

Skype 4.30pm

AGENDA

1. Declarations of interest
2. Apologies

FOR APPROVAL

3. Minutes of meeting of 19 November 2019
Elements of the minute is exempt from disclosure under the Freedom of Information (Scotland) Act 2002 section 35(1)(a) and section 38(1)(b)
4. Matters Arising
5. External Audit Plan Ernst & Young
(Elements of paper 5 are withheld from publication on the Forth Valley College website under Section 33 Commercial Interests and the Economy of the Freedom of Information (Scotland) Act 2002.)
6. Internal Audit Plan 2020/21 MHA Henderson
Loggie

FOR DISCUSSION

7. FVC Guidance for Assessment Documentation Kenny MacInnes
8. Presentation of Internal Audit Reports MHA Henderson
Loggie
 - a) Business Development - Business Process Review
9. 2019/20 Internal Audit Plan Progress Report MHA Henderson
Loggie
10. Progress Report on Audit Recommendations Stephen Jarvie
Elements of the paper 10 are exempt from disclosure under the Freedom of Information (Scotland) Act 2002 section 35(1)(a) and section 38(1)(b)
11. Risk Management Alison Stewart
12. Review of Risk
13. Any other competent business

FOR INFORMATION

Forward Programme of Committee Business

Boardroom, Falkirk Campus (commencing at 4.30pm)

Present: Lorna Dougall (Chair)
Lindsay Graham (FVSAVP)
Beth Hamilton
Steven Torrie (Co-opted Member) exited after A/19/017

In Attendance: Alison Stewart, Vice Principal Finance and Corporate Affairs (VPFACA)
Stephen Jarvie, Corporate Governance and Planning Officer (CGPO)
Stuart Inglis, MHA Henderson Loggie
Steven Reid, Ernst and Young
Moira France, Finance Manager (FM) for A/19/016 and 017 only

A/19/016 Annual Report and Financial Statements 2018/19

The FM presented the annual report and financial statements for 2018/19.

She highlighted that, as in previous years, technical accounting treatments impacted on the presentation of the accounts. She referred members to page 12 of the accounts for a more insightful representation of the College's underlying financial position.

She informed members that the College continued to be a going concern and the College external auditors agreed formally with that assertion.

Members agreed to consider the draft external auditors report before confirming approval.

a) Following consideration of the draft external auditors report, members endorsed the Annual Report and Financial Statements 2018/19 for presentation to the Board of Management for approval

A/19/017 Draft External Audit Annual Report to the Board of Management

Steven Reid, Partner, Ernst & Young, presented the draft external auditor report to the Committees.

He provided an overview of the content in the report and confirmed that the report was a positive one with no matters requiring to be brought to the attention of the Committees.

He confirmed that he intended to issue an unqualified report on the accounts.

He thanked the finance team and College management for the high quality of the information provided to his team.

The VPFACA commented that the College had a positive underlying operating surplus position and that this had been agreed by SFC.

Members commented that the accounts were positive and recorded their thanks for the work done by the finance team.

Members queried the change in day's cash from last year to this. The VPFACA confirmed that this figure had been distorted owing to the drawdown of capital funding grant which was unspent at 31 July 2018.

Members queried the level of trade debtors and asked for an explanation for the increase. The FM noted that she did not have this information to hand and the VPFACA informed members that further information would be brought on this topic when the accounts were considered at the upcoming Board of Management meeting.

Members also commented on recent discussions at Board of Management level with senior management on measures being developed to support the long-term sustainability of the College.

a) Members endorsed the Draft External Audit Annual Report for submission to the Board of Management

A/19/018 Declarations of Interest

None

A/19/019 Apologies for Absence

Mandy Wright

A/19/020 Minutes of meeting of 5 September 2019

The minutes of the Meeting of 5 September 2019 were approved as an accurate record.

A/19/021 Matters Arising

None

A/19/022 Chairs Report to the Board

The Chair presented the annual report of the committee to the Board of Management, noting that this report outlines the work of the Committee for the previous academic year.

a) Members approved the submission of the report to the Board of Management

A/19/023 Ernst & Young Letter of Representation Response

The Chair presented members with the draft response to the annual letter from Ernst & Young seeking assurances from the Audit Committee.

Steven Reid noted that one element to the report referred to reliance upon the external auditor's opinion noting that, as this was a letter to the external auditors, this reference should be removed. Following discussion on the many sources of assurance available to the Committee, it was agreed to remove this reference.

- a) Members approved the Chair to submit the letter on behalf of the Committee

A/19/024 Risk Management Policy

The VPFA presented members with an update to the Risk Management Policy. She noted that the changes were minimal, and primarily related to changes in staff job titles.

- a) Members approved the updated Risk Management Policy

A/19/025 Internal Audit Progress Report

Stuart Inglis, MHA Henderson Loggie, presented a report on progress against the agreed internal audit plan and confirmed that this was proceeding in line with the agreed timescales.

- a) Members noted the content of the report

A/19/026 Presentation of Internal Audit Reports

Elements of Section A/19/026 of the minute is exempt from disclosure under the Freedom of Information (Scotland) Act 2002 section 35(1)(a) and section 38(1)(b)

[Redacted content]

Credits

Stuart Inglis presented the annual report which covered 2018/19 activity. He highlighted that this was a positive report and that he was able to give a clean opinion to the Committee. He noted that there was only one recommendation, which was minor.

a) Members noted the content of the report

Student Support Funds

Stuart Inglis presented the annual review of student support funding.

It was noted that some of the appendices to this report were not included in the papers and that these would be emailed to members for information.

He reported that the report had not identified any issues other than a small under claim by the College for Educational Maintenance Allowance (EMA) funding and informed members that this amount would be claimed in the November EMA claim.

a) Members noted the content of the report

A/19/027 Progress Report on Audit Recommendations

The CGPO presented members with an update on progress against audit recommendations since the last meeting.

He noted that there was only one live recommendation at this time in relation to counselling and highlighted that Scottish Government had recently announced funding to support College's in securing additional counselling staffing.

a) Members noted the content of the report

A/19/028 Risk Management

The VPFAA presented the risk register to members, noting that there had been no changes since it had been discussed at the Board strategic session at the end of August.

She highlighted that funding levels remained a red risk and members agreed that it was appropriate for it to remain at the level.

a) Members noted the content of the report

A/19/029 National Fraud Initiative

The VPFACA presented a report on the first year of National Fraud Initiative (NFI) activity within the College. She outlined the process used for NFI checks and confirmed to members that no issues of fraud had been identified.

a) Members noted the content of the report

A/19/030 Review of Risk

All risks were covered in their respective papers

A/19/031 Any Other Competent Business

The CPGO noted that members had indicated that the Committee should meet three times per year and sought approval to look for a date in early September 2020 for the third meeting.

The VPFACA noted that this timing would allow the Committee to consider the draft governance statement ahead of the Board meeting.

a) Members approved the addition of a third meeting in early September 2020

A/19/032 Private Discussion between Members and Auditors (Verbal)

The annual private meeting between the Committee and the Auditors was welcomed as an opportunity to raise concerns where they may arise but also an opportunity to further explore current issues of particular concern. No items of concern were raised.

All agreed that sector financial sustainability was a significant issue for all colleges. It was important to note that Forth Valley College was in a good financial position, particularly given the modern campus sites at Alloa and Stirling and the new Falkirk building, but national bargaining and changes to pensions were having a significant effect. Those present explored their personal views on how the sector, both FE and HE, could work together and noted that Forth Valley College already had strong relationships with a number of HE institutions which were of benefit to both.



Forth Valley College

Annual Audit Plan
Year ending 31 July 2020

Audit Committee - 21 May 2020



Building a better
working world

Contents

| Section | Auditor Responsibility | Page |
|-----------------------------|---|------|
| 1 Executive Summary | Summarise the purpose and key information for the 2019/20 audit | 03 |
| 2 Sector Developments | Provide a summary of the overall sector environment | 06 |
| 3 Financial Statement Risks | Summary of audit approach, materiality, risks etc. | 09 |
| 4 Wider Scope Audit Risks | Audit approach for reviewing the College's compliance with the wider public audit scope areas: <ul style="list-style-type: none">• financial position and arrangements for securing financial sustainability• suitability and effectiveness of corporate governance arrangements• effectiveness of performance management arrangements in driving economy, efficiency and effectiveness in the use of public money and assets | 19 |
| Appendices | Undertake statutory duties, and comply with professional engagement and ethical standards: Appendix A: Code of Audit Practice: responsibilities Appendix B: Auditor Independence Appendix C: Required communications with the audit committee Appendix D: Timing and deliverables Appendix E: Audit fees Appendix F: Additional audit information | 22 |

About this report

This report has been prepared in accordance with Terms of Appointment Letter from Audit Scotland dated 31 May 2016 through which the Auditor General for Scotland has appointed us as external auditor of Forth Valley College ("the College") for financial years 2016/17 to 2020/21. We undertake our audit in accordance with the Public Finance and Accountability (Scotland) Act 2000 and our responsibilities as set out within Audit Scotland's Code of Audit Practice (the Code), issued on 26 May 2016.

This report is for the benefit of the College and is made available to the Auditor General for Scotland and Audit Scotland (together the Recipients). This report has not been designed to be of benefit to anyone except the Recipients. In preparing this report we have not taken into account the interests, needs or circumstances of anyone apart from the Recipients, even though we may have been aware that others might read this report.

Any party other than the Recipients that obtains access to this report or a copy (under the Freedom of Information Act 2000, the Freedom of Information (Scotland) Act 2002, through a Recipient's Publication Scheme or otherwise) and chooses to rely on this report (or any part of it) does so at its own risk. To the fullest extent permitted by law, Ernst & Young LLP does not assume any responsibility and will not accept any liability in respect of this report to any party other than the Recipients.

Complaints

If at any time you would like to discuss with us how our service to you could be improved, or if you are dissatisfied with the service you are receiving, you may take the issue up with Stephen Reid who is our partner responsible for services under appointment by Audit Scotland, telephone 0131 777 2839, email sreid2@uk.ey.com. If you prefer an alternative route, please contact Steve Varley, our Managing Partner, 1 More London Place, London SE1 2AF. We undertake to look into any complaint carefully and promptly and to do all we can to explain the position to you. Should you remain dissatisfied with any aspect of our service, or with how your complaint has been handled, you can refer the matter to Diane McGiffen, Audit Scotland, 4th Floor, 102 West Port, Edinburgh, EH3 9DN. Alternatively you may of course take matters up with our professional institute. We can provide further information on how you may contact our professional institute.

