




UHI SHETLAND

# ANNUAL INTERNAL AUDIT PLAN 2022-2023

September 2022



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# 1. INTERNAL AUDIT APPROACH

## Introduction

Our role as internal auditors is to provide an independent, objective assurance and consulting activity designed to add value and improve an organisation's operations.

Our approach is to help the organisation accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes.

Our primary responsibility is to provide assurance to the Audit Committee on the management of key risks to the College's objectives.

We also aim to help management by providing constructive challenge, sharing good practice and making suggestions to improve business efficiency.

Our approach complies with best professional practice, in particular, the principles set out in the Institute of Internal Auditors International Professional Practices Framework (IPPF), Public Sector Internal Audit Standards (PSIAS) and the Student Funding Council (SFC)

The purpose of this paper is to set out, and seek agreement from, the College's Audit Committee on the Internal Audit Annual Plan for 2022/23.

## Internal Audit at UHI Shetland

We have been appointed as internal auditors to UHI Shetland to provide the Board of Management and College management with assurance on the adequacy of internal control arrangements, including risk management and governance.

Responsibility for these arrangements remains fully with management, who should recognise that internal audit can only provide 'reasonable assurance' and cannot provide any guarantee against material errors, loss or fraud. Our role at UHI Shetland will also be aimed at helping management to improve risk management, governance and internal control, so reducing the effects of any significant risks facing the organisation.

In producing the internal audit plan for 2022-23 we have sought to gain an understanding of the business of UHI Shetland together with its risk profile in the context of:

- ▶ The overall business strategy and objectives of UHI Shetland
- ▶ The key areas where management wish to monitor performance and the manner in which performance is measured
- ▶ The key challenges facing UHI Shetland, through its strategic risk register

# 2. AUDIT RISK ASSESSMENT

## Background

Our risk based approach to internal audit uses UHI Shetland's own risk management process and risk register as a starting point for audit planning as this represents the College's own assessment of the risks to it achieving its strategic objectives.

The extent to which we can rely on management's own perception of risk largely depends on the maturity and effectiveness of the College's own risk management arrangements. In estimating the amount of audit resource required to address the most significant risks, we have also sought to confirm that senior management's own assessment of risk accurately reflects the College's current risk profile.

## Internal Audit Strategy

A three year Audit Strategy for 2022-25 is shown at Appendix I.

Initial discussions were held with senior management to identify management's future area of focus and priorities to aid development of a three year rolling internal audit programme, making sure that our audit activity provides sufficient coverage over areas of principal risk, effectively addresses any assurance gaps, and is prioritised to those issues most pertinent to the College.

An initial internal audit programme was established using information provided by management and our wider knowledge of risk and assurance from across our higher and further education client base. This was presented to the wider Senior Management Team (SMT) to obtain their input and feedback before presentation to the Audit Committee.

## Internal Audit Annual Plan

The Internal Audit Plan for 2022/23 is set out on pages Appendix II. The proposed phasing of the audit plan, based on our understanding of UHI Shetland's workload is set out in Appendix IV.

We will keep the plan under review throughout the year and we will highlight for consideration any significant areas of risk identified during that period that may need to be included as part of the internal audit plan.

Where auditable areas correspond to corporate risks we will take into account the mitigation strategies in place when performing our reviews. This is to ensure that the mitigating controls, as well as the actions that have been identified by management, are in operation and are effective.

We have set out further in Appendix III the rationale for the inclusion of particular reviews in the audit plan, based on our initial review of the College's risk register, discussions with a number of key stakeholders and consideration of various documents, publications and information sources.

## Individual audits

When we scope each review, we will reconsider our estimate for the number of days needed to achieve the objectives established for the work and to complete it to a satisfactory standard in light of the control environment identified within UHI Shetland. Where revisions are required we will obtain approval from the Head of Finance prior to commencing fieldwork.

In determining the timing of our individual audits we will seek to agree a date which is convenient to UHI Shetland and which ensures availability of key officers.

## Variations to the Plan

We acknowledge that variations to the plan may arise from our reviews, changes to the College's risk profile or due to management requests. Variations will be discussed in the first instance with the Head of Finance and approved by the Audit Committee before any variation is confirmed.

