Item 07a

LEVEL OF ASSURANCE
Good

Glasgow Kelvin College

Environmental Sustainability

Internal Audit report No: 2023/02

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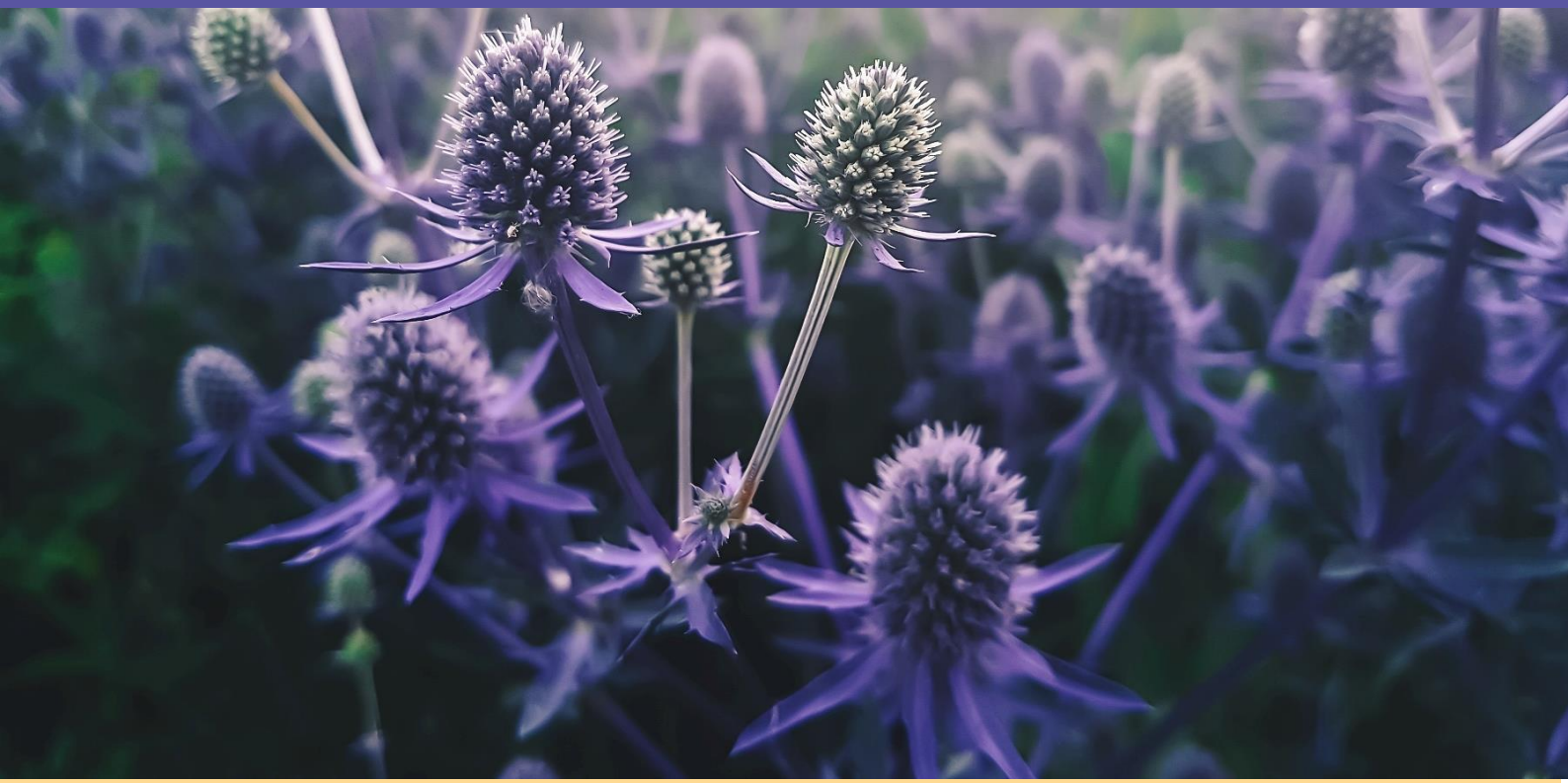

Henderson Loggie

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Level of Assurance

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

Gradings are defined as follows:

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

Action Grades

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

Management Summary

Overall Level of Assurance

Good	System meets control objectives.