1. Executive summary

Our key contacts:

Stephen Reid
Partner
sreid2@uk.ey.com

Olga Potapova
Manager
opotapova@uk.ey.com

Our independence
We confirm that we have undertaken client and engagement continuance procedures, which include our assessment of our continuing independence to act as your external auditor.

Purpose of this report

In accordance with the Public Finance and Accountability (Scotland) Act 2000, Audit Scotland appointed EY as the external auditor of Forth Valley College (the College) for the five year period 2016/17 to 2020/21.

This Annual Audit Plan, prepared for the benefit of College management and the Audit Committee, sets out our proposed audit approach for the audit of the financial year ending 31 July 2020, the fourth year of our appointment. In preparing this plan, we have updated our understanding of the College through planning discussions with management, review of relevant documentation and committee reports, and our general understanding of the environment in which the College is currently operating.

A key objective of our audit reporting is to add value by supporting the improvement of the use of public money. We aim to achieve this through sharing our insights from our audit work, our observations around where the College employs best practice and where processes can be improved. We use these insights to form our audit recommendations to support the College in improving its practices around financial management and control, as well as around key aspects of the wider scope dimensions of audit. These are highlighted throughout our reporting together with our judgements and conclusions regarding arrangements.

After consideration by the College's Audit Committee, the plan is provided to Audit Scotland and published on their website.

Scope and Responsibilities

We undertake our audit in accordance with the Code of Audit Practice (the Code), issued by Audit Scotland in May 2016; International Standards on Auditing (UK); relevant legislation; and other guidance issued by Audit Scotland. The Code sets out the responsibilities of both the College and the auditor, more details of which are provided in Appendix A.

Our Financial Statement Audit

We are responsible for conducting an audit of the financial statements of the College. We provide an opinion as to:

- whether they give 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 of the state of the College's affairs as at 31 July 2020 and its surplus or deficit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including FRS 102: The Financial Reporting Standard applicable in the UK and Ireland; and
- whether they have been properly prepared in accordance with the Further and Higher Education (Scotland) Act 1992 and directions made thereunder issued 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).

We also review and report on the consistency of the other information prepared and published by the College along with the financial statements.

Materiality

Materiality levels have been set at the planning stage of the audit as follows:

| Planning Materiality | Tolerable Error | Nominal amount |
|-------------------------------------|--|--|
| £735,000 | £550,000 | £35,000 |
| 2% of the College's net expenditure | Materiality at an individual account level | Level that we will report to committee |

Based on considerations around the expectations of financial statement users and qualitative factors, we apply a lower materiality level to the audited section of the Remuneration Report. We also apply professional judgement to consider the materiality of related party transactions to both parties.

Wider Scope audit

Our responsibilities extend beyond the audit of the financial statements. The Code requires auditors to provide judgements and conclusions on the four dimensions of wider scope public audit:

- Financial management;
- Financial sustainability;
- Governance and transparency; and
- Value for money

Our audit work over the wider scope audit dimensions complements our financial statements audit. We have updated our understanding of the risks impacting the College through discussions with management, review of relevant committee reports, and our knowledge of the education sector.

Audit Risk Dashboard

Key Financial Statement Risks

| | |
|--|---|
| <p>Fraud Risk: Risk of fraud in revenue and expenditure recognition</p> | <p>In accordance with ISA (UK) 240, we consider the presumed fraud risk in respect of improper income recognition. Due to the nature of SFC funding to the College, we have rebutted the risk of fraud around this specific income stream. We extend our work to consider the recognition of expenditure, in accordance with Practice Note 10, issued by the Financial Reporting Council, as applicable to public sector audit.</p> |
| <p>Fraud Risk: Misstatement due to fraud or error</p> | <p>As identified in ISA (UK) 240, management is in a unique position to perpetrate fraud due to the ability to manipulate accounting records directly or indirectly and prepare fraudulent financial statements by overriding controls that would otherwise appear to be operating effectively.</p> |
| <p>Inherent risks: Valuation of property, plant and equipment</p> | <p>The value of property, plant and equipment (PPE) represent significant balances in the College's financial statements. Management is required to make material judgemental inputs and apply estimation techniques to calculate the year-end balances recorded in the balance sheet.</p> |
| <p>Valuation of pension assets and liabilities</p> | <p>Accounting for the Local Government Pension Scheme involves significant estimation and judgement and therefore management engages an actuary to undertake the calculations on their behalf. ISAs (UK) 500 and 540 require us to undertake procedures on the use of management experts, the assumptions underlying fair value estimates, and the valuation of the College's share of scheme assets at the year end.</p> |

Wider Scope Risks

| | |
|--|---|
| <p>Financial Sustainability: Continuing financial pressures</p> | <p>The financial environment in which the College operates was already challenging, and the COVID-19 pandemic will result in further, significant financial pressures. It is anticipated that the College will be unable to fully deliver upon savings and income growth targets in 2019/20 due to the global pandemic. This will increase the financial pressures for future years and creates a significant risk that the College will not be able to develop viable and sustainable financial plans due to external factors.</p> |
|--|---|

2. Sector developments

In accordance with the principles of the Code, our audit work considers key developments in the sector. We obtain an understanding of the strategic environment in which the College operates to inform our audit approach.

COVID-19 update and future plans

COVID-19 is a new illness that can affect the lungs and airways. It's caused by a virus called coronavirus. The impact on education services, the changes to behaviour around public gatherings and social interaction, and the political and economic consequences have already been and will continue to be significant.

The situation in respect of COVID-19 and its impact on the UK is developing on an ongoing basis. At the time of preparing this plan (May 2020) there remains a significant degree of uncertainty over the scope and scale of the ongoing impact by the College's financial year end of 31 July 2020 and beyond. Considerations include:

- There has been significant disruption to the College's day to day operations as it faces changes to working practices and reductions in capacity as staff are required to self-isolate.
- Colleges have moved to remote learning where possible, and there remains significant uncertainty around when classroom based teaching can resume.
- While the SFC has outlined that they will not seek to recover funds for shortfalls against outcome agreement targets where these are related to COVID-19 for the academic year 2019-20, colleges are likely to experience a significant loss in income for 2019/20 with the loss of non-SFC income such as tuition fee income, commercial contracts, SDS apprenticeship income, catering and nursery income. While there will be some cost associated savings achieved through reduced activity, it is unlikely that this will entirely net off the impact on the colleges surplus or deficit for the year.
- The SFC has announced funding allocations for 2020/21 and colleges will shortly be updating their financial forecast through to 2025. This may require further revision and update as the College's financial position and commitments continue to be impacted, while it is not known the period over which the impact may be ongoing.
- In respect of the financial statements, COVID-19 will have a pervasive impact, and has the possibility to materially effect the majority of the College's yearend balances as well as the transactions through the last four months of the financial year.
 - There is likely to be a significant impact on the College's share of the Falkirk Council Pension Fund liability as its underlying asset valuations are materially impacted at 31 July 2020.
 - There may also be a material impact on the valuation of the College's property, plant and equipment.
 - The recognition of income will require greater judgement as the College assesses whether conditions have been met and/or services performed in full.
- Additional disclosures will be required throughout the financial statements to reflect the additional risks facing the College and how these have impacted the key judgements and estimates made in preparation of the financial statements, as well as the required narrative disclosures on how this has impacted performance, risk assessment and mitigation, and the College's future plans.

COVID-19 is expected to have a significant impact on the financial health of the College sector with significant reductions in both non-core SFC income and other income.

The impact of COVID-19 on the preparation of financial statements and audit

The Financial Reporting Council (“FRC”) has issued guidance for both auditors and preparers of the financial statements on issues arising from the COVID-19 pandemic. The guidance to date highlights the practical difficulties in preparing financial statements and performing audits in the new way of working. It is clear that auditors will be required to develop alternative audit procedures to gather sufficient, appropriate audit evidence.

The guidance is clear that the new way of working should not undermine the delivery of high quality financial statements preparation or quality audits, which should continue to comply fully with international auditing standards. Where additional time is required to complete audits due to ongoing and developing risks, it is important that this is taken to maintain audit quality rather than seeking to conclude early to meet arbitrary or regulatory deadlines.

Audit considerations at this time include:

- While the impact is unquantifiable at this time, audit processes will be subject to the same likely changes in working arrangements and possible reductions in capacity across both the College finance team and the audit team.
- We have outlined the planned timing for the key deliverables of the audit process in Appendix D. The current expectation is that this timetable will be impacted. While Audit Scotland has not yet issued revised audit deadlines for Further Education on the basis that circumstances will vary by audited body, they have recognised the likely impact this will have on the financial statements and audit process and encouraged ongoing dialogue. The Local Government deadlines have now been moved from September to November, and there is the potential for this to have an impact on further education deadlines.
- Our key audit risks and other matters for consideration have been outlined in this report based on our planning work to date, and our assessment at the time of drafting this plan is that the full impact of Covid-19 is still unknown. It is likely our consideration of audit risks will develop significantly in advance of the year end audit as more is understood around the impact. We will provide the Audit Committee with an update on key audits risks and other matters where they materially differ from this planning report in advance of the year end audit.

We will continue to work closely with management to consider the impact as it becomes better known and provide updates to the Audit Committee as appropriate. We will aim to take a pragmatic and flexible approach, while also recognising that strong financial management and good governance are more important than ever at this difficult time, over the financial year-end and into 2020/21.

The Financial Reporting Council highlighted that COVID-19 should not undermine the delivery of high quality audits.

Audit Scotland Colleges 2019

Audit Scotland published their Scotland's Colleges 2019 report in June 2019. The report considers both the financial health and performance of Scotland's colleges.

Scottish Government is providing around £99 million over three years to fund the additional costs from national bargaining.

The report highlights that the Scottish Government has been providing colleges with real-terms increases in revenue funding since 2016/17. However, the most recent increase for 2019/20 covers only the additional cost of harmonising staff terms and conditions, the cost of living pay increases and increases in employers' pension contributions. The proportion of non-government income, such as education contracts and other commercial income, has reduced. Colleges' ability to access other sources of funding, such as cash and arm's-length foundation (ALF) balances, is also reducing. As a result, the gap between colleges' income and expenditure is widening. 12 incorporated colleges were forecasting recurring financial deficits by 2022/23.

In 2019/20, capital funding for the sector has fallen to £47.6million (2018/19: £76.7million). Reduced capital spending creates a risk that the cost of urgently needed backlog maintenance increases. This in turn poses a potential risk to some colleges' ability to continue to deliver their core services in a safe environment, and to invest in new digital infrastructure to generate efficiencies and enhance the student experience. The Scottish Government is working with the Scottish Futures Trust and the SFC to identify an appropriate revenue funding model for future investment in the college estate

2020/21 Budget

The College outcome agreement funding allocations for Academic Year 2020/21 were announced by the SFC on 7 April 2020. The funding announcement recognised that the rapidly shifting environment, however it was felt that announcing the funding allocations would help provide some stability for the sector.