# 3. PROPOSED RESOURCES AND OUTPUTS

## Staffing

The core team that will be delivering this programme to you is shown below:

Name	Grade	Telephone	Email
Claire Robertson	Director	07583 237 579	claire.robertson@bdo.co.uk
Chloe Main	Manager	0758 3060 591	chloe.main@bdo.co.uk

The core team will be supported by specialists from our national Risk and Advisory Team and wider firm as and when required.

Our indicative staff mix to deliver the programme is shown below:

Grade	2022-23 (days)	Grade Mix (%)
Director	7	11
Manager	20	33
Auditors	33	56
Total	60	100

## Reporting to the Audit Committee

Each year we will submit the Internal Audit Plan for discussion and approval by the Audit Committee. We will liaise with the Head of Finance and other senior officers as appropriate to ensure that internal audit reports summarising the results of our visits are presented to the appropriate Audit Committee meeting.

Following completion of the internal audit programme for 2022-23 we will produce an Internal Audit Annual Report summarising our key findings and evaluating our performance in accordance with agreed service requirements.

## Internal Audit Charter

We have formally defined Internal Audit's purpose, authority and responsibility in an Internal Audit Charter, which can be found in Appendix VI. The Charter establishes Internal Audit's position within the College and defines the scope of its activities.

## Working Protocols

We have defined operating protocols for managing each assignment. These can be found in Appendix V. The protocols take account of how we will communicate with stakeholders before, during and after each audit, and the process we go through to create and confirm our reports and recommendations to improve the economy, efficiency and effectiveness of the College's activities.

## Definitions

We define in Appendix VII our approach for grading individual audit findings and overall audit reports. These definitions have been designed to make the ratings clear to both the Internal Audit team and audit stakeholders.

# APPENDIX I

## Internal Audit Strategy 2022- 2025

Assurance Theme	Subject	Risk Register	2022-23	2023-24	2024-25
Governance & Risk	Risk Management		✓		
	Corporate Governance	6		✓	
	Business planning and performance management				✓
Finance	General Financial Controls		✓		
	Payroll			✓	
	Procurement and contract management				✓
People	Staff recruitment		✓		
	Workforce & succession planning	4		✓	
	Learning & Development				✓
Resilience & Digital	Disaster Recovery		✓		
	Cyber Security	12		✓	
	IT Services				✓
Students & Delivery	Student Recruitment	1 & 2	✓		
	Curriculum planning	9		✓	
	Student support	10			✓

# APPENDIX I

## Internal Audit Strategy 2022- 2025

Assurance Theme	Subject	Risk Register	2022-23	2023-24	2024-25
Operational	Research Governance & Management	11	✓		
	Commercial Income			✓	
	Sustainability	13			✓
Compliance	Health and safety	5	✓		
	Data Protection	5		✓	
	Complaints Management	5			✓
	Credits / FES		✓	✓	✓
	Student Support Funds		✓	✓	✓
	Follow up		✓	✓	✓

# APPENDIX II

## Internal Audit Plan 2022-23

Assurance Theme	Subject	Days	Assurance / Advisory / Regulatory
Governance & Risk	Risk Management	6	Assurance
Finance	General Financial Controls	6	Assurance
People	Staff Recruitment	6	Assurance
Resilience & Digital	Disaster Recovery	6	Assurance
Students & Quality	Student Recruitment	6	Assurance
Operational	Research Governance & Management	6	Assurance
Compliance	Health & Safety	6	Assurance
	Further Education Statistics	6	Regulatory
Follow up and contract management	Follow up	3	
	Audit Committee	3	
	Client Liaison	3	
	Annual Reporting	1	
<b>TOTAL</b>		<b>58</b>	



# APPENDIX III

## Internal Audit Plan Overview

### Overview

The plan overview sets out the proposed audits in more detail and highlights further comment and rationale for inclusion in the Annual Internal Audit Plan 2022-23, together with the risk assessment source.

We will scope individual audits in advance of commencing any reviews and agree terms of reference with key officers involved.

