the system and the orders processed on PECOS, and decreased the orders through SUN. In addition to PECOS, Inverness College UHI also uses its finance system and RBS credit cards to place orders for goods and services,

The tables below demonstrates the figures over the last 4 years;

PECOS

Financial Year	Number of Orders Processed in PECOS	Total Order Value (excluding VAT)
2014 / 2015	563	£130,537
2015 / 2016	850	£351,711
2016 / 2017	1456	£1,686,062
2017 / 2018	3475	£1,928,499

SUN Financial System

Financial Year	Number of Orders Processed in SUN	Total Order Value (excluding VAT)
2014 / 2015	5519	£2,365,500.57
2015 / 2016	5534	£1,978,773.31
2016 / 2017	560	£423,180.30
2017 / 2018	50	£26,061.89

Financial Year	Sun system direct payment on invoice (PI)	Total Order Value (excluding VAT)
2014 / 2015	9865	£5,693,673.66
2015 / 2016	12970	£9,116,191.43
2016 / 2017	4723	£8,442,669.82
2017 / 2018	4755	£8,931,328.06

Credit Card Spend

Financial Year	Value	Percentage difference
2014 / 2015	£43,184.72	Base line
2015 / 2016	£86,451.00	+100.19%
2016 / 2017	£75,502.00	-12.66%
2017 / 2018	£57,383.23	-24.00%

The % of the total College spend placed through PECOS appears relatively low at 21.63%, however this does not take account of the expenditure in SUN which does not require purchase orders e.g. unitary charge payments and utilities charges. After adjusting for these which total £5,135,676.17, spend placed through PECOS rises to 42%. This is a significant improvement from previous years where the figures were lower. The College expected the new finance system to be implemented in 2018, however the installation process has resulted in various issues leading to a delay in implementation. The new finance system is expected to streamline the purchase to pay process to the benefit of the College.

This year there has been a substantial decrease in the credit card spend against 2016/17 figures.

- <u>Ensure that all contract information is placed on the Hunter database to ensure that all contracted spend is captured and reported on;</u>

The Procurement Reform (Scotland) Act 2014 has placed an obligation on the College to keep and maintain a contract register for all regulated procurement which must be made publicly available.

The College continues to use the sector tool called Hunter to record not only regulated but unregulated contracts. This allows the college to not only capture savings achieved through tender activity but also create a forward contracting plan to ensure a more planned approach is taken when procuring the college requirements. All sector contracts registers are published on the APUC website and can be accessed via a link published on the college website.

- <u>E-invoicing requirement is to be in place by April 2020</u>

Scottish Government recognise that there is compelling evidence that eInvoicing saves money for both public bodies and suppliers. It is generally the last part of the Purchase to Pay (P2P) cycle that has not been automated. The processing or dealing with invoices is a manual, labour intensive process. Each paper invoice requires time-intensive, error-prone, manual processing for both buyers and suppliers.

P2P Service Management – There is a change freeze implemented during the transition period Sept and Dec for the contract which has resulted in not being able to progress e-Invoicing and Gateway implementations as planned.

The European Commission has included specific provisions for e-Invoicing within the revised EU Public Procurement Directives, which requires the college to provide an e-Invoicing facility for suppliers, initially by Nov 2018, however APUC have negotiated for the Institutions to comply with e-Invoicing by Apr 2020.

Provision has been made within the new finance system to provide an eInvoicing module to meet the timelines, alternatively Scottish Government have a free solution that the college can access.

- <u>Identify and train relevant staff in the use of PCS, Quick Quote, to ensure that procurement at all levels is managed appropriately and by members of staff who are best placed to do so;</u>

  It was decided by the College that to ensure compliance with the regulations, all tendering through Public Contracts Scotland would be administered by Procurement staff with support from APUC. Procurement staff have been trained on use of Public Contracts Scotland and continue to receive regular training updates.

- <u>Work in conjunction with APUC to ensure that the College is well prepared for the PCIP (OPR) due Q1-2019</u>

  All Public Sector bodies are required to be assessed under the Scottish Procurement & Commercial Improvement Programme (PCIP). PCIP focuses on College procurement policies and procedures and the results that they deliver.

  The College annual procurement spend is less than £5M and therefore is subject to an Operational Procurement Review (OPR).

  The College is due its next OPR in autumn 2019. The procurement team continue to track related processes through the UHI Activity tracker which is aligned to the PCIP Objectives.

  APUC will support the college throughout the process.

Tendering Activity 2017/18

In compliance with Procurement Strategy and acting in a transparent and proportionate manner:

The college has over 1074 active suppliers with whom the College did business in the reporting period and the total procurement influential expenditure was £8,916,186 (Note: £4,171,215 is attributed to GT Equitix Inverness Ltd. facilities management contract).

- 47 tender exercises were initiated and 28 were completed with contract value of £569,941 with savings of £120,348 achieved. The remaining exercises are rolling over into FY 18/19.

  Local Cost Savings 2017/18 amounted to £55,344 via promoting a local cost saving initiative with the devolved procurement staff.

  Please refer Appendix B – Local Cost Savings Details / Graphs
  For FY2018/19, the cost savings / cost avoidance details will be enhanced for clarity.

Savings are calculated and approved, using the Scottish Cross Public Sector Savings Methodology.

The College has been optimising use of national, sectoral, local or regional C1 collaborative contracts and frameworks. As well as bringing leverage based savings, the burdens of risk, contract and supplier management are shared and the number of resource-intensive formal local tenders that need to take place is reduced significantly. 24% of the College spend went through collaborative agreements.

Collaborative savings have been achieved through national and regional exercises as follows –

BT1 cash savings £132,375
BT2 cash savings £254,845
Cost Avoidance £60,000

Key Successes 2017/18

Throughout 2017/18, the team focused on non-compliance areas to ensure new contracts were placed to ensure compliance with all regulations including GDPR and Health and Safety.

Contract Type	Awarded	Term	Options to Extend
Sports & Outdoor Clothing Contract	07-08-17	2 Years	1 x 1 year option
Provision to Supply High Fashion Makeup	10-08-17	2 Years	None
Provision of Face-to-Face Interpretation Services	10-08-17	2 Years	1 x 1 year option
Snow Clearing & Gritting	02-11-17	2 Years	2 x 1 year option
Catering Equipment Maintenance	15-11-17	2 Years	2 x 1 year option
Laundry Equipment Maintenance	30-11-18	2 Years	2 x 1 year option
Waste Management	15-05-18	2 Years	2 x 1 year option
Portable Appliance Testing	12-06-18	2 Years	2 x 1 year option
Fire Extinguishers Servicing	21-06-18	2 Years	2 x 1 year option
Taxi Services Collaborative Framework	24-07-18	2 Years	1 x 1 year option

Where there is no suitable national framework agreement available, we have focused on contracting local frameworks or contracts for reoccurring goods or services.

Extensive time was also expended working with SFC and Gardiner Theobold on the former Inverness College Demolition Project and the capital project to refurbish the SSF Tractor Shed Project.

A detailed summary of all contracted procurement activity can be located in the Inverness College Contracts Register (Hunter Database), this also has the

information on the use of Public Contracts Scotland and Quick Quotes, providing complete visibility of the College's procurement activity over the reporting period.

Non-Compliant Regulated Procurements

In the FY17-18 period Inverness College UHI had two occurrences of non-compliance, this has occurred where historic suppliers have been used without a contract and the spend exceeds £50k over a 4 year period.

Description	4 year Spend	Observations/Corrective Actions Taken
The Arts Supplies and Services	£65,519	PRA Exercise should have completed(Open tender)/ Scheduled for year 2018/19
Catering Uniforms	£37,808	e-Tools should have been used / Scheduled for year 2018/19

Contract Management - Stakeholder Consultation & Engagement

Through a culture change in the behaviour towards developing supplier relationships with the emphasis being focused on contract management developing a real and lasting change. This includes weekly/fortnightly internal meetings with key stakeholders and monthly and quarterly contract review meetings with key contracts holders such as Mears Facilities Management, Iqarus Ltd, Northern Recycling Solutions and JLA. From increasing supplier networking and building stronger supplier relationship through the contract review meetings has improved the supplier performance, for example the cleaning contract. Another supplier namely Northern Recycling Solutions are assisting the College with the Waste Reduction Initiative Campaign.

Please refer to Appendix C - Supplier Development Programme (Contract Management)

Other Procurement Activities

Innovation

British Sign Language (BSL), procurement have been involved with coordinating both internal and external stakeholders to investigate other ways of engaging the BSL interpreters.

Waste Management, working on innovating ways to reduce waste

Environmental & Sustainability

As part of sustainability, procurement have been involved with leading the Waste Reduction Initiative Campaign and preparing a short term and long term strategy for the College. This also includes preparing and maintaining the 6 month look ahead

plan and coordinating the core and extended teams activities. This will be extended throughout the next two years 2018-20.

Procurement are also involved with contributing to the Climate Change Report.

Networking, attending various internal and external meetings to look at future collaborations with various organisations and UHI Partners. Working aligned with the Scottish Government guidelines and other Scottish Government Bodies to build up the knowledge required to support Inverness College meet high standards associated with the College environmental and sustainability responsibilities.

Free Sanitary Products

As per Scottish Government's initiative, Inverness College is now providing sanitary products free of charge to any students in need. Several solutions were discussed before an agreement was reached with management on the best way forward.

Asset Disposal

Procurement have been involved with drafting and implementing the asset disposal policy and process. Rolling out to staff and assisting staff as required.

Procurement Training & Development

This has continued throughout 2017-18 with training being made available as required. Stakeholder and staff engagement will be increased in 2018-19 to include mini workshops on various procurement topics and best practice workings.

Local Cost Savings

Promoting and educating staff on local cost savings, which are now recorded against each department and individual. Quarterly reminders were sent out to SMT & PDM's and new mini training workshops are to be set up for 2018-19.

Meetings

Procurement are now involved in attending additional meetings and for example, Board of management Meetings, Disposal Board for the former Longman College and also attending some Senior Management Meetings to gain their support to promote specific topics.

Reports

Procurement have been involved with data cleansing of some reports, for example, the 4 year spend analysis report which is important that the College has accurate information to ensure compliance with the Scottish Government thresholds for regulated procurement tender exercises. The data cleansing is still ongoing.

The Procurement team are also involved with maintaining the College Procurement Risk Register and also the Procurement Continuous Improvements Register.

Meet the Buyer Events

The procurement team represented Inverness College at a recent meet the Buyer Event North organised by Scottish Government, Scotland Excel and HIE.