Key aspects of the funding announcement are:

- SFC's revenue budget for 2020/21 has increased by 6.9% from 2019/20
- Teaching funding has been increased by 5% (£23 million)
- Funding is provided towards pension costs over the 16 month period April 2020 to July 2021
- Student activity (credit) volume for the sector is broadly unchanged however there are some changes to individual college/regional targets
- Capital funding has decreased by £11.9million

The sector was experiencing significant financial challenges and while the full impact of COVID-19 is not yet apparent, it is recognised it will significantly add to the existing financial pressures faced and amendments to the 2020/21 budget are likely.

3. Financial Statement Risks

Introduction

The College's annual financial statements enables the College to demonstrate accountability for, and its performance in the use of its resources. They are prepared in accordance with proper accounting practice and applicable law.

Audit Opinion

We are responsible for conducting an audit of the financial statements of the College. We will provide an opinion on the financial statements as to:

- whether they give 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 of the state of the College's affairs as at 31 July 2020 and its surplus or deficit for the year then ended;
- have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including FRS 102: The Financial Reporting Standard applicable in the UK and Ireland; and
- whether they have been properly prepared in accordance with the Further and Higher Education (Scotland) Act 1992 and directions made thereunder issued 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).

We also review and report on the consistency of the other information prepared and published by the College along with the financial statements.

Other Statutory Information

The management commentary and narrative reporting continues to be an area of increased scrutiny as a result of rising stakeholder expectations, including continuing interest by the Financial Reporting Council. We will continue to work with the finance team and management to support the improvement of the financial statements, including narrative disclosures, in 2019/20.

We will work with the Finance Team to support further improvements in the quality of the financial statements.

Audit Approach

We determine which accounts, disclosures and relevant assertions could contain risks of material misstatement.

Our audit involves:

Identifying and assessing the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.

Obtaining an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the College's internal control.

Evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

Concluding on the appropriateness of management's use of the going concern basis of accounting.

Evaluating the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Obtaining sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the College.

Reading other information contained in the financial statements, including the board's statement that the annual report is fair, balanced and understandable, the Audit Committee reporting appropriately addresses matters communicated by us to the Committee and reporting whether it is materially inconsistent with our understanding and the financial statements.

Maintaining auditor independence.

Substantive tests of detail of transactions and amounts. For 2019/20 we plan to follow a predominantly substantive approach to the audit as we have concluded this is the most efficient way to obtain the level of audit assurance required to conclude that the financial statements are not materially misstated.

Materiality

For the purposes of determining whether the financial statements are free from material error, in accordance with ISA (UK) 320 we define materiality as the magnitude of an omission or misstatement that, individually or in the aggregate, in light of the surrounding circumstances, could reasonably be expected to influence the economic decisions of the users of the financial statements.

Our evaluation of it requires professional judgement and necessarily takes into account qualitative as well as quantitative considerations implicit in the definition. We would be happy to discuss expectations regarding our detection of misstatements in the financial statements if required.

| Materiality Level | Rationale |
|---|---|
| Planning Materiality £735,000 | Planning materiality (PM) – the amount over which we anticipate misstatements would influence the economic decisions of a user of the financial statements. For planning purposes, materiality for 2019/20 has been set at £735,000. This represents approximately 2% of the College's expenditure for the year. |
| Tolerable Error £550,000 | Tolerable error (TE) – materiality at an individual account balance, which is set so as to reduce to an acceptably low level that the aggregate of uncorrected and undetected misstatements exceeds PM. We have set it at £550,000 which represents 75% of planning materiality. |
| Summary of Audit Differences £35,000 | Summary of Audit Differences (SAD) Nominal amount – the amount below which misstatements whether individually or accumulated with other misstatements, would not have a material effect on the financial statements. The Code requires that auditors report at no more than £250,000. We have set it at £35,000, which represents 5% of planning materiality. |

The bases for the materiality outlined are consistent with our approach in previous years. However, we are still in the process of considering the impact of Covid-19 on this year's audit, and therefore these figures may be reduced to reflect the pervasive additional risk to the College's financial statements and the significant impact Covid-19 has had on the stability of the sector generally. We will report changes to our materiality as part of our updated planning reporting and our yearend Annual Audit Report in due course.

Our evaluation requires professional judgement and so takes into account qualitative as well as quantitative considerations implied in the definition. Factors which we consider include the perspectives and expectations of users of the financial statements as well as our risk assessment as to the likelihood of material misstatements arising in the financial statements.

Based on these considerations, we apply lower materiality levels to the following areas we consider to be material by nature rather than size:

- Remuneration Report; and
- Related Party Transactions.

We will therefore review the disclosures related to the above areas in greater detail compared to the materiality thresholds outlined above.

Significant Risks

We have set out the significant risks (including fraud risks) identified for the current year audit along with the rationale and expected audit approach. The risks identified may change to reflect any significant findings or subsequent issues we identify during the audit.

Significant Risk - Risk of fraud in income and expenditure recognition

Under ISA 240 there is a presumed risk that income may be misstated due to improper recognition of revenue. In the public sector, this requirement is modified by Practice Note 10, issued by the Financial Reporting Council, which means we also consider the risk that material misstatements may occur by the manipulation of expenditure recognition.

Other than Income and expenditure recognition, we have not identified any specific areas where management override will manifest as a significant fraud risk, however we will continue to consider this across the financial statements throughout the audit.

Given the nature of Scottish Funding Council (SFC) core teaching grant to the College, we rebut the presumed revenue recognition risk for this income stream. However we recognise a revenue recognition risk for other SFC grants where performance conditions are in place, tuition fee income and other grants and operating income in respect of possible manipulation of cut-off around the financial year end.

We also recognise the same risk around incorrect recognition of other operating expenditure in line with Practice Note 10.

Work we will perform:

- review and test all relevant income and expenditure policies against the relevant accounting standards and SORP
- review, test and challenge management around any accounting estimates on income and expenditure recognition for evidence of bias
- develop a testing strategy to test material income and expenditure streams
- test all material grant income with performance conditions to ensure the income is recognised correctly in line with the outlined requirements
- review and perform focused testing on income and expenditure around the year end to ensure correct recognition around cut-off between financial periods.

Fraud Risk – Misstatement due to fraud or error

Management has the primary responsibility to prevent and detect fraud. It is important that management, with the oversight of those charged with governance, has put in place a culture of ethical behaviour and a strong control environment that both deters and prevents fraud.

The risk of management override is pervasive to the audit and impacts the testing of all areas. Our responsibility is to plan and perform audits to obtain reasonable assurance about whether the financial statements as a whole are free of material misstatements whether caused by error or fraud.

As auditors, we approach each engagement with a questioning mind that accepts the possibility that a material misstatement due to fraud could occur, and design the appropriate procedures to consider such risk. This takes account of the fact that management are in a unique position to override controls which otherwise appear to be operating effectively.

Based on the requirements of auditing standards our approach will focus on:

- identifying fraud risks during the planning stages
- inquiry of management about risks of fraud and the controls put in place to address those risks including segregation of duties
- consideration of the effectiveness of management's controls designed to address the risk of fraud
- determining an appropriate strategy to address those identified risks of fraud
- performing mandatory procedures regardless of specifically identified fraud risks, including testing of journal entries and other adjustments in the preparation of the financial statements
- specific focus on the accounting for any identified key areas of judgement and estimates in the financial statements and significant and unusual transactions. This will include consideration of any provisions requiring to be made as at the balance sheet date for any restructuring arrangements entered into by the College.

We will report our findings in these areas to you within our 2019/20 Annual Audit Report.

Inherent Risk – Valuation of Property, Plant & Equipment

The College's property portfolio totals £101.6 million as at 31 July 2019, with the major elements of this being in respect of land and buildings. Land and buildings are revalued to fair value with a full revaluation taking place at least every five years. A full valuation of the Alloa and Stirling campuses was undertaken as at 31 July 2019 and during 2019/20, management is planning to perform a full valuation of the newly completed Falkirk campus.

The valuation of property, plant and equipment is assessed as an inherent risk. Management involves specialists in the preparation of these accounting valuations. We utilise our own specialists, as appropriate, to support the core audit team in the performance of audit procedures on these balances.

The College has recently completed construction of a new £78 million Falkirk Campus with management intending to commission a valuation as at 31 July 2020.



Given the size of this balance and the number of assumptions that are made in the valuation, we assign a higher inherent risk to property, plant and equipment.

We do not, however, at the planning stage have any specific concerns over management's approach to property valuations.

Our approach will focus on:

- analysis of the source data and inquiries as to the procedures used by management's specialist to establish whether the source data is complete
- assessment of the reasonableness of the assumptions and methods used, including their compliance with the SORP
- consideration of the appropriateness of the timing of when the specialist carried out the work
- assessment of whether the substance of the specialist's findings are properly reflected in the financial statements
- assessment of the potential for impairment across the College estate that has not been reflected in the financial statements or most recent formal valuation
- detailed testing of the assets under construction balance at the yearend, ensuring costs capitalised meets the capitalisation criteria under the applicable financial reporting framework.

Inherent Risk – Valuation of Pension Liabilities

The College participates in two pension schemes: the Local Government Pension Scheme (Falkirk Council Pension Fund (FPF)), and the Scottish Teachers Superannuation Scheme (STSS). While both are defined benefit pension schemes, the College is unable to identify its share of the underlying assets and liabilities of the STSS scheme on a consistent and reasonable basis and therefore, the scheme is accounted for as if it were a defined contribution scheme.

The Further and Higher Education SORP and the SFC Accounts Direction require the College to make extensive disclosures within the financial statements regarding its membership of the Falkirk Council Pension Fund. The information disclosed is based on the report issued by the College's actuary.

Falkirk Council Pension Fund is accounted for as a defined benefit scheme. The net pension liabilities on the balance sheet arising from participation in the scheme at 31 July 2019 were £14 million.

In addition the College recognises a provision for future early retirement liabilities - £6.9 million as of 31 July 2019.

Accounting for this scheme involves significant estimation and judgement and the College engages an actuary to undertake the calculations on their behalf.

ISAs (UK) 500 and 540 require us to undertake procedures on the use of management experts and the assumptions underlying fair value estimates.

Our approach will include:

- obtaining an actuarial report at the year end date for the scheme and considering the reasonableness and consistency of assumptions underpinning such reports, in light of guidance available
- performing substantive testing on the verification of the pension assets, by engaging with the auditors of Falkirk Council Pension Fund in line with the assurance protocols laid out by Audit Scotland for IAS 19
- assessing the work of the actuaries, including the assumptions they have used by engaging internal actuarial specialists to provide input on the consistency and appropriateness of assumptions underpinning the valuation of the pension schemes, and how the impact of the GMP ruling has been considered in the pension liability valuation
- we will also review the calculation of the College's valuation of future early retirement liabilities at 31 July 2020.