Risk Assessment

This review focused on the controls in place to mitigate the following risks on the Glasgow Kelvin College ('the College') Risk Register:

2 GKC Identity: Lack of understanding or awareness of the critical part GKC plays in communities; don't communicate USP, underselling the College which could weaken the College's position in the Region. (risk rating: high);
4 Litigation / Compliance: Non-compliance with key legislative or regulatory requirements including COSHH (risk rating: medium);
5 Curriculum Relevance: Curriculum doesn't meet current or future needs of students, employers, or community partners, or the economy (risk rating: high); and
8 Environment: College fails to meet targets in relation to sustainability, e.g. Net Zero (risk rating: high).

Background

As part of the Internal Audit programme at the College for 2022/23 we carried out a review of the College's environmental sustainability arrangements. Our Audit Needs Assessment identified this as an area where risk can arise and where Internal Audit can assist in providing assurances to the Principal and the Audit and Risk Committee that the related control environment is operating effectively, ensuring risk is maintained at an acceptable level.

Part 4 of the Climate Change (Scotland) Act 2009 (hereafter referred to as 'the Act') places duties on public bodies relating to climate change. The duties on the face of the Act require that a public body must, in exercising its functions, act:

a) in the way best calculated to contribute to the delivery of the targets set in or under Part 1 of this Act;
b) in the way best calculated to help deliver any programme laid before the Scottish Parliament under section 53; and
c) in a way that it considers is most sustainable.

In doing so, public bodies must have regard to the guidance *Public Bodies Climate Change Duties: Putting Them Into Practice* issued by the Scottish Government in 2011.

In direct response to the international Paris Agreement, the Climate Change (Scotland) Act 2009 was amended by the Climate Change (Emissions Reduction Targets) (Scotland) Act 2019, increasing the ambition of Scotland's emissions reduction targets to net zero by 2045.

The SFC's latest guidance for the development of College Outcome Agreements notes that *'given the importance of climate emergency and net zero we will expect institutions to demonstrate innovative approaches in their response to the climate emergency with evidence of transformative leadership and capacity building within institutions, including organisation-wide net zero and sustainability plans. This includes referencing progress in institution wide carbon reduction targets, net zero strategies, and actions as civic anchors, in line with the Scottish Government interim statutory guidance, and statutory targets and measures under the Scottish Government climate change plan and adaptation programme.'*

Scope, Objectives and Overall Findings

This audit included a review of the College's current position with regard to its strategic plans and operational arrangements to ensure compliance with the Climate Change (Scotland) Act 2009 as amended by the Climate Change (Emissions Reduction Targets) (Scotland) Act 2019.

The table below notes each separate objective for this review and records the results:

Objective	Findings				
The specific objectives of this audit were to obtain reasonable assurance that:		**1**	**2**	**3**	**Actions in Progress**
		No. of Agreed Actions			
1. The College has established the carbon baseline position and has set out and communicated the climate change aspirations for the College.	**Good**	0	0	0	✓
2. Roles and responsibilities around climate change action and environmental sustainability have been clearly articulated.	**Satisfactory**	0	0	2	✓
3. There are appropriate targets, actions and milestones in place to demonstrate the steps the College is taking to contribute to climate change mitigation and to climate change adaptation, and to act sustainably.	**Good**	0	0	1	
4. There are appropriate arrangements in place to update the Board on the progress being made to deliver on actions around climate change and sustainability.	**Good**	0	0	1	✓
Overall Level of Assurance	**Good**	**0**	**0**	**4**	
		System meets control objectives.			

Audit Approach

Through discussion with the Director of Estates and Corporate Services, Head of Facilities and Environmental Sustainability, Environmental Sustainability Manager and the Regulations and Compliance Manager, and review of relevant documents, we examined the extent to which the above objectives are being met.

Summary of Main Findings

Strengths

- The College has signed up to the Scottish Colleges' '*Statement of Commitment on Climate Emergency*', which includes a climate change roadmap for Further Education colleges. The College is also a signatory of the Race to Zero Commitment for Colleges and Universities.
- The Estates and Sustainability Strategy, supported by the College's Climate Change Action Plan, the United Nations Sustainable Development Goals Action Plan and Race to Zero Action Plan, provides a high-level road map of intended direction and strategic objectives in relation to environmental sustainability, which includes the provision, operation and development of resources and services.
- The College is required to submit Climate Change Action Plans and report on carbon emissions to the Scottish Government annually. The College is fully compliant with the reporting requirements specified in the Climate Change (Scotland) Act 2009.
- The College has recruited a dedicated Environmental Sustainability Manager, demonstrating its commitment to addressing climate change and sustainability challenges.
- The College has clearly articulated its sustainability ambitions and objectives in the Strategic Plan which is supported by the Estates and Sustainability Strategy.
- The College has implemented a range of sustainable practices relating to waste management, travel and energy reduction.
- We noted evidence of embedding sustainability within courses and teaching practices.
- In 2021/22, carbon emissions at the College reduced by 12% compared with 2020/21 figures, and fell by 60% since the baseline year of 2014/15.