Procurement and Value for money objectives 2018/19

The procurement team will focus on the following objectives:

o We will analyse spend, highlight risk and create a forward contracting plan to promote culture change from reactive to planned work.

o We will review existing contracts to check their validity and update the Contracts Register allowing us to focus on any expired contracts or contracts due to expire in 2018-19.

o We will support our procurement staff to develop and maintain their procurement knowledge in terms of best practice and legislation requirements by adopting a category management approach and participating in relevant training events.

o Procurement Training & Development, we will educate all staff with devolved purchasing authority through effective communication streams and training events to increase compliance, achieve savings and reduce spend on direct invoice payment and credit cards.

o We will support an ethos of effective contract management, adopting a pro-active approach to ensure optimum performance and service levels.

o We will enhance our efficiency through effective engagement with our partners in both UHI, the wider education sector and the public sector in general to maximise collaboration opportunities.

o We will ensure that sustainability criteria is reviewed as part of each tendering exercise and, where appropriate, evaluated and measured. Capture all sustainability benefits including fairwork practices achieved in regulated procurements through BT14 function on Hunter Database.

o Participate in local meet the buyer events/Participate with local authorities on SME engagement events to communicate how to become part of Inverness College supply chain.

o Drive efficiencies through evaluating whole life costs where relevant.

Appendix A – Table of Tender Activities
Appendix B - Local Cost Saving Details / Graph
Appendix C - Supplier Development Programme (Contract Management

Appendix A - Tender Activities

FY 2017-18

Completed

Contract Ref	Contract Name	Contract Value	Contract Award Date	Procurement Route (Local Collab / Local / National Framework)	e-Tool (None / PCST / Quick Quote / PCS)	Savings 2017-18
CS-IC-1137	Catering / Kitchen Equipment Maintenance Contract at Inverness College – UHI	£9,920.00	15-Nov-17	National	QQ	£15,123.00
CS-IC-1166	Small Van for Research Team (ALF & RLI Funding)	£11,239.00	28-Aug-17	National	QQ	£10,616.00
CS-IC-1169	Snow Clearing & Gritting Local Contract	£28,000.00	10-Oct-17	National	QQ	£4,088.50
CS-IC-1170	Bandit Chipper	£0.00	06-Oct-17	Local	None	£0.00
CS-IC-1171	Fresh Dairy	£12,000.00	07-Nov-17	National	None	£0.00
CS-IC-1172	Taxi Service	£40,000.00	24-Jul-18	Local Collab	PCST	£5,600.00
CS-IC-1173	LIB1007 AP - Library Books	£24,000.00	03-Nov-17	National	None	£6,243.60
CS-IC-1174	Purchase of Boats for Research Team	£13,681.80	23-Feb-18	Local	QQ	£1,318.20
CS-IC-1175	Buzzard Tags for Raptor Conservation Project	£10,000.00	21-Dec-17	Local	None	£0.00
CS-IC-1176	SSF Tractor Shed Refurbishment Project	£134,758.00	20-Mar-18	Local	PCS	£27,900.29
CS-IC-1177	Van for Research Team	£25,759.70	23-Feb-18	National	QQ	£6,240.30
CS-IC-1178	Liquid Fuels	£1,000.00	17-May-18	National	None	
CS-IC-1181	PIT Tagging Research	£21,106.51	12-Feb-18	Local	QQ	£893.49
CS-IC-1187	Portable Appliance Testing - Mini Comp	£9,300.00	11-Jun-18	National	QQ	£356.25
CS-IC-1188	Waste Management Activities	£50,000.00	14-May-18	National	QQ	£10,800.00
CS-IC-1189	Surveying Equipment	£28,000.00	20-Mar-18	Local	QQ	£14,800.00
CS-IC-1190	PFB1020 AP Executive - Depute Principal	£24,000.00	20-Jul-18	National	QQ	£0.00
CS-IC-1191	Servicing & Repair of Fire Extinguishers & Associated Equipment	£3,380.00	21-Jun-18	National	QQ	£1,155.19
CS-IC-1192	Chair and Table Hire (Including covers)	£6,438.00	15-May-18	Local	None	£4,931.23
CS-IC-1194	Photography	£4,100.00	05-Jun-18	Local	None	£1,418.33
CS-IC-1195	Audio Visual Equipment	£3,780.25	04-Jun-18	Local	None	£1,524.75
CS-IC-1196	Clerk of Works for SSF	£580.00	04-Jul-18	Local	None	£0.00
CS-IC-1198	Clevertouch V 70 Displays	£34,650.00	15-May-18	National	QQ	£147.32
CS-IC-1201	CIPHR	£54,820.00	30-May-18	Local	None	£3,590.85
CS-IC-1202	PPE	£7,372.29	12-Jul-18	National	QQ	£2,225.85
CS-IC-1203	Architect Services - Project Management	£6,990.00	21-Jun-18	Local	None	£0.00
CS-IC-1208	Weeding Scope of Work	£4,450.00	09-Jul-18	Local	None	£1,375.00
CS-IC-1212	Structural Engineer - Display Monitors	£616.00	19-Jul-18	Local	None	£0.00
28		**£569,941.55**				**£120,348.15**

In Progress

Contract Ref	Contract Name	Contract Value	Contract Award Date	Procurement Route (Local Collab / Local / National Framework)	e-Tool (None / PCST / Quick Quote / PCS)	Savings 2017-18
CS-IC-1160	New Estates Van - Lease Option	Cancelled	22-Dec-17	National	QQ	£0.00
CS-IC-1164	Food and Beverage Mini Comp	Cancelled				
CS-IC-1165	Supply of Vehicles for Education & Training Purposes	Pre-market research stage				
CS-IC-1167	Purchase of Mini Van with disability ramp	Cancelled				
CS-IC-1168	Fuel Cards	Pre-market research stage				
CS-IC-1179	Advertising in local publications	Delayed				
CS-IC-1180	BSL Interpretation Services	Delayed				
CS-IC-1182	LAB3096 NW - HVLE Gene Expression					
CS-IC-1183	SP-16-008 Corporate Creative Services - Do not provide branding service	Cancelled				
CS-IC-1184	Demolition Works at the Former Inverness College Longman Road Campus	£813,540.00	**Delayed**	National	PCS	£146,460.00
CS-IC-1185	Ergonomic Furniture - Collaboration with Highland Council	Document development stage				
CS-IC-1186	VAT	Pre-market research stage				
CS-IC-1193	Legal Services	£20,000.00	Delayed	National	QQ	
CS-IC-1197	Car Park Management	Pre-market research stage		Local		£0.00
CS-IC-1199	Fresh Fish and Seafood 2018-19	£14,500.00	27-Aug-18	Local	None	£798.00
CS-IC-1200	EFM1031 AP - Trade Materials					
CS-IC-1204	New Cleaning Contract	Tender Prep		Local	PCS-T	£0.00
CS-IC-1205	Out Buildings (Nursery) Maintenance Contract	Pre-market research stage		Local		£0.00
CS-IC-1206	Out Buildings (SSF) Maintenance Contract	Pre-market research stage		Local		£0.00
19						

INVERNESS COLLEGE UHI
RECORD OF LOCAL PROCUREMENT COST SAVINGS 2017-18

Month	Date	Description	Dept.	Value GBP £ (Ex-VAT)	Monthly Total GBP £	Overall Total GBP £ (YTD)
August	01-Aug-17	CIPHR System Upgrade requested by Nicola Quinn resulted in a cost reduction of £250.00	HR	£250.00		
August	01-Aug-17	Advertising with College.jobs.ac.uk and Jobs.ac.uk by Nicola Quinn resulted in a cost reduction of £1225.00	HR	£1,225.00		
August	08-Aug-17	Derek Cowie challenged SSE invoices against the Longman Site and received a refund against all invoices dating back since 2013	Finance	£1,746.00		
August	08-Aug-17	Cost avoidance as above, Derek Cowie challenged SSE and they have cancelled the outstanding charge of £582 year 17- 18	Finance	£582.00		
August	16-Aug-17	Cost reduction received from Allan Munro Construction in connection with the SSF Wood Chip Store due to a design change to the soakaway.	Finance	£1,000.00		
August	31-Aug-17	Switching suppliers for fish products saves IC £27.32/ (£118.39/month)	Catering	£118.39		
		AUGUST 2017 COST SAVINGS		**£4,921.39**	**£4,921.39**	**£4,921.39**
Sept	07-Sep-17	Cost reduced by Blundell Harling as a result of discussion with Debbie Templeton in connection with the Drawing board ordered by Mark Wilson	Finance	£360.15		
Sept	22-Sep-17	Advertising with S1 Jobs by Nicola Quinn resulted in a cost reduction of £750.00	HR	£750.00		
Sept	25-Sep-17	John Newsom received a £155.00 cost reduction for a refurbished snow plough attachment	Estates	£155.00		
Sept	30-Sep-17	Switching suppliers for fish products saves IC £27.32/ (£118.39/month)	Catering	£118.39		
		SEPTEMBER 2017 COST SAVINGS		**£1,383.54**	**£1,383.54**	**£6,304.93**
Oct	05-Oct-17	CIPHR System Training requested by Nicola Quinn resulted in a cost reduction of £655.00	HR	£665.00		
Oct	10-Oct-17	SSF Wood Chip Store, some ambiguities over Architect drawing resulting in a 50/50 split agreed between Architect & Contractor. Through various challenges the contractor has agreed to cost reductions.	Finance + Estates	£4,517.47		
Oct	16-Oct-17	Cost reduction achieved by using a National Framework Agreement rather than supplier internet prices. Further training and awareness to be offered to college staff.	H Keys	£482.70		
Oct	31-Oct-17	Switching suppliers for fish products saves IC £27.32/ (£118.39/month)	Catering	£118.39		
		OCTOBER 2017 COST SAVINGS		**£5,783.56**	**£5,783.56**	**£12,088.49**
Nov	13-Nov-17	Cost reduction by going to a framework supplier by Shona	SMT	£75.00		
Nov	30-Nov-17	Local Contract for Laundry Equipment Maintenance & Repairs tender exercise cost savings = £705.00/year as per the Scottish Public Sector Benefits Reporting Guidance Document	Finance + Estates	£705.00		
Nov	30-Nov-17	Switching suppliers for fish products saves IC £27.32/ (£118.39/month)	Catering	£118.39		
		NOVEMBER 2017 COST SAVINGS		**£898.39**	**£898.39**	**£12,986.88**
Dec	06-Dec-17	New equipment at the SSF, we have saved on depreciation of the big chipper - £3000 per year	LB SSF	£3,000.00		
Dec	23-Dec-17	Switching suppliers for fish products saves IC £27.32/ (£118.39/month)	Catering	£118.39		
		DECEMBER 2017 COST SAVINGS		**£3,118.39**	**£3,118.39**	**£16,105.27**
Jan	12-Jan-18	New Bulk Chipper, cost savings achieved from reduced staff time and also on sales	LB SSF	£2,000.00		
Jan	30-Jan-18	Cost avoidance relating to the new lease mini buses, returned the remote mounting SAT NAV devices as these were not suitable for college use.	Finance	£629.64		