Other audit considerations

We also plan and perform certain general audit procedures on every audit which may not be directly related to financial statement account assertions. Examples of such procedures includes compliance with applicable laws and regulations, litigation and claims and related parties.

Accounting Framework

Updated Statement of Recommended practice: accounting for further and higher education 2019 edition

The Statement of Recommended Practice (SORP): accounting for further and higher education has been updated to reflect the amendments made to FRS 102 following its triennial review in 2017. The revised SORP will be effective for financial periods beginning on or after 1 January 2019 and therefore will be applied by the College within their 2019/20 financial statements.

The triennial review was published by the Financial Reporting Council in December 2017. The majority of amendments were editorial in nature and clarified rather than changed accounting treatment. The amendments to the SORP follow a similar basis and it is not therefore anticipated that the College will be required to adopt substantive number of changes to accounting treatments. We do, however, anticipate that the College will be required to adopt a number of changes to disclosure requirements.

Updated SFC Accounts Directions for Scotland's Colleges

The SFC's Accounts Direction is published annually in July and provides College's with guidance on disclosure requirements for the financial statements.

We will work with management during 2019/20 to ensure the correct application of the new requirements.

Other audit responsibilities

Under the terms of our appointment, our role and responsibilities include a number of other assurance activities. This includes the provision of information to support Audit Scotland national reports and studies.

Anti-money laundering

The Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017 came into force on 26 June 2017 and replace The Money Laundering Regulations 2007. The regulations impose an obligation on the Auditor General to inform the National Crime Agency if she knows or suspects that any person has engaged in money laundering or terrorist financing. As appointed auditor we will consider arrangements for the College to identify and report any instances of money laundering in line with Audit Scotland reporting arrangements.

Data analytics

Where possible and appropriate, we will use our bespoke data analysers to enable us to capture whole populations of your financial data, in particular covering journal entries and payroll transactions. These analysers help identify specific exceptions and anomalies within populations of data to focus substantive audit tests more effectively than traditional audit sampling.

We will report the findings of our work, including any significant weaknesses or inefficiencies identified and recommendations for improvement, to management and the Audit Committee through the yearend audit reporting process.

Going Concern – Compliance with ISA 570 Changes

This auditing standard has been revised in response to enforcement cases and well-publicised corporate failures where the auditor's report failed to highlight concerns about the prospects of entities which collapsed shortly after.

The revised standard is effective for audits of financial statements for periods commencing on or after 15 December 2019, which for the College will be the audit of the 2020/21 financial statements. The revised standard increases the work we are required to perform when assessing whether the College is a going concern. It means UK auditors will follow significantly stronger requirements than those required by current international standards; and we have therefore judged it appropriate to bring this to the attention of the Audit Committee.

We will discuss the detailed implications of the new standard with management during the 2019/20 audit ahead of its application for 2020/21.

Use of specialists

When auditing key judgements, such as the valuation of property, plant and equipment, defined benefit pension scheme assets and liabilities, or certain assets and liabilities, we are often required to rely on the input and advice provided by specialists who have qualifications and expertise not possessed by the core audit team. In accordance with Auditing Standards, we will evaluate each specialist's professional competence and objectivity, considering their qualifications, experience and available resources, together with the independence of the individuals performing the work.

We also consider the work performed by the specialist in light of our knowledge of the College's business and processes and our assessment of audit risk in the particular area. For example, we would typically perform the following procedures:

- Analyse source data and make inquiries as to the procedures used by the specialist to establish whether the source data is relevant and reliable.
- Assess the reasonableness of the assumptions and methods used.
- Consider the appropriateness of the timing of when the specialist carried out the work.
- Assess whether the substance of the specialist's findings are properly reflected in the financial statements.

Internal audit

We will review the internal audit plan and the results of internal audit's work, including the discussion of audit findings at the Audit Committee and management's response to findings. We will reflect the findings from internal audit reports, together with reports from any other work completed in the year, in our plan for the audit, where they raise issues that could have an impact on the financial statements or our wider responsibilities.

4. Wider Scope Dimensions: Risk assessment and approach

Together the Accounts Commission and the Auditor General for Scotland agreed the four dimensions set out in the Code which comprise the wider scope audit for public sector in Scotland. These are: financial sustainability, financial management, governance and transparency, and value for money.

COVID-19 is a pervasive risk that impacts all wider scope dimensions. This will be an area of audit focus for 2019/20 considering how the College has adapted and the implications for the College's finances.

Basis for risk assessment

The Code sets out an expectation that 'significant' risks identified through our planning process that relate to the wider scope dimensions will be communicated with you.

Our procedures

As part of our risk assessment procedures, we have reviewed each dimension to assess potential areas of risk. We set out our areas of focus, along with specific significant risks relating to each dimension below.

Financial management

The financial management dimension considers the effectiveness of financial management arrangements, including whether there is sufficient financial capacity and resources, sound budgetary processes and whether the control environment and internal controls are operating effectively.

In our 2018/19 Annual Audit Report, we concluded that the College's financial management arrangements overall were satisfactory. The College has an established budgeting framework in place which includes presentation of financial updates to the Board and Finance Committee.

We recognise that financial management arrangements will have evolved as part of the College's response to COVID-19 and therefore we will additionally consider:

- How internal control arrangements were adapted to respond to new remote working arrangements
- How the College responded to budgetary pressures including the loss of non-SFC income
- Whether financial reporting to the Board and Finance Committee continued and whether there was a clear articulation of the financial risks

Financial Sustainability

Financial sustainability considers the medium and longer term outlook for the College to determine if planning is effective to support service delivery. We focus on the arrangements to develop viable and sustainable financial plans.

In 2018/19, the College undertook a thorough process to develop the Financial Forecast Return, including review and challenge of key assumptions. The College anticipates that it will deliver an underlying surplus of £600,000 over the period to 2023/24. This assumes the delivery of significant savings totalling £2.0 million from 2020/21 to 2023/24.

Continuing financial pressures

The financial environment in which the College operates was already challenging, and the COVID-19 pandemic will result in further, significant financial pressures. It is anticipated that the College will be unable to fully deliver planned savings or achieve income growth targets in 2019/20 due to the global pandemic. This will increase the financial pressures for future years and creates a significant risk that the College will not be able to develop viable and sustainable financial plans due to external factors.

Our work for the year will consider:

- Has the College revised medium term financial plans to take account of the materialising risks in relation to COVID-19 and has appropriate scenario planning taken place?
- Where gaps in financial plans are identified, is the College proactively engaging with the Scottish Funding Council and other stakeholders to address these gaps?

Value for money

In our 2018/19 Annual Audit Report we concluded that the College's arrangements for ensuring value for money were overall appropriate. A revised strategic plan was introduced from the start of the 2017/18 academic year and performance indicators developed to measure delivery and form part of the Colleges operational planning and staff performance reviews on an annual basis.

Our work for the year will consider whether:

- The College used resources effectively to help support students and other stakeholders during the COVID-19 pandemic and evaluates how lessons learned during the pandemic could be used to support changes to service delivery.
- The College has arrangements to ensure value for money through the use of public funds, including a robust procurement framework that is used by all employees and is subject to regular scrutiny, and a robust governance process for the approval of exit arrangements.
- The College has adequately considered value for money throughout the process of agreeing the sale of the old Falkirk campus at £2 million compared to the original agreed sale value of £4 million.

Governance and Transparency

Governance and transparency is concerned with the effectiveness of scrutiny and governance arrangements, leadership and decision making, and transparent reporting of financial and performance information.

In our 2018/19 Annual Audit Report we concluded that the College had in place the key requirements for good governance. We concluded that the Governance Statement materially complied with the SFC's 2018/19 Accounts Direction. We were satisfied overall with the College's established risk management process and arrangements for ensuring transparency around governance and decision making and we concluded that the College's preparations for EU withdrawal appeared appropriate.

Our work for the year will consider:

- How the College ensured the quality of arrangements in place to support good governance during the COVID-19 pandemic including ensuring that there is sufficient transparency around governance and decision making arrangements.
- Is the Governance Statement within the financial statements complete and does it reflect key findings from audit, scrutiny and inspection? Where non-compliance with the code of good governance is identified are appropriate mitigating actions in place and disclosed?
- Progress against prior year audit recommendations from both internal and external audit, including the College's arrangements for ensuring these are monitored and reported on a routine basis.
- Internal audit arrangements during 2019/20, including whether the internal audit programme was able to be completed.
- The adequacy of the College's preparations for EU withdrawal.

We will consider how governance arrangements were adapted during the COVID-19 pandemic to ensure good governance arrangements remained in place.

In line with auditing standards, as part of our consideration of the College's governance arrangements, we will be writing to the College Audit Committee to confirm how those charge with governance ensure oversight of management and appropriate governance arrangements are in place. This is not reflective of specific risks identified at the College but rather in line with our process to annually make formal inquiries beyond standard management meetings and representations.

Appendices

A – Code of Audit Practice: Responsibilities

B – Independence and audit quality

C – Required communications with the Audit Committee

D – Timing and deliverables of the audit

E – Audit fees

F – Additional audit information

Appendix A: Code of Audit Practice Responsibilities

Audited Body's Responsibilities

Corporate Governance

Each body, through its chief executive or accountable officer, is responsible for establishing arrangements to ensure the proper conduct of its affairs including the legality of activities and transactions, and for monitoring the adequacy and effectiveness of these arrangements. Audited bodies should involve those charged with governance (including audit committees or equivalent) in monitoring these arrangements.

Financial Statements and related reports

Audited bodies must prepare an annual report and accounts containing financial statements and other related reports. They have responsibility for:

- preparing financial statements which give a true and fair view of their financial position and their expenditure and income, in accordance with the applicable financial reporting framework and relevant legislation.
- maintaining accounting records and working papers that have been prepared to an acceptable professional standard and support their financial statements and related reports disclosures.
- ensuring the regularity of transactions, by putting in place systems of internal control to ensure that they are in accordance with the appropriate authority.
- maintaining proper accounting records.
- preparing and publishing, along with their financial statements, an annual governance statement, management commentary (or equivalent) and a remuneration report that are consistent with the disclosures made in the financial statements. Management commentary should be fair, balanced and understandable and also clearly address the longer-term financial sustainability of the body.
- Management, with the oversight of those charged with governance, should communicate clearly and concisely relevant information to users about the entity and its financial performance, including providing adequate disclosures in accordance with the applicable financial reporting framework.