Audit Area	Comment	Source
Risk Management	BDO's risk based approach to internal audit will seek to place reliance on the risk management arrangements in place at UHI Shetland to inform the annual planning process. In order for BDO to place assurance on the risk register, a review will be performed to assess the maturity and on going effectiveness of the risk management arrangements currently in place, including policy, role and responsibilities, methods for identifying, evaluating and measuring key risks and risk reporting arrangements.	a) BDO Assessment b) Management
General Financial Controls	We will perform a high level controls review across all key financial control systems. This will include a review of processes relating to purchasing, income, cash and banking, payroll and fixed assets. This will be help to assess whether the new finance system is operating effectively and it will complemented by more detailed reviews of specific financial control areas in year 2 and 3 of the plan, informed by the outcome of this review.	a) BDO Assessment b) Management
Staff Recruitment	We will assess whether a fair and transparent approach is taken to recruitment and whether the College complies with recruitment regulations, including right to work regulations.	a) BDO Assessment b) Management

# APPENDIX III

## Internal Audit Plan Overview

Audit Area	Comment	Source
Disaster Recovery	<p>With an ever-growing reliance on technology to deliver teaching and to support administration at the College, the increase in cyber attacks and the importance of the security of personal data collated by the College, this area is an assurance priority. The ability to retain functionality in the event of a disaster or crisis is paramount to the continuous functioning of activities, student satisfaction and future success in recruiting and retaining students.</p> <p>This review will assess the College's disaster recovery plans to prevent loss of IT services and data; and recover within required timescales should an event occur.</p>	<p>a) BDO assessment b) Management</p>
Student Recruitment	We will review the College's student recruitment process. We will assess whether the College is succeeding in attracting a sufficient number of students for each course and whether this is monitored and reported on throughout the year.	<p>a) BDO assessment b) Management c) Risk Register: Ref 1 &amp; 2</p>
Research Governance & Management	We will review the College's controls and processes in place to manage, monitor and report on research grant expenditure and compliance with the grant requirements.	<p>a) BDO assessment b) Management c) Risk Register: Ref 11</p>
Health & Safety	We will review whether there is approved health & safety policies in place and whether arrangements are in place to promote a sound health & safety management framework throughout the College. This will include an assessment of whether there is adequate reporting in place in relation to health & safety performance, and whether there is evidence that lessons are learned from incidents and near misses.	<p>a) BDO assessment b) Management c) Risk Register: Ref 5</p>
Follow up	The effectiveness of the internal control system may be compromised if management fails to implement agreed audit recommendations. Our follow up work will provide the Audit Committee with assurance that prior year, and in some cases in-year, recommendations are implemented within the expected timescales.	<p>a) BDO assessment</p>

# APPENDIX IV

## Phasing of the Plan

Respecting existing work pressures, and subject to the availability of key officers, we would look to agree with UHI Shetland the phasing of our audit work as shown in the following tables. We would normally seek to phase our work around Audit Committee dates.

### Block 1: August - October 2022

Review	Proposed Audit Sponsor
FES	TBC

### Block 2: November 2022 - January 2023

Review	Proposed Audit Sponsor
Risk Management	TBC
Disaster Recovery	TBC
Staff Recruitment	TBC

### Block 3: February - April 2023

Review	Proposed Audit Sponsor
General Financial Controls	TBC
Student Recruitment	TBC

### Block 4: May - July 2023

Review	Proposed Audit Sponsor
Research Governance & Management	TBC
Health & Safety	TBC
Follow-up	TBC

# Appendix V

## Internal audit charter

### Purpose of this Charter

This Charter formally defines internal audit's purpose, authority and responsibility in line with the IIA's:

- ▶ Attribute Standard 1000,
- ▶ Performance Standard 2060, and
- ▶ Implementation Standards 1000.A1 & C1.

This Charter establishes internal audit's position within UHI Shetland and defines the scope and limitations of internal audit activities and its relationship with the Audit Committee and Senior Management.

### Standards for the Professional Practice of Internal Auditing

The internal audit function undertakes its work in line with the mandatory elements of the IIA's International Professional Practices Framework, including the Core Principles for the Professional Practice of Internal Auditing, the Code of Ethics, the International Standards for the Professional Practice of Internal Auditing, and the Definition of Internal Auditing as set out by the Global IIA.

### Internal audit's purpose

Internal audit provides independent, objective assurance and consulting activity designed to add value and improve the organisation's operations. It helps the organisation accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve the effectiveness of risk management, control and governance processes.