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Prepared By: Derek Cowie

INVERNESS COLLEGE UHI
RECORD OF LOCAL PROCUREMENT COST SAVINGS 2017-18

Month	Date	Description	Dept.	Value GBP £ (Ex-VAT)	Monthly Total GBP £	Overall Total GBP £ (YTD)
Jan	31-Jan-18	Switching suppliers for fish products saves IC £27.32/ (£118.39/month)	Catering	£118.39		
		JANUARY 2018 COST SAVINGS		**£2,748.03**	**£2,748.03**	**£18,853.30**
Feb	28-Feb-18	Switching suppliers for fish products saves IC £27.32/ (£118.39/month)	Catering	£118.39		
		FEBRUARY 2018 COST SAVINGS		**£118.39**	**£118.39**	**£18,971.69**
Mar		Switching suppliers for Salto cards from GTFM to MacGregor Industrial Supplies cost saving achieved by Estates	Estates	£95.00		
Mar		Switching suppliers for fish products saves IC £27.32/ (£118.39/month)	Catering	£118.39		
		MARCH 2018 COST SAVINGS		**£213.39**	**£213.39**	**£19,185.08**
Apr		Ergonomic Furniture and DSE assessment - No assessment fees and no delivery cost which is potential cost avoidance of £125 per occasion. Past six months there have been 12 assessments = 12*125	H&S	£1,500.00		
Apr	30-Apr-18	Switching suppliers for fish products saves IC £27.32/ (£118.39/month)	Catering	£118.39		
		APRIL 2018 COST SAVINGS		**£1,618.39**	**£1,618.39**	**£20,803.47**
May	02-May-18	Cost avoidance, funding received from UHI for Carol Hart for her network librarian work she does across the network. This money is being used to fund a post in the SkillZone, therefore it's cost neutral to the College	CH Library	£6,000.00		
May	08-May-18	Pricing error picked up by Finance (MD) resulting in cost avoidance and over priced SUN PO being issued.	Finance	£608.40		
May	25-May-18	Challenged supplier over providing only 50% refund on unsatisfactory product and secured of 1064.70 and also to use display boards or dispose of as per our requirement.	Art & Drama	£1,064.70		
May	31-May-18	Cost avoidance / savings achieved by SSF in receiving through the Stihl UK College Support Scheme free of charge PPE and Chain Saws for four staff members	LB SSF	£4,235.00		
May	31-May-18	Switching suppliers for fish products saves IC £27.32/ (£118.39/month)	Catering	£118.39		
May	31-May-18	Savings Calculated on the basis of the previous negotiated figures for a 2 year deal versus the final negotiated figures	HR	£3,590.85		
		MAY 2018 COST SAVINGS		**£15,617.34**	**£15,617.34**	**£36,420.81**
June	01-Jun-18	Cost avoidance by requesting free samples of books worth £64.95 from Leckie and Leckie (Lesley Frame)	Science	£64.95		
June	15-Jun-18	Cost savings by using framework supplier for ordering 18th Edition of the IET Wiring Regs. Being published on 2 July 2018.	Business Services Contracts team	£526.56		
June		Supplier Stilhi donated £6.5K of equipment, training and clothing as part of a 'College Support Package'	LB SSF	£6,500.00		
June	30-Jun-18	Switching suppliers for fish products saves IC £27.32/ (£118.39/month)	Catering	£118.39		
		JUNE 2018 COST SAVINGS		**£7,209.90**	**£7,209.90**	**£43,630.71**
July	05-Jul-18	Cost avoidance in the removal of the tic tools plus leaflets from the HC	LB SSF	£150.00		
July	11-Jul-18	Sale of scrap metal	Paul Moody	£7,156.56		
July	11-Jul-18	Sale of scrap metal	Paul Moody	£509.00		
July	13-Jul-18	Building Warrant refund from the Highland Council relating to the SSF Tractor Shed Refurb Project	LB SSF	£65.00		
July	13-Jul-18	Paper purchase order for books worth £18124.60 was queried by Mary - Finance which led to getting in touch with framework supplier and gave a saving of £3714.89	Mary	£3,714.89		

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Prepared By: Derek Cowie

INVERNESS COLLEGE UHI
RECORD OF LOCAL PROCUREMENT COST SAVINGS 2017-18

Month	Date	Description	Dept.	Value GBP £ (Ex-VAT)	Monthly Total GBP £	Overall Total GBP £ (YTD)
July	31-Jul-18	Switching suppliers for fish products saves IC £27.32/ (£118.39/month)	Catering	£118.39		
		JULY 2018 COST SAVINGS		**£11,713.84**	**£11,713.84**	**£55,344.55**

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Prepared By: Derek Cowie

Record of Local Supply Chain Cost Savings for Inverness College 2017-18

Devolved Procurement Routes 1 & 2

	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	Jul-18	2017/18 TOTAL
Monthly	£4,921.39	£1,383.54	£5,783.56	£898.39	£3,118.39	£2,748.03	£118.39	£213.39	£1,618.39	£15,617.34	£7,209.90	£11,713.84	**£55,344.55**
Cumulative	£4,921.39	£6,304.93	£12,088.49	£12,986.88	£16,105.27	£18,853.30	£18,971.69	£19,185.08	£20,803.47	£36,420.81	£43,630.71	£55,344.55	**£55,344.55**
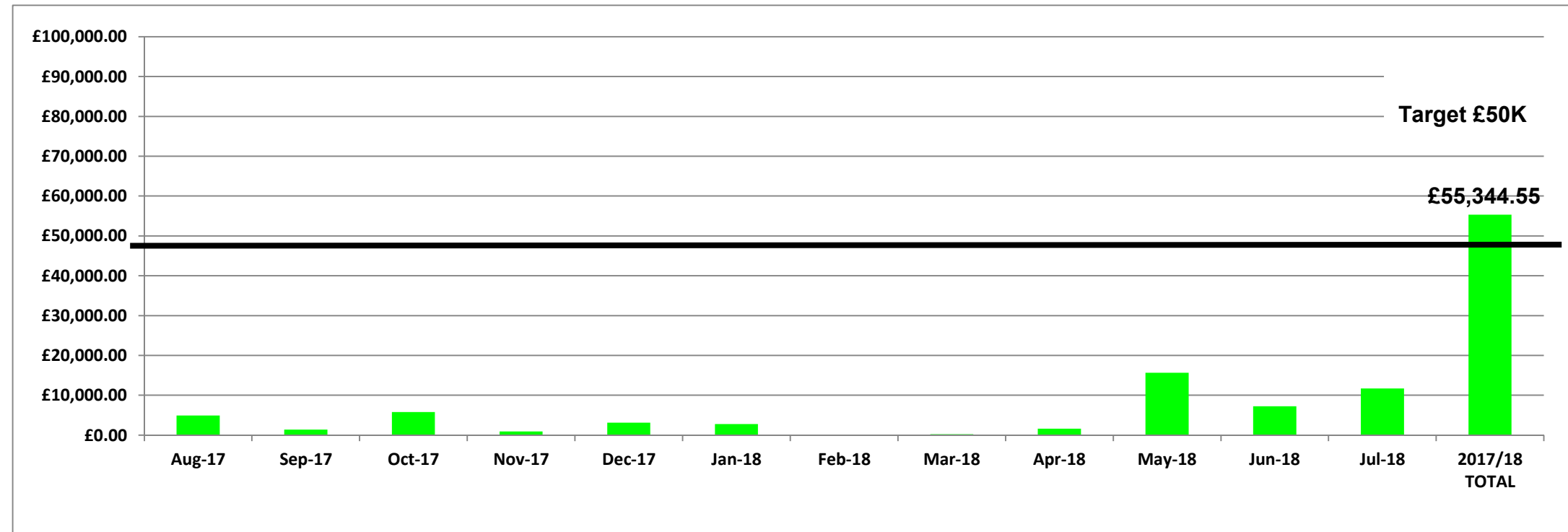
Record of Local Supply Chain Cost Savings for Inverness College 2017-18

Devolved Procurement Routes 1 & 2

	Aug-17	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	Jul-18	2017/18 TOTAL
Monthly	£4,921.39	£1,383.54	£5,783.56	£898.39	£3,118.39	£2,748.03	£118.39	£213.39	£1,618.39	£15,617.34	£7,209.90	£11,713.84	
Cumulative	£4,921.39	£6,304.93	£12,088.49	£12,986.88	£16,105.27	£18,853.30	£18,971.69	£19,185.08	£20,803.47	£36,420.81	£43,630.71	£55,344.55	

Monthly & Cumulative Totals

Target £50K

Supplier Development Programme
Contract Management
Inverness College UHI

Contract Number	Contract Title	Successful Contractor	Award Date / Contract Start Date	Contract Term Duration	Contract Extension (Yes / No)	Contract End Date (Without Extension)	Contract Value (Subject to Change)	Stakeholder	Procurement Lead	Framework Number / Contract Uptake	Contract Management Route	Risk	Meetings Frequency
CS-IC-1035	Cleaning Contract	Mears	01-Nov-15	3 Years	1 year extension activated	31-Oct-19	£219,438.63	MK / JN	DC	N/A	Strategic	High	Monthly
CS-IC-1169	Snow Clearing & Gritting	Ground Control	02-Nov-17	2 Years	2 x 1 year extension option available	01-Nov-19	£25,686.00	MK / JN	DC	N/A	Managed	Medium	Monthly
CS-IC-1154	Provision of Face-to-Face BSL Interpretation Services	Debbie McDonnell (Visible Voice)	21-Aug-17	2 Years	1 year extension option	20-Aug-19	£55,944.00	KM	~~DC~~ SB	N/A	Routine	Low	Monitored by KM
CS-IC-1154	Provision of Face-to-Face BSL Interpretation Services	Helen Farrelly	21-Aug-17	2 Years	1 year extension option available	20-Aug-19	£48,174.00	KM	~~DC~~ SB	N/A	Routine	Low	Monitored by KM
CS-IC-1154	Provision of Face-to-Face BSL Interpretation Services	Rebecca Goodall	21-Aug-17	2 Years	1 year extension option available	20-Aug-19	£57,498.00	KM	~~DC~~ SB	N/A	Routine	Low	Monitored by KM
CS-IC-1154	Provision of Face-to-Face BSL Interpretation Services	John Gill	21-Aug-17	2 Years	1 year extension option available	21-Aug-19	£56,644.00	KM	~~DC~~ SB	N/A	Routine	Low	Monitored by KM
CS-IC-1137	Catering Equipment Maintenance Contract	JLA Ltd	15-Nov-17	2 Years	2 x 1 year extension option available	14-Nov-19	£15,000.00	MK / JN	DC	CAT11023 TU	Managed	Medium	Quarterly
CS-IC-1142	Laundry Equipment Maintenance	JLA Ltd	15-Nov-17	2 Years	2 x 1 year extension option available	14-Nov-19	£5,000.00	MK / JN	DC	N/A	Managed	Medium	Quarterly