Opportunities for Improvement

No significant weaknesses were identified during our review. Several opportunities for enhancing existing practices have been included within this report, including:

- In order to drive optimal benefit, from the work already completed, we have identified an opportunity for the College to further leverage the available resources to progress the sustainability and carbon management agenda going forward. Therefore, we have recommended that the College establishes a network of Sustainability Champions who can help share good practice and help staff become aware of initiatives happening within the College or wider sector etc;
- There should be a clear link between the Estates and Sustainability Strategy and the other strategies of the College. From our review of a sample of College strategies we found that there is not an obvious or clear link between these strategies and the Estates and Sustainability Strategy, with most strategies silent on sustainability. To ensure that sustainability is embedded within the whole College, its strategies should be aligned and take cognisance of the Estates and Sustainability Strategy;
- The College has installed a Building Energy Management System (BEMS) – installed by Mitie Energy several years ago. The BEMS allows reporting of energy usage across the College estate. During our audit discussions we noted weaknesses in the BEMS in that it isn't currently reporting all of the data that the College requires for monitoring energy consumption. We have recommended that adequate training is provided to Estates and Facilities staff on how to optimally configure the BEMS to allow the College to collect, interpret and report appropriate data on energy consumption; and
- From our review of the covering reports presented to the Board and Sub-Committees, we found that these do not include a section on the assessment of the impact of the report subject matter on climate change and environmental sustainability. We have recommended that going forward the College includes a section on the covering paper to the reports being presented at the Board / Sub-Committee meetings relating to an assessment of the climate impact of the activity being reported. This will help focus people's minds on sustainability and carbon emissions.

Acknowledgments

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

Main Findings and Action Plan

Objective 1: The College has established the carbon baseline position and has set out and communicated the climate change aspirations for the College.

The College's sustainability agenda is based mainly on the following:

- Climate Change (Scotland) Act 2009 as amended by the Climate Change (Emissions Reduction Targets) (Scotland) Act 2019
- Scottish Colleges Statement of Commitment on the Climate Emergency
- College Strategic Plan 2022 – 2027
- Estates and Sustainability Strategy 2022 -2027

The College has signed up to the Scottish Colleges' '*Statement of Commitment on Climate Emergency*', which includes a climate change roadmap for Further Education colleges. The College is also a signatory of the Race to Zero Commitment for Colleges and Universities.

The Estates and Sustainability Strategy aims to address climate change in the development and maintenance of the College estate, seeking to engage new methods and technologies to assist in reducing the College's carbon footprint. The three key strategic priorities of the Strategy are:

- Develop campus buildings to create appropriate learning & teaching environments.
- Develop a 'Green Kelvin'.
- Grow and develop sustainable transportation.

These priorities, and associated strategic objectives, directly support the 17 United Nations (UN) Sustainability Development Goals (SDGs) which enable positive environmental, social and economic development.

From our review of the Estates and Sustainability Strategy, which is supported by the College's Climate Change Action Plan, the UN SDGs Action Plan and Race to Zero Action Plan, we noted that the College has developed a high-level road map of intended direction and strategic objectives in relation to environmental sustainability, which includes the provision, operation and development of resources and services. The Strategy includes the College's target of being net carbon zero by 2045 in line with the Scottish Government's current requirement. Through discussions with staff, we noted that the College hopes to strengthen this ambition and is aiming to achieve net carbon zero by 2040, however it recognises that early achievement of its targets is largely dependent on availability of future funding for sustainability projects. The Estates and Sustainability Strategy identifies how the success of the strategy will be measured, although it does not include any specific key performance indicators (KPIs) relating to how success will be measured. However, more specific and measurable KPIs are identified in each of the action plans referenced above.

The College's sustainability plan includes actions to tackle the College's direct emissions and indirect emissions from the supply chain, financial investments, and the way that staff and students travel to and from the College.