Audited bodies are responsible for developing and implementing effective systems of internal control as well as financial, operational and compliance controls. These systems should support the achievement of their objectives and safeguard and secure value for money from the public funds at their disposal. They are also responsible for establishing effective and appropriate internal audit and risk-management functions.

Standards of conduct / prevention and detection of fraud and error

Audited bodies are responsible for establishing arrangements for the prevention and detection of fraud, error and irregularities, bribery and corruption and also to ensure that their affairs are managed in accordance with proper standards of conduct by putting proper arrangements in place.

Financial Position

Audited bodies are responsible for putting in place proper arrangements to ensure that their financial position is soundly based having regard to:

- such financial monitoring and reporting arrangements as may be specified
- compliance with any statutory financial requirements and achievement of financial targets
- balances and reserves, including strategies about levels and their future use
- how they plan to deal with uncertainty in the medium and longer term
- the impact of planned future policies and foreseeable developments on their financial position.

Best Value

The Scottish Public Finance Manual sets out that accountable officers appointed by the Principal Accountable Officer for the Scottish Administration have a specific responsibility to ensure that arrangements have been made to secure best value.

Appendix B: Independence Report

The FRC Ethical Standard and ISA (UK) 260 “Communication of audit matters with those charged with governance”, requires us to communicate with you on a timely basis on all significant facts and matters that bear upon our integrity, objectivity and independence. The Ethical Standard, as revised in June 2016, requires that we communicate formally both at the planning stage and at the conclusion of the audit, as well as during the course of the audit if appropriate. The aim of these communications is to ensure full and fair disclosure by us to those charged with your governance on matters in which you have an interest.

| Required communications | |
|---|---|
| Planning stage | Final stage |
| <ul style="list-style-type: none"> ▶ The principal threats, if any, to objectivity and independence identified by Ernst & Young (EY) including consideration of all relationships between the you, your affiliates and directors and us; ▶ The safeguards adopted and the reasons why they are considered to be effective, including any Engagement Quality review; ▶ The overall assessment of threats and safeguards; ▶ Information about the general policies and process within EY to maintain objectivity and independence. ▶ Where EY has determined it is appropriate to apply more restrictive independence rules than permitted under the Ethical Standard. | <ul style="list-style-type: none"> ▶ In order for you to assess the integrity, objectivity and independence of the firm and each covered person, we are required to provide a written disclosure of relationships (including the provision of non-audit services) that may bear on our integrity, objectivity and independence. This is required to have regard to relationships with the entity, its directors and senior management, its affiliates, and its connected parties and the threats to integrity or objectivity, including those that could compromise independence that these create. We are also required to disclose any safeguards that we have put in place and why they address such threats, together with any other information necessary to enable our objectivity and independence to be assessed; ▶ Details of non-audit services provided and the fees charged in relation thereto; ▶ Written confirmation that the firm and each covered person is independent and, if applicable, that any non-EY firms used in the group audit or external experts used have confirmed their independence to us; ▶ Written confirmation that all covered persons are independent; ▶ Details of any inconsistencies between FRC Ethical Standard and your policy for the supply of non-audit services by EY and any apparent breach of that policy; ▶ Details of any contingent fee arrangements for non-audit services provided by us or our network firms; and ▶ An opportunity to discuss auditor independence issues. |

In addition, during the course of the audit, we are required to communicate with you whenever any significant judgements are made about threats to objectivity and independence and the appropriateness of safeguards put in place, for example, when accepting an engagement to provide non-audit services.

We also provide information on any contingent fee arrangements, the amounts of any future services that have been contracted, and details of any written proposal to provide non-audit services that has been submitted;

We ensure that the total amount of fees that EY and our network firms have charged to you and your affiliates for the provision of services during the reporting period, analysed in appropriate categories, are disclosed.

We confirm that we have undertaken client and engagement continuance procedures, which include our assessment of our continuing independence to act as your external auditor.

Appendix C: Required Communications

| Required communication | Our reporting to you |
|--|--|
| <p>Terms of engagement / Our responsibilities</p> <p>Confirmation by the Audit Committee of acceptance of terms of engagement as written in the engagement letter signed by both parties.</p> <p>Our responsibilities are as set out in our engagement letter.</p> | <p>Audit Scotland Terms of Appointment letter – audit to be undertaken in accordance with the Code of Audit Practice</p> |
| <p>Planning and audit approach</p> <p>Communication of the planned scope and timing of the audit, any limitations and the significant risks identified.</p> | <p>Annual Audit Plan</p> |
| <p>Significant findings from the audit</p> <ul style="list-style-type: none"> • Our view about the significant qualitative aspects of accounting practices including accounting policies, accounting estimates and financial statement disclosures • Significant difficulties, if any, encountered during the audit • Significant matters, if any, arising from the audit that were discussed with management • Written representations that we are seeking • Expected modifications to the audit report • Other matters if any, significant to the oversight of the financial reporting process | <p>Annual Audit Plan</p> <p>Annual Audit Report</p> |
| <p>Going concern</p> <p>Events or conditions identified that may cast significant doubt on the entity's ability to continue as a going concern, including:</p> <ul style="list-style-type: none"> • Whether the events or conditions constitute a material uncertainty • Whether the use of the going concern assumption is appropriate in the preparation and presentation of the financial statements • The adequacy of related disclosures in the financial statements | <p>Annual Audit Report</p> |
| <p>Misstatements</p> <ul style="list-style-type: none"> • Uncorrected misstatements and their effect on our audit opinion, unless prohibited by law or regulation • The effect of uncorrected misstatements related to prior periods • A request that any uncorrected misstatement be corrected • Corrected misstatements that are significant • Material misstatements corrected by management | <p>Annual Audit Report</p> |
| <p>Fraud</p> <ul style="list-style-type: none"> • Enquiries of the Audit Committee to determine whether they have knowledge of any actual, suspected or alleged fraud affecting the entity • Any fraud that we have identified or information we have obtained that indicates that a fraud may exist • A discussion of any other matters related to fraud | <p>Annual Audit Report</p> |
| <p>Consideration of laws and regulations</p> <ul style="list-style-type: none"> • Audit findings regarding non-compliance where the non-compliance is material and believed to be intentional. This communication is subject to compliance with legislation on tipping off • Enquiry of the Audit Committee into possible instances of non-compliance with laws and regulations that may have a material effect on the financial statements and that the Audit Committee may be aware of | <p>Annual Audit Report or as occurring if material.</p> |

Required communication

Our reporting to you

| | |
|--|---|
| <p>Related parties</p> <p>Significant matters arising during the audit in connection with the entity's related parties including, when applicable:</p> <ul style="list-style-type: none"> • Non-disclosure by management • Inappropriate authorisation and approval of transactions • Disagreement over disclosures • Non-compliance with laws and regulations • Difficulty in identifying the party that ultimately controls the entity | <p>Annual Audit Report or as occurring if material.</p> |
| <p>Independence</p> <p>Communication of all significant facts and matters that bear on EY's, and all individuals involved in the audit, objectivity and independence</p> <p>Communication of key elements of the audit engagement partner's consideration of independence and objectivity such as:</p> <ul style="list-style-type: none"> • The principal threats • Safeguards adopted and their effectiveness • An overall assessment of threats and safeguards • Information about the general policies and process within the firm to maintain objectivity and independence | <p>Annual Audit Plan</p> <p>Annual Audit Report</p> |
| <p>Internal controls</p> <p>Significant deficiencies in internal controls identified during the audit</p> | <p>Annual Audit Report</p> |
| <p>Representations</p> <p>We will request written representations from management and/or those charged with governance.</p> | <p>Annual Audit Report</p> |
| <p>Subsequent events</p> <p>Where appropriate, asking the audit committee whether any subsequent events have occurred that might affect the financial statements.</p> | <p>Annual Audit Report</p> |
| <p>Material inconsistencies and misstatements</p> <p>Material inconsistencies or misstatements of fact identified in other information which management has refused to revise</p> | <p>Annual Audit Report</p> |
| <p>Fee Reporting</p> <ul style="list-style-type: none"> • Breakdown of fee information when the audit plan is agreed • Breakdown of fee information at the completion of the audit • Any non-audit work | <p>Annual Audit Plan</p> <p>Annual Audit Report</p> |

Appendix D: Timing and deliverables of the audit

We deliver our audit in accordance with the timeline set by the College, in accordance with guidance from Audit Scotland. Below is an indicative timetable showing the key stages of the audit and the deliverables through the 2019/20 audit cycle. This timetable is based on similar timeframes for deliverables and completion milestones as last year and was set before the Covid-19 outbreak. It will be subject to ongoing consideration as outlined on page 7 of our report and any revisions will be agreed with management and communicated to the Audit Committee as appropriate.

| | Audit Activity | Deliverable | Timing |
|-----|--|---|------------------|
| FEB | <ul style="list-style-type: none"> Review progress of NFI exercise | Submit NFI Questionnaire | 28 February 2020 |
| MAR | | | |
| APR | <ul style="list-style-type: none"> Audit planning and setting scope and strategy for the 2019/20 audit | Annual Audit Plan | May 2020 |
| MAY | <ul style="list-style-type: none"> Walkthrough Visit | Completion of internal documentation | May 2020 |
| JUN | | | |
| SEP | <ul style="list-style-type: none"> Year-end substantive audit fieldwork on unaudited financial statements | Audited Financial Statements | October 2020 |
| OCT | <ul style="list-style-type: none"> Conclude on results of audit procedures | Issue Annual Audit Report | 31 December 2020 |
| NOV | | | |
| DEC | <ul style="list-style-type: none"> Issue opinion on the College's financial statements | Submit Audit Scotland minimum dataset request | 31 December 2020 |

Appendix E: Audit fees

The audit fee is determined in line with Audit Scotland's fee setting arrangements, set out in recent communications to all audited bodies in line with their publication on 'Our Approach to setting audit fees' (http://www.audit-scotland.gov.uk/uploads/docs/um/audit_fee_approach.pdf).

| Audit Fees | | 2019/20 | 2018/19 |
|------------|---|-------------|----------------|
| | Component of fee: | | |
| | Auditor remuneration – expected fee | £21,600 | £21,110 |
| | Additional audit procedures (see below) | £TBD | £1,843 |
| | Audit Scotland fixed charges: | | |
| | Pooled costs | £1,230 | £1,220 |
| | Contribution to Audit Scotland costs | £1,180 | £1,280 |
| | Total fee | £TBD | £25,453 |

The base audit fee for each body, which is set centrally by Audit Scotland, assumes that the College has sound governance arrangements in place and operating effectively throughout the year, prepares comprehensive and accurate draft financial statements and supporting schedules, and meets the agreed timetable for the audit. It also assumes there is no major change in respect of the scope of work in the year and an unqualified audit opinion resulting from the audit.