Internal audit acts primarily to provide the Audit Committee with the information necessary for it to fulfil its own responsibilities and duties. Implicit in internal audit's role is that it supports the organisation's management to fulfil its own risk, control and compliance responsibilities.

### Internal audit's authority

Internal audit staff are authorised to:

- ▶ Have full, free and unfettered access to all of the organisation's records, property, and personnel relevant to the performance of engagements; whilst being accountable for the confidentiality and safeguarding of such records and information.
- ▶ Obtain assistance from the necessary organisation's personnel in relevant engagements, as well as other specialised services from within or outside the organisation.

The Head of Internal Audit will have unrestricted access to the Audit Committee and retain the right to meet *in camera* with the Audit Committee, without management present.

Internal audit has no authority or management responsibility for any of its engagement subjects.

Internal audit will not make any management decisions or engage in any activity which could reasonably be construed to compromise its independence.

### Internal audit's responsibility

The Head of Internal Audit is responsible for all aspects of internal audit activity, including strategy, planning, performance, and reporting.

Internal audit will:

#### Strategy

- ▶ Develop and maintain an Internal Audit Strategy
- ▶ Review the Internal Audit Strategy at least annually with management and Audit Committee.

# Appendix V

## Internal audit charter

### Planning

- ▶ Develop and maintain an Internal Audit Plan to fulfil the requirements of this Charter and the Internal Audit Strategy
- ▶ Engage with management and consider the organisation's strategic and operational objectives and related risks in the development of the Internal Audit Plan
- ▶ Review the Internal Audit Plan periodically with management and adjust the plan as necessary to respond to any changes in business risks, operations, systems and controls
- ▶ Present the Internal Audit Plan, including updates, to the Audit Committee for periodic review and approval
- ▶ Prepare an internal audit budget sufficient to fulfil the requirements of this Charter, the Internal Audit Strategy, and the Internal Audit Plan
- ▶ Submit the internal audit budget to the Audit Committee for review and approval annually
- ▶ Coordinate with and provide oversight of other control and monitoring functions, including risk management, compliance and ethics, and external audit
- ▶ Consider the scope of the work of other assurance providers for the purpose of providing optimal audit coverage to the organisation.

### Performance

- ▶ Implement the Internal Audit Plan
- ▶ Maintain professional resources with sufficient knowledge, skills and experience to meet the requirements of this Charter, the Internal Audit Strategy and the Internal Audit Plan
- ▶ Allocate and manage resources to accomplish internal audit engagement objectives

- ▶ Establish and maintain appropriate internal auditing procedures incorporating best practice approaches and techniques
- ▶ Monitor delivery of the Internal Audit Plan against the budget
- ▶ Ensure the ongoing effectiveness of internal audit activities
- ▶ Ensure the principles of integrity, objectivity, confidentiality and competency are upheld.

### Reporting

- ▶ Issue a report to management at the conclusion of each engagement to confirm the results of the engagement and the timetable for the completion of management actions to be taken
- ▶ Provide periodic reports to management and the Audit Committee summarising internal audit activities and the results of internal audit engagements
- ▶ Provide periodic reports to management and the Audit Committee on the status of management actions taken in response to internal audit engagements
- ▶ Report annually to the Audit Committee and management on internal audit performance against the goals and objectives set out in the internal audit plan and any agreed key performance indicators
- ▶ Report as needed to the Audit Committee on management, resource, or budgetary impediments to the fulfilment of this Charter, the Internal Audit Strategy, or the Internal Audit Plan
- ▶ Inform the Audit Committee of emerging trends and issues that could impact the organisation.

# Appendix V

## Internal audit charter

### Independence and internal audit's position within the organisation

To provide for internal audit's independence, its personnel and any contractors will report to internal audit function, who reports to the Audit Committee. The Head of Internal Audit has free and full access to the Chair of the Audit Committee.

Internal audit reports administratively to the Chief Executive or their delegate the Head of Finance who provides day-to-day oversight.

The appointment or removal of internal audit will be performed in accordance with established procedures and subject to the approval of the Chair of the Audit Committee.

The internal audit service will have an impartial, unbiased attitude and will avoid conflicts of interest and perform engagements in such a manner that there are no quality compromises and judgement on audit matters is not subjugated to others.