Supplier Development Programme
Contract Management
Inverness College UHI

Contract Number	Contract Title	Successful Contractor	Award Date / Contract Start Date	Contract Term Duration	Contract Extension (Yes / No)	Contract End Date (Without Extension)	Contract Value (Subject to Change)	Stakeholder	Procurement Lead	Framework Number / Contract Uptake	Contract Management Route	Risk	Meetings Frequency
CS-IC-1072	Occupational Health Services	~~RS Occupational Health~~ Iqarus Ltd	15-Feb-17	2 Years	1 x 12 months extension option	14-Feb-19	£15,000.00	NQ	DC	SEC1001 AP	Strategic	High	Monthly
CS-IC-1131	Makeup Local Contract	Mac-Cosmetics	10-Aug-17	2 Years	1 year extension option available	09-Aug-19	£10,000.00	SM / LM	DC	N/A	Routine	Low	Ad-hoc By SM/LM
CS-IC-1155	Sports & Outdoor Clothing Local Contract	Klas Klothing	09-Aug-17	2 Years	1 year extension option available	08-Aug-19	£11,000.00	SM / MB	DC	N/A	Routine	Low	Ad-hoc By SM/MB
CS-IC-1187	Portable Appliance Testing	OCS Compliance	12-Jun-18	2 Years	2 x 1 year extension option available	11-Jun-20	£5,000.00	MK / JN	DC	EFM3057 NW	Managed	Medium	Yearly
CS-IC-1188	Waste Management Contract	Northern Recycling	15-May-18	2 Years	1 year extension option available	14-May-20	£50,000.00	MK / JN	DC	EFM1022 AP	Managed	Medium	Quarterly
CS-IC-1191	Fire Extinguishers Servicing	Chubb Fire & Security ltd	15-Jun-18	2 Years	1 year extension option available	14-Jun-20	£3,000.00	MK / JN	DC	SEC1000 AP	Managed	High	Yearly
CS-IC-1207	Painting Services Contract	Mitie Property Services (UK) Ltd	15-Oct-18	4 Years	None	14-Oct-22	£120,000.00	MK / JN	DC	N/A	Managed	Low	Biannual

Guide:
Contract Management Route
Routine, Managed or Strategic
Risk
High, Medium or Low

Contracts Register (Legal Requirement)
The above details are all included within the College Contracts Register (Hunter Database)

Joint meeting of Chairs of Academic Partner Audit Committees and UHI

14 November 2018, 13:30 to 15:30
In Room EO2, Executive Office, Ness Walk

Present

Board members

Willie Printie (Chair UHI Audit Committee) , Jessie McLeman (Chair Moray College UHI Audit Committee) ,
Jane Maciver (Chair Lews Castle College UHI Audit Committee) , Hazel Allen (Chair Inverness College UHI Audit Committee) ,
Paul Brennan (Chair SAMS Audit Committee) , Bill Ross (Principal Orkney College UHI) ,
Fiona Larg (UHI Chief Operating Officer & Secretary COOS) , Jason Thurlbeck (UHI Head of Internal Audit HIA) ,
Roger Sendall (UHI Head of Governance & Records Management HGRM)

Meeting minutes

1. Welcome and Apologies

The UHI Audit Committee Chair opened the meeting and thanked members for their attendance.

The following apologies were noted:
- Christine Mackay - West Highland College UHI
- Jim Crooks - Perth College UHI
- Blair Gardner - Highland Theological College UHI

1.1. Declarations of Interest

None.

1.2. Review of Any Delegated Decisions

None.

2. Minutes of Meeting held on 3rd May 2018.

The minutes of the above meeting were reviewed and approved.

📄 Paper 1 Audit Chairs mins-03052018.pdf

2.1. Matters Arising

2.1.1. Single Audit Certificates

The COOS reported that the University's Director of Corporate Resources was liaising with SFC and auditors in relation to progressing single regional audit certificates for Student Support Funds, Education Maintenance Allowance and FE Credit activities. It was hoped that a new process could be implemented for the next academic year.

2.1.2. Business Continuity Planning

The COOS advised that a number of lessons had been learned following this years live test of the partnerships business continuity arrangements. The scenario for the test had involved multiple partners in accordance with an outbreak of viral meningitis within the student population at various sites and had provided a useful exercise in testing communications and individual response plans.

A workshop event had been held with senior managers following the test to consider responses and any lessons learned and this had resulted in the formulation of a new partnership wide business continuity plan with updated contact information and communication protocols. The new plan had been approved by Partnership Council in October and it was intended that the plan would be tested again in spring 2019 and subject to regular reviews.

3. Governance – Partnership Assembly

members noted paper 2 providing a summary report in relation to the UHI Partnership Assembly event held at Eden Court on 26th September and the subsequent establishment and composition of a new Assembly Programme Board.

The HGRM reported that the new board had held its first meeting on 12th November. This meeting had provided an opportunity for members to get to know one another and to articulate their views and aspirations in relation to the future development of the University with a particular focus on improving the student experience, staff terms and conditions, financial sustainability and optimum governance structures.

It was noted that the boards intention was to develop a reasoned and compelling case for the future development of the University partnership in accordance with an open minded approach from the bottom up and with full engagement from partnership staff and students and which would appear as a rationale and sensible development to an external audience including the Scottish Government and SFC.

It was noted that the assembly had wide representation from all partners with the exception of Shetland and SMO. The Chair of the Assembly Board had undertaken to liaise with these partners to ensure that they were represented and/or appropriately engaged with the process moving forward.

It was noted that all papers for the assembly and the new programme board were available via sharepoint and that all members currently felt well sighted on the process. The board was due to meet again in early December and January and a timeline would be developed and published in due course.

🗎 Paper 2 Report for AC Chairs - Assembly and Programme Board 20181107 .pdf

4. Items from AP Audit Chairs

4.1. Compliance with Code of Good Governance Checklist

Members discussed how they had each approached the process of identifying evidence to support statements of compliance with the FE Code of Good Governance principles and obligations with a particular focus on formulating informed judgments as opposed to just reporting factual information.

The following points were noted:
- The FE code was prescriptive and required a systematic approach to map compliance with individual requirements on a comply or explain basis.
- Ethical behavior could be evidenced by reference to compliance with Nolan principles, codes of conduct, appointment conditions, a visible and appropriate whistle blowing policy, robust controls in relation to declaring interests etc
- Most partners had held strategic workshops/seminars with members to review effectiveness and to consider and challenge particular requirements of the code.
- The COOS was willing to review individual partners draft governance compliance statements as a critical friend if this was considered helpful.

🗎 Code-of-Good-Governance-for-Scotland's-Colleges-August-2016.pdf

4.2. Partnership Risks – Scrutiny, influence, assurance and visibility of mitigating actions.

Members discussed the partnerships arrangements and communication channels in relation to managing risks with a particular focus on difficulties and frustrations associated with persistent high level risks that were outwith the control of individual partner boards and/or the University Court.

It was noted that whilst the partnership processes for identifying and recording risks in accordance with a common methodology and through the introduction of common risks had improved significantly in recent years the partnership was less good at identifying and implementing actions in a coordinated manner across all partners to reduce risks to acceptable levels. This situation could be improved if greater emphasis was focused on populating, reviewing and challenging future mitigating actions identified on individual registers.

It was noted that some risks on individual academic partner registers related to situations/events that were beyond their control or sphere of influence and this resulted in frustration and potential tensions between partners or between a partner/partners and the University particularly when individual risk appetites and levels of tolerance were not aligned or understood. Accordingly there was a perceived need to improve cross partner communication and discussion of shared risks to ensure that managers had a full awareness of the potential impacts of their decisions on partners and/or the region.

It was noted that risk information was available to share and that boards of management could consider the University's high level register and reports at their own meetings as a means of improving awareness of regional issues.

One method suggested to increase member's assurance and comfort in relation to particular risks or areas of concern was to invite key staff/risk owners to attend audit committee meetings and to provide the committee an overview and to lead a discussion in relation to risks within their portfolio.

5. Scotland's Colleges 2018 - Auditor General Report.

Members noted the above report and specifically paragraph 84 that required the SFC to agree with regional strategic bodies in multi-college regions the most appropriate way of collecting information on college activities and to clarify both why and when it needs to engage with, or collect information from, assigned colleges.

It was noted that members would welcome absolute clarity from SFC in relation to what information was required by when and through which channel it should be delivered, A clear schedule and timetable of events was highly desirable.

📄 Scotlands Colleges 2018.pdf

6. College Financial Statements and Returns 2017-18 – new SFC requirement

Members noted a change to previous procedures in that the SFC now required assigned colleges to submit their return and documentation to their Regional Strategic Body (RSB) who would collate and forward information on to SFC.

It was noted that financial statements should be submitted to the COOS by assigned colleges by 20th December 2018.

📄 SFCCI062018_College_financial_statements_and_returns_2017-18.pdf

7. Any other business

The Chair thanked the principal of Orkney College for his commitment and contribution to UHI and to the group and wished him well in his forthcoming retirement.

8. Date of next meeting.

2nd May 2019

Board of Management

Subject/Title:	Finance System Status Update
Author: [Name and Job title]	Fiona Mustarde, Director of Finance
Meeting:	Audit Committee
Meeting Date:	27 November 2018
Date Paper prepared:	20 November 2018
Brief Summary of the paper:	To update the committee on the current status of the Finance System project and provide information on alternative options.
Action requested: [Approval, recommendation, discussion, noting]	Discussion
Link to Strategy: Please highlight how the paper links to, or assists with:** • compliance • partnership services • risk management • strategic plan • new opportunity/change	Risk Management – ineffective systems increase the risk exposure of the College.
Resource implications:	Yes
Risk implications:	Yes **If yes, please specify:** Operational: Budgetary control adversely impacted through lack of sufficient management information. Organisational: Ineffective management of significant risks leading to adverse financial impacts
Equality and Diversity implications:	No
Consultation: [staff, students, UHI & Partners, External] and provide detail	N/A

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.itspublicknowledge.info/ScottishPublicAuthorities/ScottishPublicAuthorities.asp and

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

University of the Highlands and Islands
Inverness College

Board of Management

Subject/Title:	Business Continuity
Author: [Name and Job title]	Martin Kerr, Estates and Campus Services Manager
Meeting:	Audit Committee
Meeting Date:	27 November 2018
Date Paper prepared:	19 November 2018
Brief Summary of the paper:	Set out developments since the last meeting regarding the Business Continuity arrangements
Action requested: [Approval, recommendation, discussion, noting]	Discussion
Link to Strategy: Please highlight how the paper links to, or assists with:**:** • 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	

Status – [Confidential/Non confidential]	Confidential	
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.)			