Should any of these circumstances not be in place throughout the audit, it is expected that additional costs will be incurred through the course of the audit which will be subject to recovery in line with the agreed process and rates set out by Audit Scotland. Under this process, fees can be agreed between the auditor and audited body by varying the auditor remuneration by up to 10% above the level set, or more with the approval of Audit Scotland.

At this stage we have not been able to fully consider and quantify the potential impact of Covid-19 on the financial statements accounting requirements, key judgements made by management, and the subsequent audit consideration we are required to undertake or additional work required to address the changes in the process of the preparation of the financial statements or audit. However, we anticipate that this matter alone will have a significant impact on 2019/20 audit fees.

All fee variations will depend on the progress made by management in providing robust impact assessments and supporting schedules in line with the underlying accounting requirements outlined by the Scottish Funding Council and Audit Scotland guidance. Where further additional work is required, fee variations will be agreed with management and reported to the Audit Committee in our 2019/20 Annual Audit Report.

Appendix F: Additional audit information

In addition to the key areas of audit focus outlined within the plan, we have to perform other procedures as required by auditing, ethical and independence standards and other regulations. We outline the procedures below that we will undertake during the course of our audit.

Our responsibilities required by auditing standards

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the College's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of the going concern basis of accounting.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Read other information contained in the financial statements, the Audit & Risk Committee reporting appropriately addresses matters communicated by us to the Committee and reporting whether it is materially inconsistent with our understanding and the financial statements; and
- Maintaining auditor independence.

Purpose and evaluation of materiality

For the purposes of determining whether the accounts are free from material error, we define materiality as the magnitude of an omission or misstatement that, individually or in the aggregate, in light of the surrounding circumstances, could reasonably be expected to influence the economic decisions of the users of the financial statements. Our evaluation of it requires professional judgement and necessarily takes into account qualitative as well as quantitative considerations implicit in the definition. We would be happy to discuss with you your expectations regarding our detection of misstatements in the financial statements.

Materiality determines the locations at which we conduct audit procedures and the level of work performed on individual account balances and financial statement disclosures.

The amount we consider material at the end of the audit may differ from our initial determination. At this stage it is not feasible to anticipate all of the circumstances that may ultimately influence our judgement about materiality. At the end of the audit we will form our final opinion by reference to all matters that could be significant to users of the accounts, including the total effect of the audit misstatements we identify, and our evaluation of materiality at that date.

Audit Quality Framework / Annual Audit Quality Report

Audit Scotland are responsible for applying the Audit Quality Framework across all audits. This covers the quality of audit work undertaken by Audit Scotland staff and appointed firms. The team responsible are independent of audit delivery and provide assurance on audit quality to the Auditor General and the Accounts Commission.

We support reporting on audit quality by providing additional information including the results of internal quality reviews undertaken on our public sector audits. The most recent audit quality report can be found at: [www. https://www.audit-scotland.gov.uk/uploads/docs/report/2019/as_audit_quality_1819.pdf](https://www.audit-scotland.gov.uk/uploads/docs/report/2019/as_audit_quality_1819.pdf).

EY has policies and procedures that instil professional values as part of firm culture and ensure that the highest standards of objectivity, independence and integrity are maintained. Details can be found in our annual Transparency Report:

https://www.ey.com/en_uk/who-we-are/transparency-report-2019

EY | Assurance | Tax | Transactions | Advisory

About EY

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

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

Ernst & Young LLP

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

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

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

ey.com



Forth Valley College

Internal Audit Annual Plan 2020/21

Internal Audit Report 2021/01

Draft Issued: 13 May 2020

Final Issued:

Contents

| | Page No. |
|-------------------------------------|----------|
| Section 1 | |
| Introduction | 1 |
| Section 2 | |
| Strategic Plan 2019 to 2022 | 2 |
| Section 3 | |
| Outline Scope and Objectives | 4 |
| • Health and Safety | 4 |
| • Business Continuity | 5 |
| • Corporate Governance | 6 - 7 |
| • IT Network Arrangements | 8 |
| • Credits Audit | 9 |
| • Student Support Funds | 10 |
| • Follow-Up Reviews | 11 |



Introduction

- 1.1 The purpose of this document is to present for consideration by management and the Audit Committee the annual operating plan for the year ended 31 July 2021. The plan is based on the proposed allocation of audit days for 2020/21 set out in the Audit Needs Assessment and Strategic Plan 2019 to 2022. The preparation of the Strategic Plan involved dialogue with management, and the Audit Committee approved the plan at its meeting on 5 September 2019.
- 1.2 The annual operating plan for 2020/21 shows two changes to the allocation set out in the above Strategic Plan. Following discussion with the College Leadership Team two assignments originally proposed for 2020/21, Student Application Process BPR and Corporate Planning / Service Redesign, have been deferred to 2021/22. In their place, two assignments have been brought forward from 2021/22, Corporate Governance and Business Continuity. The Corporate Governance days will be used to carry out an Externally Facilitated Effectiveness Review as required by the Code of Good Governance for Scotland's Colleges, which is due to be submitted to the Scottish Funding Council by 'Spring 2021' in line with the latest advice from the Chair of the Good Governance Steering Group. The Business Continuity review will have a specific focus around the work that has been undertaken to allow College operations to continue during the COVID-19 pandemic and preparations for the reopening of College campuses once the lockdown is eased. The number of days for each assignment have been revised to allow sufficient time for the work required whilst keeping the total programme for each year within the 42 annual days.
- 1.3 A copy of the revised Strategic Plan is included at Section 2 of this report.
- 1.4 At Section 3 of this report we have set out the outline scope and objectives for each audit assignment to be undertaken during 2020/21, together with the proposed audit approach. These have been arrived at following consideration by the College Leadership Team. The outline scopes will be refined and finalised after discussion with responsible managers in each audit area.
- 1.5 Separate reports will be issued for each assignment with recommendations graded to reflect the significance of the issues raised. In addition, audit findings will be assessed and graded on an overall basis to denote the level of priority that should be given to each report.

Strategic Plan 2019 to 2022

Proposed Allocation of Audit Days

| | | | Actual | Planned | Planned |
|---|----------|-----|--------|---------|---------|
| Category | Priority | | 19/20 | 20/21 | 21/22 |
| | | | Days | Days | Days |
| Reputation | | | | | |
| <i>Publicity and Communications</i> | Gov | M | | | |
| <i>Health and Safety</i> | Gov | M | | 5 | |
| | | | | | |
| Student Experience | | | | | |
| <i>Curriculum planning</i> | Perf | M | | | |
| <i>Quality assurance</i> | Perf | M | | | |
| <i>Student support</i> | Perf | M | | | |
| <i>Student application process BPR</i> | Perf | M/H | | | 5 |
| <i>Student recruitment and retention</i> | Fin/Perf | H | | | |
| <i>Student Engagement/ Students' Association</i> | Gov | H | 5 | | |
| | | | | | |
| Staffing Issues | | | | | |
| <i>Staff recruitment, retention & succession planning</i> | Perf | M/H | | | 5 |
| <i>Staff development</i> | Perf | M | | | |
| <i>Sickness absence</i> | Perf | M | | | |
| <i>Workforce planning</i> | Perf | M | | | |
| <i>Payroll</i> | Fin | L/M | | | |
| | | | | | |
| Estates and Facilities | | | | | |
| <i>Estates maintenance</i> | Fin/Perf | M/H | 5 | | |
| <i>Estates strategy / capital projects</i> | Fin/Perf | M | | | |
| <i>Space management</i> | Perf | M | | | |
| <i>Asset / fleet management</i> | Perf | M/H | | | |
| | | | | | |
| Financial Issues | | | | | |
| <i>Budgetary control</i> | Fin | L/M | | | |
| <i>Financial planning</i> | Fin | H | 3 | | |
| <i>Student fees and contracts / registry</i> | Fin | M | | | |
| <i>General ledger</i> | Fin | L/M | | | |
| <i>Procurement and creditors / purchasing</i> | Fin | M | | | |
| <i>Debtors/ Income</i> | Fin | L/M | | | |
| <i>Cash & Bank / Treasury management</i> | Fin | M | | | |
| <i>Fraud prevention, detection and response</i> | Fin | M | | | |
| | | | | | |

Internal Audit Annual Plan 2020/21 – DRAFT

Proposed Allocation of Audit Days (Continued)

| | | | Actual | Planned | Planned |
|--------------------------------------|----------|----------|--------|---------|---------|
| | Category | Priority | 19/20 | 20/21 | 21/22 |
| | | | Days | Days | Days |
| Commercial Issues | | | | | |
| Business Development Process BPR | Fin/Perf | M/H | 10 | | |
| Organisational Issues | | | | | |
| Risk Management | Perf | M | | | |
| Business Continuity | Perf | H | | 7 | |
| Corporate Governance | Gov | L/M | | 6 | |
| Corporate Planning/Service Redesign | Perf | M/H | | | 5 |
| Performance reporting / KPIs | Perf | M | | | |
| Partnership Working | Gov/Perf | L | | | |
| Equalities | Gov | M | | | |
| Information and IT | | | | | |
| IT network arrangements | Perf | M | | 5 | |
| Cyber Security | Perf | M | | | 4 |
| Data protection | Gov | M | | | 4 |
| FOI | Gov | L | | | |
| Systems development / implementation | Perf | M | | | |
| IT strategy | Perf | M | | | |
| Other Audit Activities | | | | | |
| Credits audit | | Required | 5 | 5 | 5 |
| Student Support Funds | | Required | 7 | 7 | 7 |
| Management and Planning) | | | 5 | 5 | 5 |
| External audit / SFC) | | | | | |
| Attendance at Audit Committee) | | | | | |
| Follow-up reviews | | Various | 2 | 2 | 2 |
| Total | | | | | |
| | | | 42 | 42 | 42 |
| | | | ==== | ==== | ==== |

Key:

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

Priority: H – High; M – Medium; L – Low

BPR = Business Process Review

Outline Scope and Objectives

| | |
|---------------------------------|-------------------|
| Audit Assignment: | Health and Safety |
| Priority: | Medium |
| Fieldwork Timing | TBC |
| Audit Committee Meeting: | TBC |
| Days: | 5 |

Scope

This audit will review the arrangements in place within the College to deal with Health and Safety (H&S) issues including consideration of specific risks arising from the move to the new Falkirk campus.

Objectives

The main objective of this audit will be to review the College's overall arrangements for dealing with H&S issues and to consider whether these are adequate.