Objective 1: The College has established the carbon baseline position and has set out and communicated the climate change aspirations for the College (continued)

The College's carbon emissions are reported to the Scottish Government every year. These are peer reviewed by other organisations. The College is therefore meeting its legislative responsibility in relation to reporting its carbon emissions. In Academic Year 2015/16 the College prepared its first Climate Change Action Plan (CCAP) and reported on its environmental performance from Academic Year 2014/15 onwards as part of the Scottish Government Public Bodies Climate Change Duties Reporting. The College is required to submit Climate Change Action Plans and report on carbon emissions to the Scottish Government annually. The College is fully compliant with the reporting requirements specified in the Climate Change (Scotland) Act 2009. It now has several years of carbon emissions data.

The College has already implemented the following:

- Reviewing its water usage.
- Lighting replacements, switching to low energy bulbs.
- Developing a fleet of campus electric vehicles.
- Energy audits have been carried out.
- Removing all single use plastic cups.
- Ensuring the College waste contractor recycles a high percentage of waste in order to reduce the amount going to land fill, with some also being processed into energy. The College has developed a good relationship with its waste contractor who have provided sustainability tool box talks to cleaning contractors on recycling and waste sorting. The College was exploring how tool box talks could be extended to students and staff.
- Developing a green transport plan, including developing cycle friendly campuses. Springburn has been recognised for cycle initiatives by Cycle Scotland and the College has also achieved a Cycle Friendly Campus award for three campus locations. The Velocity Hub is built on the Springburn Campus and provides cycle repair workshops and guidance on cycle routes to / from College. The College has a small number of cycles which it loans to staff and students, including electric bikes for staff to travel between campuses. New cycle shelters have been built to accommodate the increase in staff and student interested in cycling to campus. Staff also have access to the Cycle to Work scheme which can be used to purchase cycles and equipment.
- Grey water usage.
- Planned estates and facilities replacements with sustainable / carbon neutral items.

The College Environmental Sustainability Manager continues to develop actions to address the wider sustainability agenda including the following:

- Working with teaching faculties to embed sustainability into the curriculum.
- The Construction department has reviewed how it uses materials, such as wood in the joinery and carpentry classes, to reduce waste. Similar recycle and reuse initiatives have been implemented in other departments, including Fashion and Textiles.
- The hairdressing courses have investigated the recycling of hair and materials such as foils.
- Working with the Students Association to help introduce new initiatives and get the student body involved.
- Upcycling initiatives involving staff and students.
- Green energy sources been developed at the College in previous years, including biomass and wind turbines, although with limited degree of success, and the feasibility of further projects such as solar panels are being investigated at each campus.
- The College plans to develop a Green Academy at the Easterhouse campus which will focus on sustainable skills training and practices.

Objective 2: Roles and responsibilities around climate change action and environmental sustainability have been clearly articulated.

We noted evidence of embedding sustainability within courses and teaching practices. The Environmental Sustainability Manager has been liaising with academic staff to explore how sustainability can either form part of learning or what sustainable practices can be implemented. At the time of our audit the Environmental Sustainability Manager was conducting a sustainability audit / mapping exercise across the curriculum to identify what practices are already in place and to identify further opportunities for improving or implementing new practices. The Staff Development Day in 2022 included a session on '*embedding sustainability in the curriculum'* panel event which allowed staff the opportunity to highlight and share existing practice. We noted that a *'Sustainability in the Curriculum'* discussion group meeting was scheduled to be held for first time in February 2023, and to then meet monthly thereafter.

There is an Estates and Sustainability Working Group in place. The membership of the group includes representation from across the College, the Trade Unions and the Students Association.

We noted that the College sustainability actions are not restricted to the College alone, and the Environmental Sustainability Manager has been working with the Glasgow Colleges Regional Board (GCRB) as part of a regional project to understand staff and students' views on sustainability across Glasgow. The project is in its early stages, but GCRB aims to develop a survey and issue later in 2023.

Objective 2: Roles and responsibilities around climate change action and environmental sustainability have been clearly articulated (continued)