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http://www.itspublicknowledge.info/ScottishPublicAuthorities/ScottishPublicAuthorities.asp and

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

University of the Highlands and Islands
Inverness College

Board of Management

Subject/Title:	Health and Safety Report Quarter 1 2018-19
Author: [Name and Job title]	Richie Hart, Health and Safety Manager
Meeting:	Audit
Meeting Date:	27 November 2018
Date Paper prepared:	16 November 2018
Brief Summary of the paper:	To provide the Audit Committee with a quarterly report 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:**:** • compliance • partnership services • risk management • strategic plan • new opportunity/change	The law requires us as employers to monitor and review arrangements for how we are managing occupational safety and health (OSH). This paper forms part of the review process.
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	

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.			
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Health and Safety Report Quarter 1 2018-19

Executive summary

During Q1 of 2018-19 the reporting of incidents throughout the College in comparison with the same point last year has decreased from 99 to 87 reportable incidents.

There has been a decrease in incidents reported involving students. This is highlighted in the incident summary sheet below.   This is encouraging as we normally see a spike in student related incidents at the beginning of the academic year.

In terms of hand injuries, there was a 33% reduction in hand related incidents. During the 1st quarter of this year, there were 10 recorded hand incidents, in comparison to 15 during Q1 of 17-18. Continued focus on hand injuries particularly at the start of every semester is having an impact.

RIDDOR

There have been 0 reportable incidents during quarter 1.

Other Significant incidents

- A student using a Medway geared pilliar drill, was drilling a hole through a plate while completing one of their jobs, the drill jammed on the plate and pulled the plate from the vice that was bolted to the table. The drill fell to the floor with the chuck and plate. The student on seeing this happening, hit the emergency stop and reported it to lecturer. Lecturer checked to see if anyone was hurt, no injuries were sustained. On examination of the incident, the drill had been placed in properly, the speed was correct and the student was using cutting fluid, the vice was secure to the table. The student did not keep the correct tension whilst pulling the handle of the drill down and panicked once the drill made contact with the plate which then caused the jamming of the drill. The drill bit is also being tested to ensure it was tempered correctly.

- Student banged his head on raised bonnet of car in the motor vehicle workshop. First aider attended and called an ambulance. Paramedic attended to the student and said they could go home but any further symptoms to phone 999. Friend picked him up and took the student home. Lack of concentration from the student was established as the cause of the incident which has been addressed by lecturer.

- The staff member was collecting a parcel from UHI Executive Office at Ness Walk on Thursday 1/11/2018. They were cycling. On the way back to College the member of staff had a bicycle accident. While cycling, they pulled into a hole on the road, the wheel of the bike turned and hit the curb. The staff member fell off the bicycle and reported that they hit their head and also suffered bruises to the right side of their body, chest, and both knees including pain in their right wrist. The bike was also reported as damaged. The line manager is currently undertaking further investigations regarding this incident.

Accident/Incident/Near miss Reporting QTR 1

Accident/Incident/Near miss Reporting QTR 1 Summary Sheet		
	Q1 2017-18	**Q1 2018-19**
No. of reports	**99**	**87**
Comments: • 12% Decrease in incidents reported • No reportable incidents recorded in Q1 • Decrease in student related incidents by 32%		
Quarter 1 Incident Severity	**Minor**	**Moderate**	**Major**
	73	**14**	**0**

Incidents by Locality	Total	
Inverness Campus	**56**	
SSOF	**1**	
Nursery	**30**	
Other	**-**	

Who was involved	Q1 2017-18	Q1 2018-19
Student	**46**	**31**
Staff Member	**9**	**11**
Member of the public	**1**	**-**
Child	**36**	**29**
Not Set	**7**	**15**
Other	**-**	**1**

Type of Incident	Total	
UE (Undesired Event/Near Miss)	**41**	
Property Damage	**2**	
Theft	**1**	
First Aid Case	**34**	
MTC (medical treatment Case)	**6**	

Definitions:
- **First Aid case -** An injury for which an injured person requires treatment by a First Aider and returns to full duties
- **Medical treatment case -** is an injured or sick person who requires treatment (more than First Aid) from a professional physician or qualified paramedic
- **Undesirable Event/Near miss –** An event during which injury, ill health, loss of equipment/asset or death could have occurred, but didn't actually occur.

H&S Management System – Update

The SHE system has been working extremely well. There is clear indication that the system has brought much greater consistency to our reporting, especially in the reporting of incidents.

It is also providing a valuable database of information for staff, in terms of H&S information. As an example, Nature and Applied Science have inputted some 368 GH SDS (formerly MSDS sheets) on the system and created 237 COSHH assessments.

Realignment of the SHE system, in line with the new academic groupings is complete. Further licences have been allocated, with training and support being carried out by the H&S Manager

Internal audits on risk assessment and risk control are continuing. Completed thus far:
- Forestry
- Welding and Fabrication
- Hospitality/Professional Cookery

Ongoing:
- Construction

Scheduled next
- Electrical Installation

Health and Safety Training

Course	Number of users
Fire Safety Awareness	**357**
Display Screen Equipment*	**357**

Note that this is a mixture of new starts and refresher training, all staff completed DSE training in August 2015 on moving into the new campus buildings.

Next course to be rolled out will be 'driving at work, safe'

This programme examines the important role played by all, in avoiding accidents, including observing warning signs and maintaining strict adherence to College guidelines.

Topics included in the programme:

•The Role of the Organisation
•The Role of the Individual
•General Guidelines for Safe Driving
•Emergency Situations
•Safe Driving Policy

Fire Management

David Clark of Fire Safety Solutions has been on site to carry out new fire risk assessments of the main campus building, the Nursery and the SSF. The new risk assessments along with any actions, will be received by the 1st of December 2019

There has been no fire evacuations this quarter, however there was an alarm related incident as noted below.

- 28/09/2018 – GTFM had carried out routine test of alarm system on Friday morning at around 08:40. The GTFM engineer had called the alarm contact centre to put the system 'on test' at around 08:35 and following the test called again at around 08:45 to put the alarm back 'on line' again. Following the alarm system test the Fire & Rescue Service arrived under blue lights and first of all went to the student halls of residence then An Lochran before eventually arriving at the college. The incident commander showed the fax they had received with the call out address, this was described as 'Galliford Campus' which they weren't aware of. There was no evacuation of the building as the alarm did not sound. GTFM have clarified the situation with the call centre and the address has been corrected.