If the independence or objectivity of the internal audit service is impaired, details of the impairment will be disclosed to either the CEO or the Chair of the Audit Committee, dependent upon the nature of the impairment.

The internal audit service is not authorised to perform any operational duties for the organisation; initiate or approve accounting transactions external to the internal audit service; or direct the activities of any the organisation employee not employed by the internal auditing service, except to the extent such employees have been appropriately assigned to service or to otherwise assist the internal auditor.

### Internal audit's scope

The scope of internal audit activities includes all activities conducted by the organisation. The Internal Audit Plan identifies those activities that have been identified as the subject of specific internal audit engagements.

*Assurance engagements* involve the objective assessment of evidence to provide an independent opinion or conclusions regarding an entity, operation, function, process, system or other subject matter. The nature and scope of the assurance engagement are determined by internal audit.

*Consulting engagements* are advisory in nature and are generally performed at the specific request of management. The nature and scope of consulting engagements are subject to agreement with management. When performing consulting services, internal audit will maintain objectivity and not assume management responsibility.

### Quality Assurance Improvement Programme (QAIP)

The internal audit function will maintain a QAIP. The programme will include an evaluation of the internal audit activity's conformance with The Standards and an evaluation of whether the internal auditors apply The IIA's Code of Ethics. The plan will assess the efficiency and effectiveness of internal audit and identify opportunities for improvement.

### Periodic reporting on compliance against Professional Standards

Internal audit will periodically report to the Audit Committee to:

- ▶ Confirm the independence of the function on at least an annual basis.
- ▶ Report annually on conformance with The IIA's Code of Ethics and the Standards.
- ▶ Confirm the maintenance of a QAIP, and
- ▶ Report on the results of internal assessments and the results of the external quality assessments (undertaken at least once every 5 years by a qualified, independent assessment team).

### Approval and validity of this Charter

This Charter shall be reviewed and approved annually by management and by the Audit Committee on behalf of the Board of the organisation.