Observation	Risk	Recommendation	Management Response	
From our review we found that the main person responsible for sustainability and carbon management is the Director of Estates and Corporate Services, who is supported by the Environmental Sustainability Manager, Head of Facilities and Environmental Sustainability, the Estates and Sustainability Working Group and the Regulations and Compliance Manager. The Environmental Sustainability Manager is responsible for taking forward projects, raising awareness, and finding new initiatives for the College in terms of sustainability and carbon management. The College has engaged with staff and students to ensure that views are considered in terms of sustainability and carbon management objectives and activities. There is scope however for staff involvement in sustainability objectives to be further embedded through establishment of a network of Sustainability Champions.	There is a risk that the College is not fully utilising the resources it has in terms of taking its sustainability and carbon management agenda forward.	**R1** We recommend that the College establishes a network of Sustainability Champions who can help share good practice and help staff become aware of initiatives happening within the College or wider sector etc.	**Recommendation Accepted.** A similar approach has been adopted for the Data Protection Privacy Network across the College and this works very well. **To be actioned by:** Director of Estates and Corporate Services / Head of Facilities and Environmental Sustainability and Environmental and Sustainability Manager **No later than:** 31 May 2023	
			Grade	**3**

Objective 2: Roles and responsibilities around climate change action and environmental sustainability have been clearly articulated (continued)

Observation	Risk	Recommendation	Management Response
There should be a clear link between the Estates and Sustainability Strategy and the other strategies of the College. From our review of a sample of College strategies we found that there is not always an obvious or clear link between these strategies and the Estates and Sustainability Strategy with most strategies currently silent around the topic of sustainability. To ensure that sustainability is embedded within the whole College, its strategies should be aligned and take cognisance of the Estates and Sustainability Strategy. The Estates and Sustainability Strategy is aligned with the Strategic Plan 2022-2027 in terms of the College's ambition and objectives regarding environmental sustainability. A good environmental sustainability strategy would go further with all sub strategies also adopting a similar alignment, however we noted that the ICT Digital Transformation Strategy 2020-2025 and Learning, Teaching and Assessment Strategy do not make reference to the environmental sustainability or climate change goals.	There is a risk that sustainability and carbon management is not embedded throughout the whole College.	**R2** We recommend that the College ensures that all its strategies take cognisance of its sustainability and climate change objectives and ambitions. This will help embed sustainability and carbon management throughout the whole of the College.	**Recommendation Accepted.** Strategies will be reviewed at next review dates and sustainability embedded as appropriate. **To be actioned by:** SMT **No later than:** 31 July 2024 **Grade** **3**

Objective 3: There are appropriate targets, actions and milestones in place to demonstrate the steps the College is taking to contribute to climate change mitigation and to climate change adaptation, and to act sustainably.

The College completes the Public Bodies Climate Change Duties Reporting to the Scottish Government on an annual basis, which includes reporting of carbon emissions data. The 2019/20 and 2020/21 figures were impacted by Covid-19 lockdown restrictions and closure of the College campuses which helped the reduction of carbon emissions in both years. The report for 2021/22 shows that annual carbon emissions have continued to reduce and, for Academic Year 2021/22, fell by 12% compared with 2020/21 figures, marking a very positive performance given that carbon emissions were expected to increase in 2021/22 reflecting the re-opening of College campuses and the wider return of staff and students. Improvements in waste management and energy saving initiatives have contributed to the reduction.

Information also reported in the 2021/22 Public Sector Climate Change Duties Report included:

- Current levels of carbon emissions at the College have fallen by 60% since the baseline year of 2014/15.
- Grid electricity usage fell by 17% during 2021/22 (this followed an increase of the same magnitude during 2020/21.
- Gas usage during 2021/22 fell by a further 2.7% following a fall of 13.47% recorded in 2020/21.
- There has been a sharp decrease of some 75% in the use of private cars since pre-pandemic levels recorded in 2019/20.
- Emissions associated with waste continue to fall while the amount of waste material being recycled has increased.

As reported within the Public Sector Climate Change Duties Report, the five main targets for the College during Academic Year 2022/23 are:

1. Increase the Active Travel modal share of the College. Driving this forward will involve the promotion and use of eBikes.
2. The Environment and Sustainability Manager to embed sustainability into Learning and Teaching at the College.
3. Implement actions of the College revised Climate Change Action Plan and Estates and Sustainability Strategy to further improve carbon footprint reporting, identification of climate change risks, and subsequent mitigation strategies.
4. Increase the profile of the College's Estates and Sustainability Working Group with further development of the Sustainability section of the College website.
5. Progress proposals for the development and installation of a ground source heat pump at Springburn campus.

The Environmental Sustainability Manager’s remit also includes identification of funding availability for sustainability projects. Real terms reductions in core grant funding from the SFC combined with challenging economic conditions means that sustainability projects have to be financed through cost saving activities in other areas. Limited funding is available through national bodies such as Transport Scotland, although the College is required to make a business case for such funding which is limited and competitive.