Incident Record – Date Range – Incident Severity
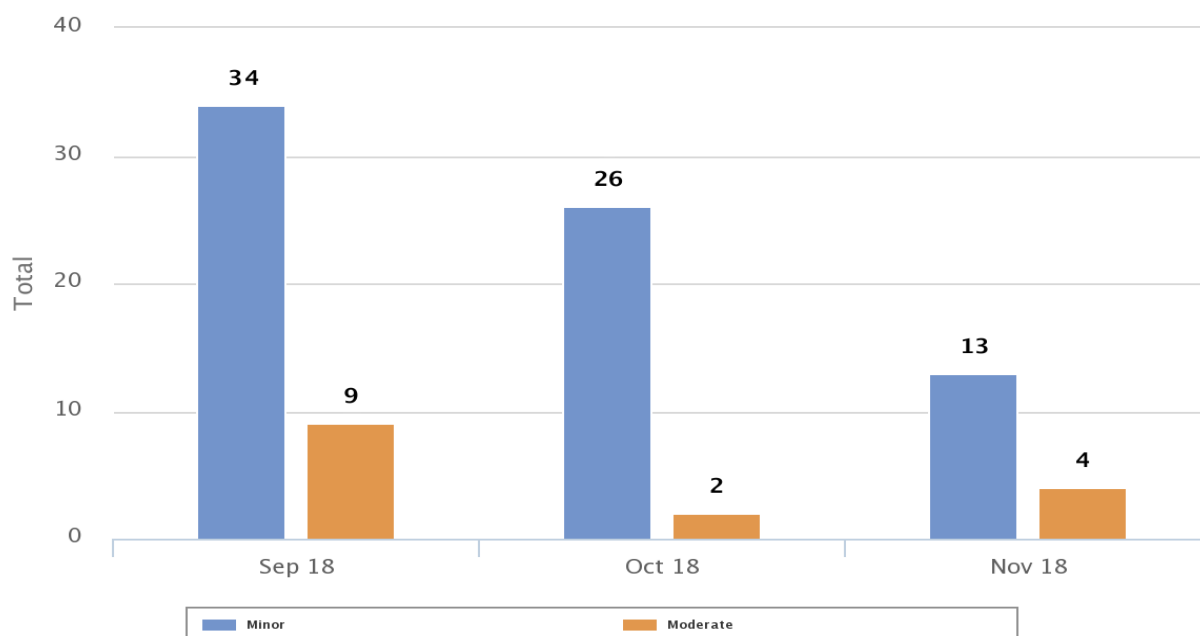
Incident Record – Date Range – Who Was Involved
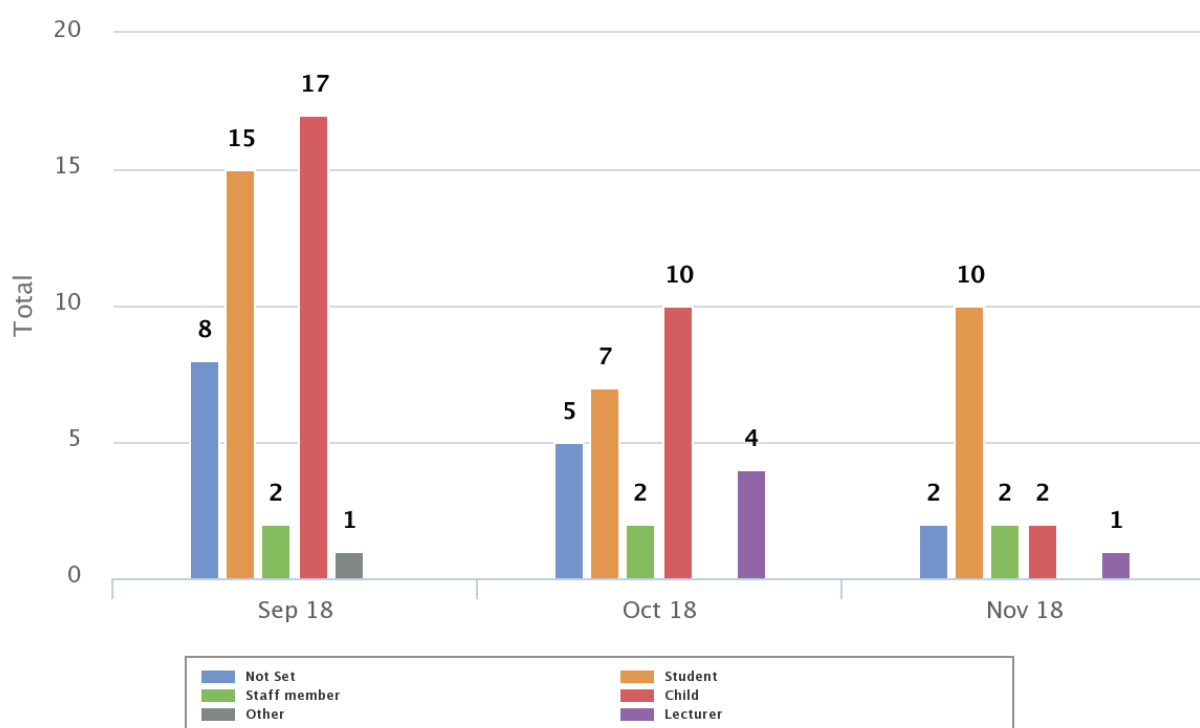
Incident Record – Date Range – Locality
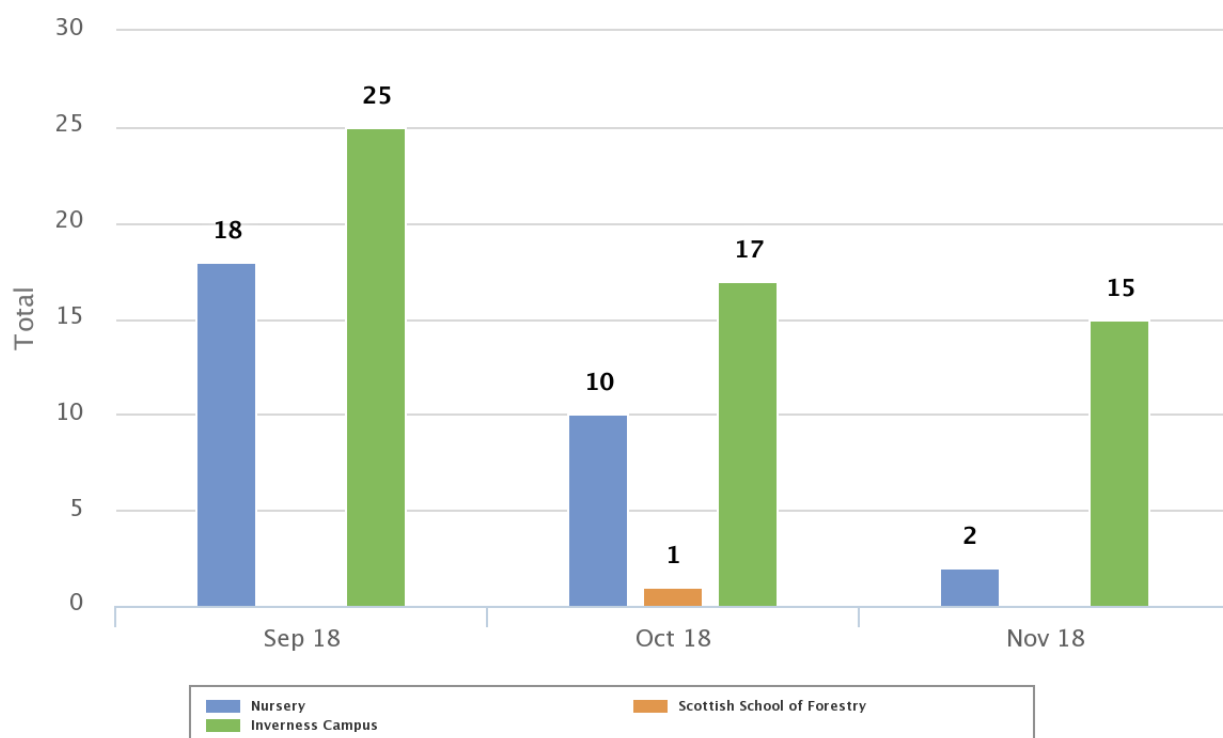
Incident Record – Date Range – Unit/Department
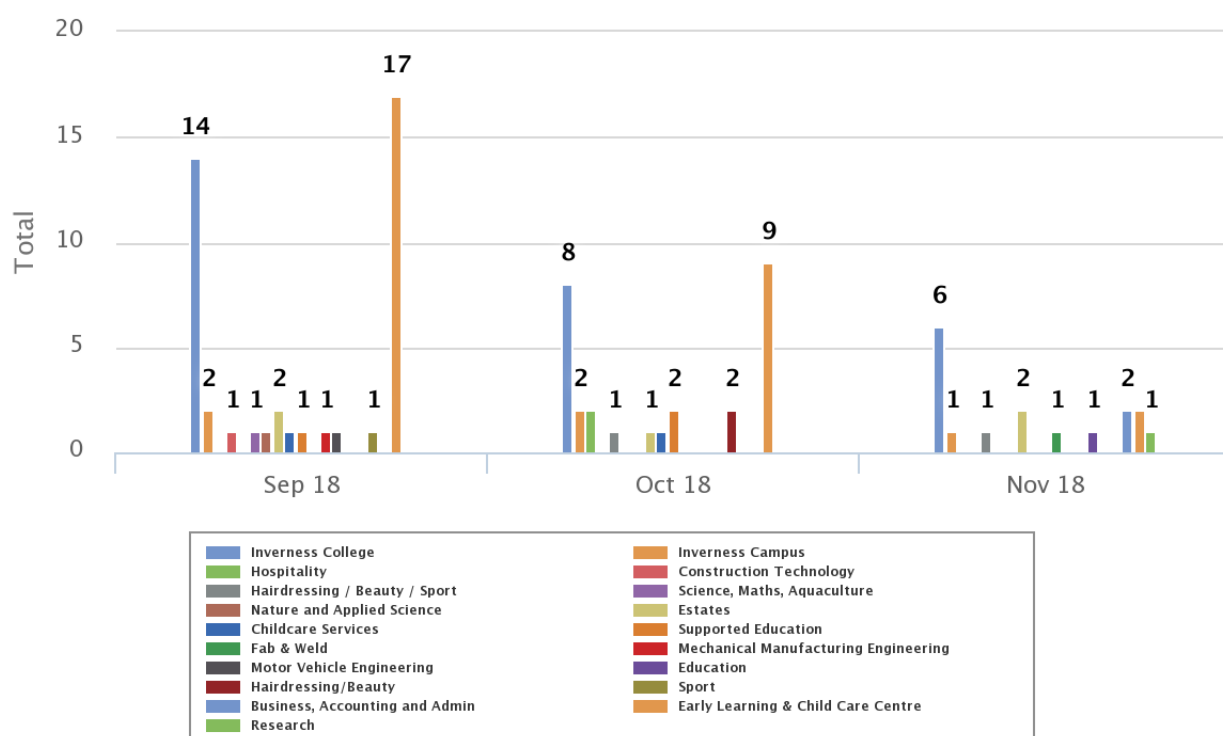
Incident Sub Type	Sep 18	Oct 18	Nov 18
Not Set	4	6	6
Contact With Hot Surface	2	0	0
Contact With Sharp Object	2	2	1
Slip, trip fall on same level	10	4	1
Struck against	2	2	2
Struck by moving, flying or falling object	0	1	2
Contact with machinery	1	0	0
Lifting and handling injuries	1	0	0
Struck by moving, flying or falling object	0	0	1
Dangerous Occurrence	1	0	1
Overexertion/strain	2	0	0
Damage to college equipment	1	0	0
Damage to college property	0	1	0
General sickness	3	3	1
Bitten	3	1	0
Object in eye	1	0	0
Fire alarm activation	1	0	0
Other	8	7	2
Dangerous driving	1	0	0
Damage to personal items	1	0	0

University of the Highlands and Islands
Inverness College

Board of Management

Subject/Title:	Public Bodies Climate Change Report
Author: [Name and Job title]	Martin Kerr, Estates and Campus Services Manager
Meeting:	Audit
Meeting Date:	27 November 2018
Date Paper prepared:	19 November 2018
Brief Summary of the paper:	Outline of the actions being taken across the college to achieving carbon reduction, including projects as part of energy strategy: transport plan, energy management plan, waste management, capital projects and carbon management, productive garden.
Action requested: [Approval, recommendation, discussion, noting]	Discussion
Link to Strategy: Please highlight how the paper links to, or assists with:**:** • 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	

Status – [Confidential/Non confidential]	Non Confidential	
Freedom of Information Can this paper be included in "open" business* [Yes/No]	Yes	

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Public Bodies Climate Change Report

Background

The UK government through Kyoto commitments has identified the public sector as a key stakeholder group in delivering carbon reduction across the UK. The Carbon Management programme is designed in response to this. It assists organisations in saving money on energy and putting it to good use in other areas, whilst making a positive contribution to the environment by lowering overall carbon emissions. The Carbon Trust are very proud to support Inverness College in our on-going implementation of the carbon management plan.

ICUHI Energy Strategy

The following sets out the plans, actions and College targets.

Topic area	Name of document	Time period covered	Comments
Adaptation	SSF Tractor shed Refurbishment	3 months	Completion 11/2018
Business travel	Car Share	Ongoing	Policy Document
Staff Travel	Car Share, Cycle friendly campus	3 year	Focus on active transport
Energy efficiency	Summer / Winter loading initiative.	5 year	Facility system management
Fleet transport	Mini bus / fleet cars transferee to Electric	2 year	Fleet due to change 2019
Information and communication technology	Video Conference	Ongoing	Well established within academic structure.
Renewable energy	Generation systems		No generation systems planned.
Sustainable/renewable heat	Biomass / Ground source pump	Ongoing	Asset management system
Waste management	Waste Reduction Initiative	2 year	10% reduction & 95% recycling of waste by 2020
Water and sewerage	Rain capture nursery	3 year	Productive Garden Project
Compressed Air Management	Summer switch off	2 year	System management and system survey
Land Use	Productive Garden	5 year	Community project
Other (state topic area covered in comments)	UHI Environmental & Sustainability group	2 year	UHI wide directive – 2018 focus on paper use reduction

Current Live Projects

Energy management Plan.

The college loadings on gas and electricity have been reviewed and actions that could be implemented to reduce carbon foot print. The following actions have progressed and are being reviewed by the Campus Technical team:.

Actions:
- Gas loading - review of gas use within all facilities. On review it was identified that our largest gas user was the main campus BMS system.
  - Frost protection system override of BMS system – System reconfigured to reduce override on cold mornings implemented date: April 2018

- Atrium underfloor heating switch off during summer months. June – Oct 2018

- Atrium rotary door maintained in winter mode all year, draft reduction - Nov 2017

- Goods inwards door management - Target date Dec 2018 Estates

- Room management – Blind being closed to prevent heat build-up in south facing rooms. – May 2018.