# APPENDIX VI

## Internal Audit Working Protocols & Performance

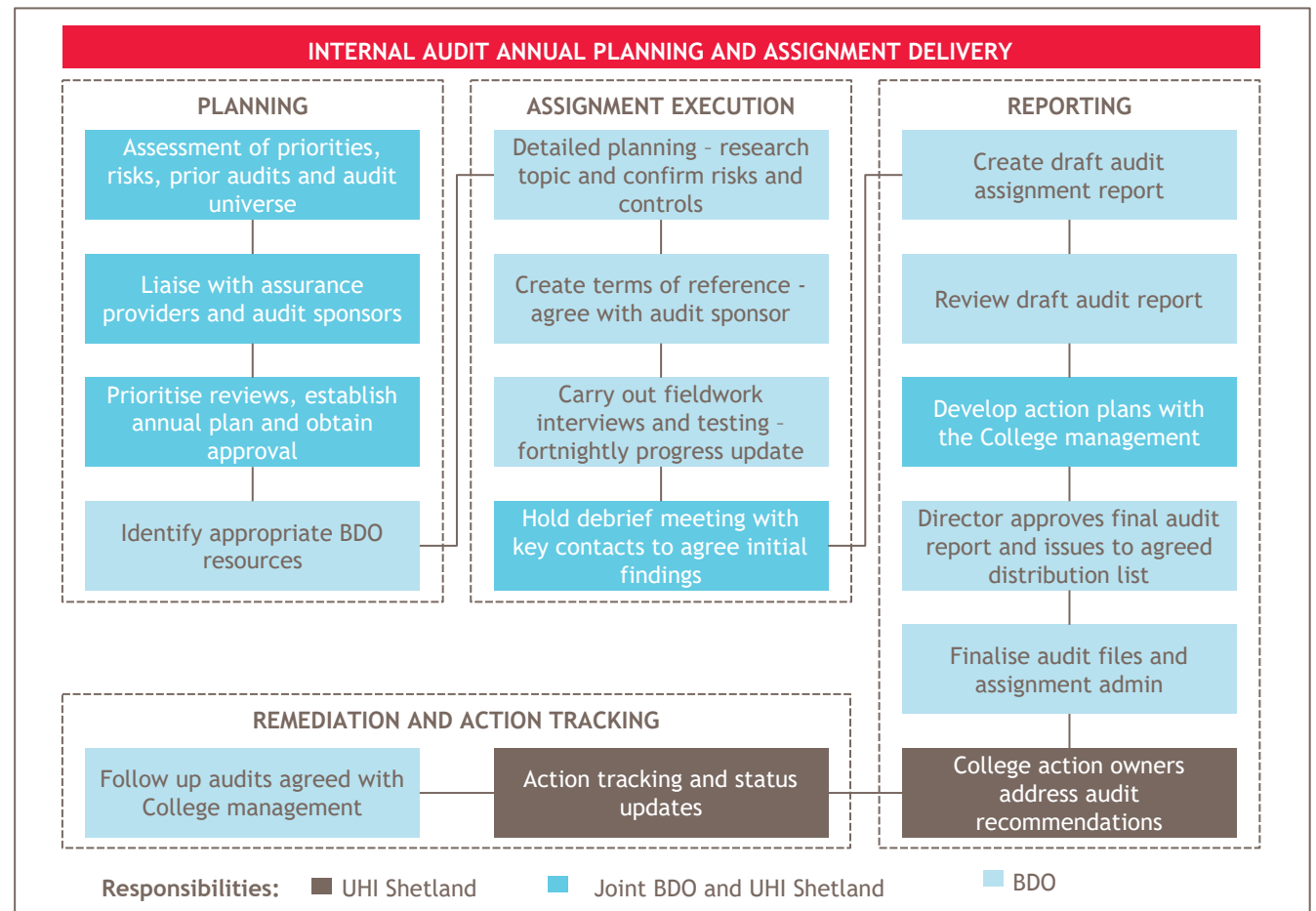
### Internal Audit Delivery

We summarise opposite the annual planning and assignment delivery model we will use at the College. The model journeys through the four main processes associated with internal audit delivery; audit planning, assignment execution, reporting, and finally, remediation and action tracking. We have illustrated throughout the process those responsible for each step.

A key aspect of our work is high quality reporting. It is important to note that it is always our intention that final reports do not contain any nasty surprises. Our approach is always to maintain regular communications with management throughout the audit and to notify the key audit contacts of any significant issues as they arise.

We annually agree with the Audit Committee the internal audit strategy and annual plan. We present the annual audit programme to the senior management team and feed their comments into our planning, and address audit work plans to management responsible for the area being audited to ensure proper ownership.

We liaise closely with the College's external auditors to identify areas where they may place reliance on our work, ensure the annual schedule is phased so as to provide maximum benefit and limit the impact on business operations.



# APPENDIX VI

## Internal Audit Working Protocols & Performance

### Working Protocols

The table below illustrates the key communication and reporting points between the College and Internal Audit, which we will be subject to regular review. Any future changes to the communication and reporting points will be reported to the Audit Committee for approval.

Table One: Liaison Meetings between Internal Audit and the College

Meeting	Frequency	Audit Committee	Head of Finance	Managers	Relevant Staff	External Audit
Internal Audit Liaison Meeting	Quarterly		✓			
Quality Assurance Meeting	As required		✓			
Liaison meeting with Chair of Audit Committee	As required	✓				
Audit Committee to discuss internal audit progress	As necessary	✓				
Meetings to raise immediate concerns	As necessary	✓	✓	✓	✓	
Meetings with External Audit	As necessary					✓

Table Two: Key reporting points between Internal Audit and the College

Meeting	Audit Committee	Head of Finance	Managers	Relevant Staff
Annual Internal Audit Plan	✓	✓	✓	✓
Individual Internal Audit Planning Documents			✓	✓
Draft Internal Audit Reports		✓	✓	✓
Final Internal Audit Reports	✓	✓	✓	✓
Quality Progress Reports	✓			
Annual Internal Audit Report	✓	✓		



# APPENDIX VI

## Internal Audit Working Protocols & Performance

### Performance Measurement

Performance measurement is the use of measures and associated targets to assess objectively the performance of a body. It is now well established as an important means of improving performance and reinforcing accountability. BDO LLP has been appointed as internal auditors to UHI Shetland, subject to satisfactory performance. Consequently there is value in reviewing the quality of our service on a regular basis.