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

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

Our audit approach will be:

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

Internal Audit Annual Plan 2020/21 – DRAFT

| | |
|---------------------------------|---------------------|
| Audit Assignment: | Business Continuity |
| Priority: | High |
| Fieldwork Timing | TBC |
| Audit Committee Meeting: | TBC |
| Days: | 7 |

Scope

We will undertake a review of business continuity planning to consider whether there are adequate plans in place to minimise disruption to College operations following loss of life, buildings or equipment. This will include a specific focus around the work that has been undertaken to allow College operations to continue during the COVID-19 pandemic and preparations for the reopening of College campuses once the lockdown is eased. At the specific request of the College Leadership Team the review will look at the student experience through the lockdown period.

Objectives

To obtain reasonable assurance that:

- Business Continuity / Contingency Plans (including ICT Business Continuity plans) are in place covering all of the College's activities and locations;
- the Business Continuity Plans / Contingency Plans are workable, properly communicated to members of staff, and have been adequately tested;
- the processes and procedures in place follow recommended good practice;
- the work that has been undertaken to allow College operations to continue during the COVID-19 pandemic has, as far as possible, minimised the impact on the student experience; and
- appropriate preparations are being made and robust plans developed to ensure that College campuses can safely reopen once the COVID-19 lockdown is eased, taking into account all Scottish Government and Health and Safety Executive Guidance relevant to education providers.

Our audit approach will be:

Obtain copies of Business Continuity / Contingency Plans in place and consider whether they cover all of the College's activities and locations. Obtain and review specific plans in place to continue College operations during the COVID-19 pandemic and plans being developed for College campuses to reopen when lockdown restrictions are eased.

Discuss the College's approach with senior management, and other key staff in the Estates and IT teams, and review evidence of how plans have been communicated to staff and students and the extent to which plans have been tested. Discuss the impact of the lockdown on the student experience with student representatives and identify any lessons learned for the College.

An assessment of the key processes and internal controls will be performed with reference to relevant good practice guidance.

Internal Audit Annual Plan 2020/21 – DRAFT

| | |
|---------------------------------|----------------------|
| Audit Assignment: | Corporate Governance |
| Priority: | Low / Medium |
| Fieldwork Timing | TBC |
| Audit Committee Meeting: | TBC |
| Days: | 6 |

Scope

The Code of Good Governance for Scotland's Colleges ('the Code'), published in August 2016, contains the following requirement:

"The board must keep its effectiveness under annual review and have in place a robust self-evaluation process. There should also be an externally facilitated evaluation of its effectiveness at least every three years. The board must send its self-evaluation (including an externally facilitated evaluation) and board development plan (including progress on previous year's plan) to its funding body and publish them online".

The scope of this review will be to carry out the Externally Facilitated Effectiveness Review described in the Code, in line with the Guidance Note issued by the College Development Network (CDN). The review will cover the five sections of the Code namely:

- Section A - Leadership and Strategy
- Section B - Quality of the Student Experience
- Section C - Accountability
- Section D - Effectiveness
- Section E - Relationships and Collaboration

Objectives

The objective of this review will be to complement the work already completed by the College, through discussions with Board members, to explore specific governance issues drawn in order to meet the requirements of the CDN Guidance Note which sets out the specific requirement to provide a 'basic level of assurance relating to core governance requirements plus an agreed list of actions on areas that board members wish to develop their governance further' by 31 March 2021.

Internal Audit Annual Plan 2020/21 – DRAFT

Audit Assignment:

Corporate Governance (Continued)

Our approach will be:

The facilitator will conduct the review in line with the CDN Guidance Note for Conducting Externally Facilitated Effectiveness Reviews. Based on the Guidance Notes issued in August 2016 the review will involve the following steps:

| |
|---|
| 1. Board to agree the areas to be covered in the review (all sections of the Code as a minimum), the process and timescales required. |
| 2. Board and facilitator to agree on the pro-forma or questionnaire to be used. |
| 3. Board members and senior staff who work closely with the Board, provide their views to the facilitator on (a) Board performance to date (b) areas for future development using a pro-forma / questionnaire. This process can be done in a range of ways including: <ol style="list-style-type: none"> i. A Board workshop is held that results in an agreed summary of views; or ii. Board members and senior staff complete the pro-forma / questionnaire and the facilitator summarises the results; or iii. The facilitator undertakes 1 to 1 interviews with some or all Board members and staff based on the pro-forma / questionnaire. |
| 4. The facilitator pressure tests the views expressed at step 3 by, as a minimum: <ul style="list-style-type: none"> • Observing at least one Board meeting. • Undertaking a desktop review of: <ul style="list-style-type: none"> ○ a sample of Board and committee remits, minutes, agendas and papers. ○ a sample of corporate documents to examine alignment between corporate objectives, the objectives of supporting strategies such as HR, estates and finance and the performance information coming to the Board and its committees. ○ the risk register and a sample of recent audit reports. ○ the current Board and Board member development plans, appraisal and induction processes and the skills matrix used. ○ recent staff, student or stakeholder surveys and any Board responses. ○ any audit reports on governance that are used to underpin the Statement of Compliance in the annual report. • If step 3iii above is not chosen, conducting 1 to 1 interviews with a sample of Board members and senior staff including a staff and student Board member. |
| 5. The facilitator draws up a draft report summarising the output for steps 3 and 4. The Board is given an opportunity to discuss and comment on the facilitator's findings and to draw up an action plan for areas of development over the next 12 months. |
| 6. A final report is provided by the facilitator to the Board and the Board Chair writes to the relevant funding body as required by the Code of Good Governance. |

Internal Audit Annual Plan 2020/21 – DRAFT

| | |
|---------------------------------|-------------------------|
| Audit Assignment: | IT Network Arrangements |
| Priority: | Medium |
| Fieldwork Timing | TBC |
| Audit Committee Meeting: | TBC |
| Days: | 5 |

Scope

This audit will include a review of the College's current position with regard to information and cyber security in order to advise on areas that should be addressed in line with the latest guidance produced by the National Cyber Security Centre (NCSC), the UK Government's national technical authority for information assurance. This will include consideration of the controls in place to mitigate the increased risks arising from home working as a result of the COVID-19 pandemic.

Objectives

Our review will focus on the internal controls in place which ensure that the security of the IT network, the configuration of key elements of IT infrastructure which protect access to data, plus the policy and procedures giving guidance as to how security should be managed by both the IT department and users is in line with the NCSC 10 Steps to Cyber Security guidance.

Our audit approach will be:

Our approach will be based upon the guidance and best practice provided by NCSC; discussion with the Vice Principal Information Systems and Communications, Head of IT and members of the IT Team, review of relevant documentation; and observation. This will cover the following areas:

- Information risk management;
- Secure configuration of ICT equipment;
- Network security;
- Managing user privileges;
- ICT user education and awareness;
- Incident management;
- Malware prevention;
- Monitoring;
- Removable media controls; and
- Home and mobile working.

Internal Audit Annual Plan 2020/21 – DRAFT

| | |
|---------------------------------|----------------|
| Audit Assignment: | Credits Audit |
| Priority: | Required audit |
| Fieldwork Timing | TBC |
| Audit Committee Meeting: | TBC |
| Days: | 5 |

Scope

Credits Audit Guidance, issued by SFC, requests that colleges obtain from their auditors assurances as to the reasonableness of procedures used in the compilation of the Credits related element of the FES return.

Objectives

To obtain reasonable assurance that:

- the student data returns have been compiled in accordance with all relevant guidance;
- adequate procedures are in place to ensure the accurate collection and recording of the data; and
- the FES return contains no material misstatements.

Our audit approach will be:

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

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

Our testing will be designed to cover the major requirements for recording and reporting fundable activity identified at Annex C to the Credits Audit Guidance and the key areas of risk identified in Annex D.

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

Internal Audit Annual Plan 2020/21 – DRAFT

| | |
|---------------------------------|-----------------------|
| Audit Assignment: | Student Support Funds |
| Priority: | Required Audit |
| Fieldwork Timing | TBC |
| Audit Committee Meeting: | TBC |
| Days: | 7 |

Scope

We will carry out an audit on the College's student support funds for the year ended 31 July 2020 and provide an audit certificate. Three specific fund statements will require an audit:

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

Objectives

The audit objectives will be to obtain reasonable assurance that:

- the College complies with the terms, conditions and guidance notes issued by the SFC, SAAS and the Scottish Government;
- payments to students are genuine claims for hardship, childcare, bursary or EMA, and have been processed and awarded in accordance with College procedures; and
- the information disclosed in each of the returns for the year ended 31 July 2020 is in agreement with underlying records.

Our audit approach will be:

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

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

Internal Audit Annual Plan 2020/21 – DRAFT

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

Scope

This review will cover reports from the 2020/21 internal audit programme and reports from earlier years that have either not already been subject to follow-up or where previous follow-up identified recommendations outstanding.

Objectives

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

Our audit approach will be:

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

Aberdeen

45 Queen's Road
Aberdeen
AB15 4ZN

T: 01224 322100

Dundee

The Vision Building
20 Greenmarket
Dundee
DD1 4QB

T: 01382 200055

Edinburgh

Ground Floor
11-15 Thistle Street
Edinburgh
EH2 1DF

T: 0131 226 0200

Glasgow

100 West George Street
Glasgow
G2 1PP

T: 0141 471 9870

MHA Henderson Loggie is a trading name of Henderson Loggie LLP, which is a limited liability partnership registered in Scotland with registered number SO301630 and is a member of MHA, an independent member of Baker Tilly International Ltd, the members of which are separate and independent legal entities

© 2019 MHA Henderson Loggie



hlca.co.uk | info@hlca.co.uk

1. Purpose

To update the Audit Committee on the release of the College's Guidance for Assessment documentation.

2. Recommendation

That members note the College's Guidance for Assessment documentation.

3. Background

On 03 April 2020, SQA and Colleges Scotland issued guidance documentation to be used by Colleges and other training providers to assist with a holistic model for internal assessment decisions. This guidance recognises that assessment evidence, for most students, is incomplete, and acknowledges the need for flexibility in approaches to ongoing assessment, where this is possible and practicable. Based on this guidance it was decided to release FVC specific guidance to support our programme teams in choosing the most appropriate approach to ongoing assessment. This guidance relates to HNC/HND, NC, NPA, free-standing NQ units and Skills for Work. This also covers the technical elements of a Foundation Apprenticeship (NC and NPA elements only. Not the VQ elements).

4. Key Considerations

The approach to developing this guidance for Programme Teams commenced with the creation of a short life working group consisting of staff from L&Q and all four teaching departments to consider the operation and the practicalities of the Colleges Scotland and SQA produced guidance (Assessment of evidence — HN Qualifications, NC, NPA and NQ freestanding units-COVID-19 emergency 2020).