Objective 3: There are appropriate targets, actions and milestones in place to demonstrate the steps the College is taking to contribute to climate change mitigation and to climate change adaptation, and to act sustainably (continued)

Observation	Risk	Recommendation	Management Response
The College has installed a Building Energy Management System (BEMS) – installed by Mitie Energy several years ago. The BEMS allows reporting of energy usage across the College estate. During our audit discussions we noted weaknesses in the BEMS in that it isn't currently reporting all of the data that the College requires for monitoring energy consumption. The BEMS provides an energy usage dashboard to the Head of Estates and Facilities for electricity, water and gas split by day, week, month which is used primarily to inform calculation of costs. The BEMS is largely used in a reactive way to identify consumption issues such as water leaks, and not proactively in a preventive way such as analysing incremental changes in consumption which may identify negative trends in energy usage or energy bleeding indicative of plant, equipment or infrastructure damage. We noted that the BEMS hasn't been configured to optimise the data collection and reporting, and that College staff haven't been fully trained on how to obtain and interpret the data. Metre readings are taken manually by Estates and Facilities staff as an alternative monitoring solution.	The BEMS hasn't been configured to optimise the data collection and reporting of energy consumption. Opportunities are missed to proactively identify and respond to problems with energy usage across the College estate.	**R3** Ensure that adequate training is provided to Estates and Facilities staff on how to optimally configure the BEMS to allow the College to collect, interpret and report appropriate data on energy consumption.	**Recommendation Accepted**. Some training was given by Mitie prior to the COVID-19 lockdown period, however, the passage of time means that refresher training would be welcome and would also allow proper interrogation of the BEMS system in order that it can be used to maximum effect. **To be actioned by:** Head of Facilities and Environmental Sustainability / Environmental and Sustainability Manager **No later than:** 31 July 2023 **Grade** **3**

Environmental Sustainability

Objective 4: There are appropriate arrangements in place to update the Board on the progress being made to deliver on actions around climate change and sustainability.

The Finance and Resources Committee is the Board Sub-Committee which receives the update reports on capital and sustainability. These reports are presented quarterly at the Sub-Committee meetings. It is the Director of Estates and Corporate Services and the Head of Facilities and Environmental Sustainability who are the lead on these reports. The reports provide an update on the work undertaken in terms of sustainability by the College since the last report.

The Public Bodies Climate Change Duties Reporting information is reported to the Senior Management Team, the Finance and Resources Committee and to the Board on an annual basis, with data being collated annually to enable this to be produced. Whilst this ensures that the College meets the requirements of the Climate Change (Scotland) Act 2009, we discussed with management that there was scope for the Public Sector Climate Change Duties report to include graphical trend analysis to show the how the College is performing year on year in reducing energy consumption and carbon emissions. In addition, we noted that reporting to management and the Board is currently restricted to annually, and there is an opportunity to move to quarterly reporting to improve the effectiveness of oversight and monitoring controls, as well as to improve the visibility of the College performance. Management informed us that it can take some time to collate the required data prior to the completion of the report and so annual reporting will be maintained, although quarterly reporting will be kept under consideration by management. The College continues to develop the use of Power BI to enhance its data reporting capability, and this will be used to produce graphical trend analysis for reports on energy consumption and carbon emissions.

Objective 4: There are appropriate arrangements in place to update the Board on the progress being made to deliver on actions around climate change and sustainability (continued).

Observation	Risk	Recommendation	Management Response
The impact on the climate of activities undertaken by the College should be considered and reported. From our review of the covering reports presented to the Board and Sub-Committees, we found that these do not include a section on the assessment of the impact of the report subject matter on climate change and environmental sustainability. Through our work with other public sector bodies, we have noted that several organisations are now including this assessment with all of the reports presented to Board / Sub-Committees to ensure that people are considering the sustainability and carbon management impact of its activities. This also helps keep this in the forefront of people's minds and may help to shape the way the College does things going forward towards 2045 and beyond.	There is a risk that the impact on climate change and sustainability is not fully considered by the College in all of its activities.	**R4** We recommend that going forward the College includes a section on the covering paper to the reports being presented at the Board / Sub-Committee meetings relating to an assessment of the climate impact of the activity being reported. This will help focus people's minds on sustainability and carbon emissions. We also recommend that for any projects / initiatives a section is added to the new project process to include an assessment on the climate and sustainability of undertaking the project / initiative.	**Recommendation Accepted**. This section will be included as suggested. **To be actioned by:** SMT **No later than:** 31 July 2023 **Grade** **3**

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