### Internal Audit Performance measures and indicators

Internal audit performance can be assessed in two ways. Firstly, there is the ability for us to self assess our performance on a regular basis and report back to the Audit Committee on certain measures around inputs and satisfaction from those officers who have been subject to a review. Secondly, the view of the Audit Committee as to the value being received from its internal audit provider has to be taken into account. For our part we will look to report to the Audit Committee regularly on the internal audit inputs as detailed below.

The tables below contain performance measures and indicators that we consider to have the most value in assessing the efficiency and effectiveness of internal audit. We recommend that the Audit Committee approves the following measures which we will report to each meeting and / or annually as appropriate.

Table Three: Performance Reporting to each Audit Committee

Measure / Indicator
<p><b>Audit Coverage</b> Audits completed against the Annual Audit Plan Actual days input compared with Annual Audit Plan</p>
<p><b>Audit Planning and Reporting</b> Days to issue draft report after end of fieldwork</p>

### Management Performance Measures and Indicators

Management’s ability to respond efficiently to internal audit findings and recommendations helps the Audit Committee to form its own view of the internal control framework. Importantly, Management’s consideration of internal audit findings plays a contributory factor in our ability to deliver timely reports to the Audit Committee. We recommend, therefore, that the following measures are also reported to the Audit Committee.

Measure / Indicator	Timing
<p><b>Audit Reporting</b> Days for receipt of management responses</p>	As data becomes available





### Other Performance Measures




In addition to the above mentioned measures we will also provide the Committee with the results of other reviews of our internal audit service as and when they become available, including:

- Independent quality assurance reviews as required by the Chartered Institute of Internal Auditors (IIA); and
- BDO internal quality assurance reviews

# APPENDIX VII

## Opinion and Recommendation Significance Definitions

LEVEL OF ASSURANCE	DESIGN OF INTERNAL CONTROL FRAMEWORK		OPERATIONAL EFFECTIVENESS OF INTERNAL CONTROLS	
	Findings from review	Design Opinion	Findings from review	Effectiveness Opinion
<b>Substantial</b> 	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.
<b>Moderate</b> 	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.
<b>Limited</b> 	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.
<b>No</b> 	For all risk areas there are significant gaps in the procedures and controls. Failure to address in-year affects the quality of the organisation's overall internal control framework.	Poor system of internal control.	Due to absence of effective controls and procedures, no reliance can be placed on their operation. Failure to address in-year affects the quality of the organisation's overall internal control framework.	Non compliance and/or compliance with inadequate controls.

Recommendation Significance	
<b>High</b> 	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.
<b>Medium</b> 	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.
<b>Low</b> 	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.

# APPENDIX VIII

## UHI Shetland Risk Register Summary

Ref	RISK DESCRIPTION	Gross Risk	Residual Risk	Associated Audits	Other sources of Assurance
1	College does not achieve allocated HE student number targets.	16	12	Student Recruitment 22/23	Reporting to LTR Committee
2	College does not achieve allocated FE Credit targets.	16	12	Student Recruitment 22/23	Reporting to LTR Committee
3	The institution has a poor reputation.	12	9		
4	Disruption to services/projects and/or partnership working resulting from loss of a key staff member.	9	6	Workforce & Succession Planning 23/24	
5	Non-compliance with relevant statutory regulations	15	10	Data Protection 22/23 Health & Safety 23/24 Complaints Management 24/25	Annual audit of data register
6	Governance Failure	Not given a rating		Corporate Governance 23/24	
7	Financial failure/operating loss. Inability to achieve a balanced budget.	16	12		Reporting to FP&G Committee External audit
8	College estate not fit for purpose.	12	6		Capital Planning Group
9	Academic quality is sub-standard	3	1	Curriculum Planning 23/24	Reporting to LTR Committee
10	Poor Student Experience	6	4	Student Support 24/25	Reporting to LTR Committee
11	Research outputs are sub standard	9	9	Research Governance & Management 22/23	
12	Institutional, personal and sensitive data is corrupted, lost, stolen or misused or services are disrupted through malicious and illegal activities by external individuals or bodies.	12	6	Cyber Security 23/24	Asset Database Mandated training
13	Failure to act appropriately and timeously regarding progressing actions designed to achieve obligations to reduce emissions and to achieve net zero in the context of the climate emergency and in relation to all UHI activities and operations.	Not given a rating		Sustainability 24/25	

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