- Biomass loading at Scottish School of Forestry (SSF). Biomass system switch off during summer outage to reduce energy and chip consumption. June – Sep 2018

- Review of SSF chip quality to determine if GTFM can utilise more efficient chip technology – Target Date Feb 2019 GTFM.

- Review of college heating management systems within SSF outbuildings – Target April 2019 GTFM.

- Compressed air – System usage review, compressed air surveys – GTFM.
  - SSF boot clean compressor switch off, at night and summer – June – Sept 2018
  - Campus main compressor planned switch off during summer outage June – Sep 2018.

- Lighting LED replacement campaign in carpark – On going GTFM

- Window closing, roller door closing procedures – Oct 2017

- Joinery extraction speed reduction – Target Date Feb 2019 GTFM.

- Building Management System Planned Preventative Maintenance efficiency review July 2018.

- Lighting management switch off policy – July 2017

- PC management policy – July 2017

- Longman electrical supply capability reduction – May 2018

The Campus and Estates Manager and FM provider undertake a weekly site audit to monitor compliance and other opportunities. All actions are added to Estates/FM HelpDesk or Campus Technical meeting.

Transport Plan

The Carbon Management Plan team have reviewed our current transport plan with the finance and procurement departments to ensure we are assessing the full impact of all our transport options.

Actions:

- Review of estates transport and consideration of electric hybrid vehicles.- On hold to 2019

- Green/ active travel plan – hire, pool car, car sharing use of public transport. – Ongoing Finance / Estates and ICOA campus active travel group.

- Electrical charging point on campus – Target Date Dec 2018 to install GTFM

- Cycle Friendly Campus Project. Objective to expand facilities at both SSF and the campus facilities to encourage the use of bicycles. The purchase of both hybrid and electrical bicycles for staff to utilise for local journeys between sites and also improve safe storage facilities and amenities– Currently awaiting funding approval. Target Date March 2019

- Car share IConnect initiative – internal staff travel share platform to be expanded for a bespoke student resource. By August 2019

Waste Management

In July 2018 a new waste reduction initiative was launched to improve waste management. Our target by 2020, is to reduce personal waste by 10% for every student and staff member as well as achieving 95% waste recycling.

Actions:

- Procurement of new waste management provider achieved. Northern recycling are now actively working in partnership with us on waste reduction initiatives

- Green week waste awareness – complete, atrium display to raise awareness including involvement form students - Oct 2018.

- Waste stream mapping within facilities complete - Sept- Oct 2018, all catering utensils, bowls cups etc made from fully compostable materials.

- New segregation equipment and new waste recycling stations at all canteens – complete Sept 2018.

- Working with local campaign groups to look at alternative waste management systems for example, 'Drastic Plastic' - Nov 2018.

- Developing awareness within the campus through initiatives such as Recycle art, poster competitions, Love Food Hate Waste workshops.

- UHI Environmental & Sustainability Group – Student led working group with an aim to support the improvement in environmental sustainability and therefore lessening the environmental impact of the University and its Academic Partners. It will serve as a forum to help develop understanding, identify opportunities for improvement and explore how best to engage students and staff to promote more sustainable behaviours and practice. Current focus of this group is paper reduction within UHI. The next meeting of the group is scheduled in January 2019

Capital Projects and Carbon Management

In 2018/19 academic year the key capital project is the refurbishment of SSF tractor shed. The objective was to reconfigure this poor energy efficient tractor shed into a more useful energy efficient space that could be utilised for academic activities in-line with current curriculum expansion plans. This entailed the removal of asbestos sheeting and old lighting systems. Installation of insulated cladding to roof and all walls, replacement of old steel door to insulated large tractor door with integrated pedestrian door. New inferred heating and low energy lighting installed with occupancy sensors. This space is now available to undertake academic studies that will combine our forestry sustainability projects and construction academic studies.

Productive Garden

A small LEAD project group sponsored by our Head of Research Development have been developing plans for a fully sustainable productive garden towards the front the main campus. In response to interest from HIE planners and the need for developers on the Inverness Campus Site to have fully developed Community Benefit plans to support their developments. It has been agreed that our project group will pitch to Robertson Construction for funding.

Subject/Title:	General Data Protection Regulation (GDPR) – 6 month post compliance report
Author: [Name and Job title]	Suzanne Stewart, Information Development Manager
Meeting:	Audit Committee
Meeting Date:	27th November 2018
Date Paper prepared:	8th November 2018
Brief Summary of the paper:	To update the committee on the GDPR points of compliance
Action requested: [Approval, recommendation, discussion, noting]	Discussion
Link to Strategy: Please highlight how the paper links to, or assists with:**:** • compliance • partnership services • risk management • strategic plan • new opportunity/change	To ensure that our practice is aligned with national, sector and/or industry recognised standards, that the college is legally compliant and continues to ensure that the systems and processes in place mitigate risk.
Resource implications:	No
Risk implications:	Yes, significant for organisation that do not comply with the regulations. ICO regulatory authority and enforcement authority with increased powers to fine those in serious breach. Financial and reputational.
Equality and Diversity implications:	No
Consultation: [staff, students, UHI & Partners, External] and provide detail	N/A

Status – [Confidential/Non confidential]	Non confidential		
Freedom of Information Can this paper be included in "open" business* [Yes/No]	Yes		

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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.)			

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General Data Protection Regulation (GDPR) – 6 month post compliance report

Background

In advance of the EU General Data Protection Regulation and the UK Data Protection Act 2018 coming in to effect on 25th May 2018, a plan of action was put in place to ensure the college's compliance with the new legislation.

Amongst other things, policies were updated and training was delivered to all staff. To ensure a culture of good GDPR compliance ongoing monitoring audit and improvement is critical post the legislation implementation date.

Current Situation

A primary aspect of the GDPR plan is Personal data registers. These have been submitted by departments and have been collated by the Data Protection Officer. These have been presented in a variety of formats and further awareness raising is needed in some areas to improve the understanding of the importance/purpose of the data register at departmental level.

Staff awareness of data protection matters generally has increased significantly and this has resulted in an increase of staff consulting the Data Protection Officer for advice and support and a significant increase in the reporting of data breaches.

Personal Data Registers – Auditing

The data registers were prioritised by area of risk.

Meetings have been progressed to provide feedback to all but the Finance area which is scheduled in the New Year.

- Human Resources
- Student Records
- Business Solutions
- Finance

An audit schedule is in development with these areas and is to be agreed with individual departmental heads. Managing the personal data registers (at departmental level) is key to ensuring the college complies with its legal obligations in relation to data protection.

The target to complete the audits is June 2019.

Incident Reporting

There has been a significant increase in incident reporting this academic year as a result of increased staff awareness. Figures for academic year 2017/18 have been provided for comparison purposes.

Academic Year 2017/18

Month	Aug	Sept	Oct	Nov	Dec	Jan	Total
Volume	2	2	2	6	Nil	2	14
Month	Feb	Mar	April	May	June	July	
Volume	2	1	1	1	5	Nil	10
							24

Categories

The following categories are used for recording breaches in information/data security:

CATEGORY	Total Incidents
Disclosed in Error	11
Technical/Procedural Failure	7
Lost in transit	
Non secure disposal	
Lost data/hardware	2
Stolen data/hardware	
Unauthorised access	3
Other	1
TOTAL	**24**

3 of the above data breaches were committed by a 3rd party organisation.

2 of the incidents were information security breaches (risk to IC or UHI system security)

Examples of Disclosed in Error Incidents

- Report containing personal data was issued externally without seeking authority (content was not recognised as personal data)
- Email - conversation between staff regarding named students, students later copied in to the communication and the email string was attached exposing the personal data of both students to each other.
- Email - too many staff copied in to a communication that included personal information about a student that they didn't need to know
- Email - Student feedback sent to the wrong student. Involved use of a template that wasn't saved as a blank.

Examples of Technical/Procedural Failure

- A technical glitch enabled a staff members H drive contents to become visible to other staff.
- Student use of a multi-functional device (scanner/copier) and scanned some docs. The individual pressed the "Gmail" key instead of "email me" thinking the docs would be emailed to themselves. The docs were emailed to whomever had programmed in the Gmail account. This facility has now been removed from all the MDFs that are available to students
- Files containing personal data were sent via email without password protection. They were then sent to the wrong recipient.
- Individual with the same name as someone else in the network regularly receives emails for the other person.

- Staff member had withdrawn consent to the use of their image on email. The image subsequently became visible (all staff photos have since been removed as it turned out to be a quirk of Office 365)

Unauthorised Access

- Staff member caught reviewing CCTV footage without authority – access to system changed
- Network login and password shared with a 3rd party who logged on to the UHI network to use the internet

**2018/19 Academic Year
August-October**

Month	Aug	Sept	Oct
Volume	5	6	7

CATEGORY	
Disclosed in Error	11
Technical/Procedural Failure	6
Lost in transit	
Non secure disposal	
Lost data/hardware	
Stolen data/hardware	
Unauthorised access	1
Other	
TOTAL	**18**

The above incidents have been mainly email related:

- Assessment feedback sent to the wrong student
- Email string continued in circulation and eventually a couple of students were copied in to the message. An earlier message in the string contained student data.
- Email sent to wrong recipient
- Email sent to student with same name as a staff member
- Additional people copied in to an email that contained personal data that they didn't need to know.
- Email to over 100 recipients and the BCC box was not used so all email addresses were exposed
- One Drive – staff member saved student information in an area which was "shared with all". It meant it was visible to all One Drive users

Technical/Procedural Failure
- Personal became exposed due to technical failure. When a server was set back up it was configured with normal settings. Something should have been switched off and wasn't which exposed the data. The records should have not been stored in this location (which was the real root cause – records management
- Procedures not followed (email related on 2 occasions)

- 1 incident recorded was not a data breach but security breach that related to room access.

ICO

One breach was reported to the ICO due to the sensitivity of the records that were exposed.

Lessons Learned

Data breaches are not negative, they help us learn how and why things occasionally go wrong. In the main, most of the data breaches are due to trying to undertake work too quickly and therefor losing site on due care and attention. These examples are used during staff training as case studies which makes the training realistic and memorable.

Often, it's not the breach that is the issue, it is quite often the circumstances that led to the breach that create actions for the college to address.

The following are an example of actions that came out of the data breach that was recently reported to the ICO:

Curriculum Team
- Review content of the offending folder and move all files that do not fit in to the following category to the G drive: Teaching/reference materials, submitted student work
- Remove the ASN assessment files
- Undertake a data clean-up of the remaining files (delete all non-current student data, class lists, email addresses, spreadsheets containing module results etc.)
- Undertake some basic records management training (staff development day/Jan 2019)

ICT Team
- Identify areas of the network that have been set up as file stores which are not part of the G or P drive (where shortcuts may be available via P for access purposes).
- Work with the Data Controller to review the file content of these areas to ensure there is no personal data and that security controls are appropriate to the content.
- Develop a procedure which includes a sign off process for individuals requiring separate storage area which outlines the purpose of the file store, type of records to be stored and the security arrangements for back up etc. Process needs to include a formal review if manager of file store changes.

All Managers (includes Team Leaders and Programme Co-ordinators
- Review/identify all areas of the network where your department has a file store (review, G, P (staff & public), U and any other drive you have access to.
- Review and update (where necessary) departmental personal data register in line with current departmental file stores.
- Remove files containing student data that are not current.
- Undertake mandatory basic records management training (staff development day/Jan 2019)

Board of Management

Subject/Title:	Audit Committee Evaluation Implementation Plan
Author: [Name and Job title]	Fiona Ambrose, Board Secretary
Meeting:	Audit Committee
Meeting Date:	27 November 2018
Date Paper prepared:	19 November 2018
Brief Summary of the paper:	An implementation plan has been developed following the audit Committee self evaluation exercise carried out earlier this year.
Action requested: [Approval, recommendation, discussion, noting]	It is recommended that the committee discuss the suggested actions and timescales set out in the implementation plan.
Link to Strategy: Please highlight how the paper links to, or assists with:**:** • 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	

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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.)			

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University of the Highlands and Islands
Inverness College

AUDIT COMMITTEE SELF- EVALUATION – ACTION PLAN

	Issue	Action required	Responsible person	Timescale/ Comments
1	Is the role and purpose of the audit committee understood and accepted across the institution?	Prepare a brief introduction to the Board and the role of its committees and make this accessible to all staff and students through iConnect and MyDay internet portals.	Board Secretary	End January 2019
2	Is the audit committee's role defined in respect of the following? • good governance • assurance • risk management and internal control • internal audit • external audit • financial reporting • value for money .	Review terms of reference as scheduled - May 2019	Board Secretary	For May 2019 Audit committee
3	Do the audit committee members have the right skills and expertise to enable them to challenge effectively? Are there appropriate training and induction procedures for the audit committee members?	All members of Audit committee have been asked to undertake the Audit committee online training module from CDN. Review question upon completion of the training As Above	Board Secretary	By end January 2019
4	Are the audit committee members familiar with, and do they understand, their institution's financial memorandum or funding agreement and articles of government	Provide links to the financial memorandum and other articles of governance to allow refresh of knowledge and understanding	Board Secretary	End December 2018
5	Is the audit committee's role in relation to the institution's fraud and corruption procedures clear?	Clarification to be provided to all board members.	Director of Finance	For Audit Committee in February 2019
6	Is the audit committee clear regarding its role in the rare event of external audit qualifying the institution's financial statements?	provide short briefing paper for all Board members	Director of Finance	For Audit Committee in February 2019
7	Do the members assess how they could carry out their business more effectively? e.g. improved meeting time table	Committee to carry out assessment at future meeting	Board Secretary	For Audit committee in May 2019

University of the Highlands and Islands
Inverness College

Board of Management

Subject/Title:	ICT Cyber Resilience Certification
Author: [Name and Job title]	Martin Robinson – ICT Services Manager
Meeting:	Audit Committee
Meeting Date:	27 November 2018
Date Paper prepared:	19 November 2018
Brief Summary of the paper:	To provide an overview of progress made towards Cyber Resilience Certification
Action requested: [Approval, recommendation, discussion, noting]	Noting
Link to Strategy: Please highlight how the paper links to, or assists with:**:** • compliance • partnership services • risk management • strategic plan • new opportunity/change	To ensure that our practice is aligned with national, sector and/or industry recognised standards and best practice, and to our values and commitments
Resource implications:	No
Risk implications:	No
Equality and Diversity implications:	No
Consultation: [staff, students, UHI & Partners, External] and provide detail	N/A

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)	
<mark>Its disclosure would substantially prejudice the commercial interests of any person or organisation (S33)</mark>	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.)		Until the matters described are approved or resolved	

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

University of the Highlands and Islands
Inverness College

Board of Management

Subject/Title:	Complaints Report (Quarter 1)
Author: [Name and Job title]	Liz Cook, Quality Manager
Meeting:	Audit Committee
Meeting Date:	27th November 2018
Date Paper prepared:	16th November 2018
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:**:** • 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

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.)			

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COMPLAINTS - QUARTERLY REPORT

Complaints 2018 -19 year to date (YTD)

Introduction

Complaints are received 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 categorise 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). The distributed report is attached at page 3.

Complaints by Category

24 complaints have been received year to date. This represents a decrease of 1 from the same time last year. The category of Customer Care related complaints is the highest occurring category YTD.

Customer Category: Current Year (Quarter)	YTD CY	Q1,CY	Q2,CY	Q3,CY	Q4,CY
C1: Customer Care	10	10	0	0	0
C2: Applications to Progression	4	4	0	0	0
C3: Course Related	6	6	0	0	0
C4: Services	1	1	0	0	0
C5: Facilities	3	3	0	0	0
C6: Others	0	0	0	0	0
TOTAL	24	24	0	0	0

Customer Category: Previous Year (Month)	YTD PY	Q1, PY	Q2, PY	Q3, PY	Q4, PY
C1: Customer Care	30	4	9	9	8
C2: Applications to Progression	8	7	0	0	1
C3: Course Related	35	8	11	9	7
C4: Services	12	2	5	1	4
C5: Facilities	14	4	7	1	2
C6: Others	6	0	0	1	5
TOTAL	105	25	32	21	27

In relation to mode of delivery, 54.2% of complaints received YTD relate to HE programmes, 29.1% relate to FE programmes and 16.7% complaints came from members of the public.

Complaint Categories by Quarter
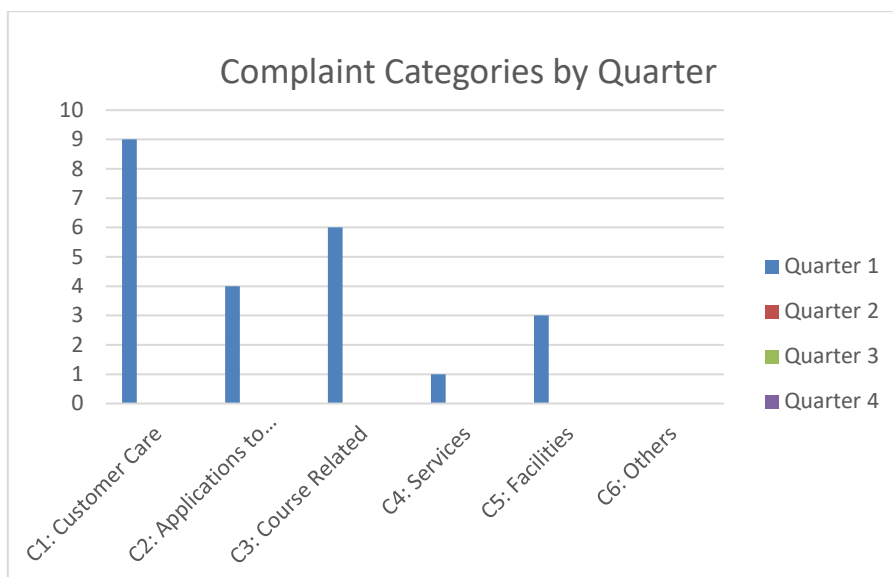
Complaint Outcomes

It can be seen that 50% of the resolved complaints YTD have been upheld. This is an increase of nearly 12% on the previous year's quarter. 17% complaints have been partially upheld which is a decrease of 14% for the same time last year.

Outcome	Stage 1	Stage 2	Total
Not upheld	3	3	6
Partially upheld	0	4	4
Upheld	9	3	12
Still under investigation	0	2	2

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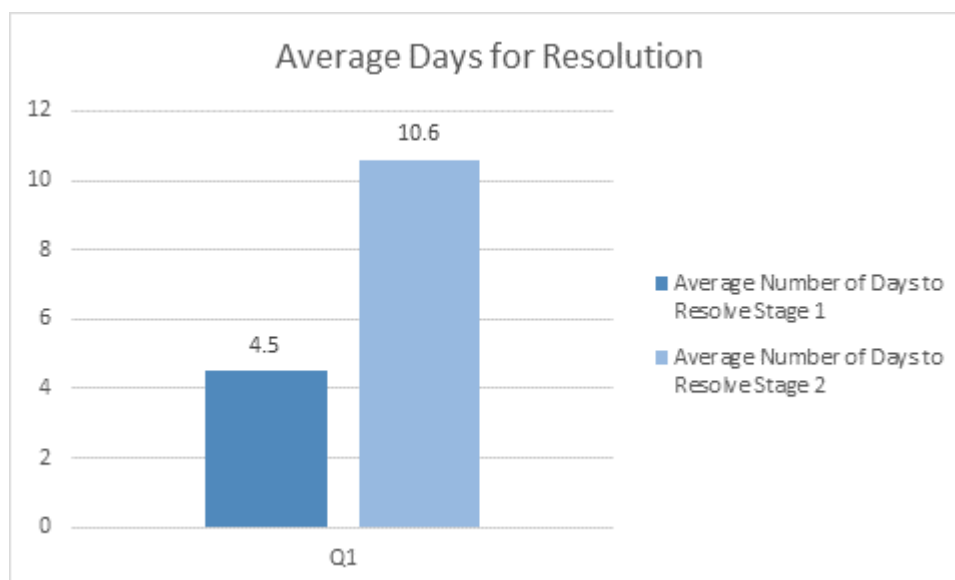
The chart above displays the average number of days taken to resolve complaints in this quarter.

The range of days taken to resolve Stage 1 complaints is between 1 – 17 days.
The range of days taken to resolve Stage 2 complaints is between 1 – 24 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.

Promotion of the timescales involved in complaint responses has been raised with relevant managers in order to ensure future compliance.

To date, Inverness College UHI has not had any complaint appeals upheld by the SPSO.

Published Report

Total number of complaints received	24 Complaints (7 FE, 13 HE, 4 Other)		
	FE	HE	Other
Number of complaints considered at the frontline resolution stage	2	8	2
Number of complaints closed at the frontline resolution stage within 5 working days	2	7	2
Number of complaints where an extension to the 5 working day timeline was authorised	0	0	0
Number of complaints upheld at the frontline resolution stage	2	6	1
Average time in working days to resolve complaints at the frontline resolution stage	3	5.3	3
Number of complaints considered at the investigation stage	5	5	2 (still ongoing)
Number of complaints resolved at the investigation stage within 20 working days	3	5	
Number of complaints where an extension to the 20 working day timeline has been authorised	1	0	
Number of complaints fully upheld at the investigation stage	0	3	
Number of complaints partially upheld at the investigation stage	3	1	
Average time in working days to resolve complaints at the investigation stage	14	7	