The expertise and feedback from this group has been invaluable in developing the best approach for Forth Valley College. The SLWG group has now evolved into the College's Internal Quality Assurance Panel (IQAP), and over the next number of weeks this group will be key to helping to support the Quality Team through the operational aspects of interpreting and implementing the guidance as it is implemented by Programme Teams across the College.

4.1 Covid-19 Assessment process

The College's Guidance for Assessment is centred around three key documents and supporting proforma documentation:

4.1.1 Forth Valley College Decision Tree

The FVC Decision Tree illustrates a process based on Programme Teams working together to analyse gaps in evidence for all students and making the best decisions together going forward

to ensure appropriate evidence is gathered to make judgments on achievement for all students against the overall programme aims of the group award.

The decision tree allows for a holistic approach to gathering evidence and making decisions in a number of ways, comprising of: the use of evidence already gathered; ongoing assessment under normal conditions; new approaches to assessment, combined with being able to make reasonable estimates to satisfy overall programme aims; and/or specific learning outcomes at unit level. Programme Teams can also consider evidence requirements outlined within the unit specification for Graded Units to help make decisions.

4.1.2 Programme Unit Matrix

The Programme Unit matrix will be used to show the current overall evidence situation for each programme. It will capture the individual unit evidence completed to date, the assessment/s currently underway, and individual unit evidence still required. Once the current evidence position is established an assessment gap analysis can be carried out which will aid Programme Teams, in conjunction with the Decision Tree, in deciding how the assessment gaps for each unit may be filled under current assessment arrangements.

4.1.3 Student Achievement Matrix

The Student Achievement Matrix will be used to initially determine the current evidence position of each individual student and show the assessments that each individual student has completed and passed to date. Once this has been done this will show the gaps in assessment evidence for each student. Then, as evidence is generated or awarded, using the Programme Unit Matrix as the control document, the gap evidence can be filled in for each student where appropriate.

4.1.4 Assessment Evidence Decision Record (AEDR Pro forma)

The AEDR form is required for recording decisions where exceptional circumstances are being used to gather alternative assessment evidence. This form will be completed by Programme Teams and signed off by Curriculum Managers in the instance of completion where teams are using alternative assessment approaches or using professional judgement to make an assessment decision. The form will then be sent to the Internal Quality Assurance Panel by an email to iqap@forthvalley.ac.uk for review and ratification by the panel. Once the Curriculum Manager has signed off the form, the Programme Team can progress with gathering the appropriate evidence.

4.1.5 Candidate Outcome Record (COR Pro forma)

The COR form will be used to record assessment decisions for students where alternative approaches to assessments have been used. For example, where evidence from other units has been used to demonstrate achievement or where professional judgements have been used to make a final assessment decision. The form Candidate Outcome Record Graded unit (CORGU) Appendix 6 should be used to record Graded unit grades where alternative assessment approaches have been used to make a final grading solution.

All of these documents will be used as detailed in the steps below, in conjunction with the Guidance for Assessment document, to ensure Programme Teams make informed, robust and valid decisions.

4.2 Overview of Process for gathering evidence

The following steps outline the process by which teaching staff and curriculum teams will gather evidence, make assessment decisions, and capture the evidence of the decision-making process, where evidence cannot be gathered through normal means.

Step 1: Programme teams work through a Programme Unit Matrix for each programme that details all assessment outcomes

Step 2: Programme teams work through a Student Achievement Matrix for all students on each programme, tracking what learning outcomes have been completed and those that need to be completed across Block 1 and 2.

PAUSE AND REFLECT

Step 3: Programme Teams decide the assessment approach to gathering remaining assessment evidence using the Programme Unit Matrix and FVC Decision Tree (Figure 1). Ensure the Programme Unit Matrix is updated if changes are made.

Step 4: If approach is not as per normal assessment conditions (Decision 2, 4 and 5) Programme Teams will identify evidence source from Programme Unit Matrix and track using the Assessment Evidence Decision Record (AEDR).

Step 5: Programme Teams present AEDR to OM/CM for sign off. CM/OM to send evidence form to Internal Quality Assurance Panel for final sign off.

Step 6: Programme Teams will undertake mapping of evidence and/or develop any alternative assessment instruments as necessary ensuring they are internally verified. Ensure the Programme Unit Matrix is updated if changes are made.

Step 7: Gather all appropriate assessment evidence from students.

Step 8: If appropriate, Programme Teams carry out a Graded Unit Assessment Board recording results using the Graded Unit Estimation Record. Where a graded unit can be carried out under existing assessment conditions, an assessment board is not required.

Step 9: Programme Teams carry out any necessary internal verification as per the Interval Verification Covid-19 procedure.

Step 10: Ensure Student Achievement Matrix is fully updated.

Step 11: Carry out Programme Assessment Boards for all students, considering any personal student exceptional circumstance cases. Record final assessment judgements, based on the holistic approach to the gathering of assessment evidence, using the Candidate Outcome Record.

Step 12: Ensure all registers are complete and signed off by CM/OM.

4.3 Internal Verification: Exceptional Circumstances covid-19 Sampling and Risk Guidance

During the decision-making process the IQAP will oversee the process of Internal Verification of all assessment decisions. This will be through risk-based sampling criteria as set out in the Internal Quality Assurance Panel (IQAP) Sampling and Risk Guidance Exceptional Circumstances covid-19 document (Appendix 2). This process will be carried out by members of the IQA Panel to ensure that alternative approaches to assessment, the grading and the overall certification of students by Programme Teams are consistent, accurate, equitable, fair and practicable in accordance with the FVC Guidance to Assessment Covid -19 (Appendix 1). This guidance does not relate to the Internal Verification of assessment instruments and evidence. This is covered in separate guidance. This guidance applies to the exceptional circumstances as outlined by the joint Colleges Scotland and SQA proposal April 2020.

5. Financial Implications

The College has been informed that College funding for 19/20 is secure due to the Covid-19 pandemic.

Please detail the financial implications of this item. NA

6. Equalities

There are no identifiable equalities issues related to the recommendations and suggestions at this stage providing the College adheres to its current policy and procedures.

Assessment in Place? – Yes No

If No, please explain why – See above.

Please summarise any positive/negative impacts (noting mitigating actions)

Not applicable

7. Risk

Please indicate on the matrix below the risk score. Risk is scored against Impact and Likelihood as Very Low through to Very High.

| | Likelihood | Impact |
|-----------|------------|--------|
| Very High | | |
| High | | X |
| Medium | | |
| Low | X | |
| Very Low | | |

Please describe any risks associated with this paper and associated mitigating actions:

Poor adherence to our Guidance for Assessment process resulting in missed assessment evidence, or poor decision making, that impacts students' results, which impacts the College's reputation.

Mitigation of risks

Effective communication and engagement with all Curriculum Teams to ensure the guidance is clearly understood and being implemented on a fair basis.

Timely process reviews and internal audit checks on adherence to process.

Ensure IQAP follows detailed risk-based verification process and plan. IQAP to review all high-risk decisions where:

- alternative/adapted assessments were used especially in relation to Graded unit assessment and grading;
- a holistic approach to assessment and certification was carried out;
- there had been issues from previous Internal Verification activity;
- there had been issues from previous External Verification activity.

Sense check on programme performance against last set PI prediction analysis and current estimated PI Predictions.

Continually engage with IT to ensure systems support Assessment, decision-making and verification processes.

Risk Owner – Ken Thomson.

Action Owner – Kenny MacInnes.

8. Other Implications – NA

Communications – Yes No **Health and Safety** – Yes No

Please provide a summary of these implications –

Communication to Programme Teams to ensure understanding of guidance documentation and processes.

Ensure Programme Teams are using most recent document revisions.

Continue to share best practice.

Paper Author – Kenny MacInnes.

SMT Owner – Kenny MacInnes.

Appendix 1 Guidance for Assessment COVID – 19: HN Qualifications, NC, NPA, NQ freestanding units and SfW.

Appendix 2 Internal Quality Assurance Panel (IQAP) Sampling and Risk Guidance Exceptional Circumstances covid-19.



Making Learning Work

Guidance for Assessment

COVID - 19

HN Qualifications, NC, NPA, NQ freestanding units and SfW

| | |
|---|--|
| Status: | Version 1 |
| Date of version: | 24/04/2020 |
| Responsibility for Guidance: | Vice Principal Learning and Student Experience |
| Responsibility for implementation: | All Staff |
| Responsibility for review: | Head of Learning and Quality |
| Date for review: | 01/05/2020 |

Table of Amendments

It is anticipated that changes will take place during the life of this document and this section will record these changes. This document is the latest version and incorporates the changes summarised below. If in any doubt, Managers are advised to check with the Quality Manager to confirm they are using the most up to date version of this guidance.

| Document Version | Date | Details of Amendments |
|------------------|------|-----------------------|
| | | |
| | | |
| | | |
| | | |
| | | |
| | | |
| | | |
| | | |

UNCONTROLLED COPY

Foreword

With the guidance for these qualifications being published on 3rd April 2020, on the final day before curriculum staff went on a well-deserved break for Easter, it was important for us to spend time understanding what the guidance meant for our staff in Forth Valley College.

The following guidance for Forth Valley College has been thoroughly considered and we hope it is fair, proportionate and helpful during the coming weeks. We understand that this will be a challenging time for curriculum staff and professional judgment will be key in many cases, but we acknowledge the instinct and comfort in sticking close to unit outcomes. This guidance will therefore offer solutions to a holistic, flexible approach that should fit around individual student needs.

We are here to help teams and support you during this time.

Helen Young

Head of Learning and Quality

Rob McDermott

Quality Manager

Contents

| | | |
|-------|---|----|
| 1.0 | Context..... | 6 |
| 2.0 | Forth Valley College approach in implementation of the guidance..... | 7 |
| 2.1 | Guidance for Assessment - Short Life Working Group | 7 |
| 2.2 | Internal Quality Assurance Panel (IQAP)..... | 8 |
| 2.3 | The FVC Decision Tree..... | 9 |
| 2.3.1 | Programme Unit Matrix | 11 |
| 2.3.2 | Student Achievement Matrix | 12 |
| 2.4 | Guide to the Decisions | 13 |
| 2.4.1 | Decision 1 – What is completed and what is already on track for completion under normal conditions?..... | 13 |
| 2.4.2 | Decision 2 – What are the gaps and how will they be filled?..... | 13 |
| 2.4.3 | Decision 3 – Can more evidence be gathered under existing assessment conditions?..... | 14 |
| 2.4.4 | Decision 4 – Can more evidence be gathered using modified assessment arrangement?..... | 15 |
| 2.4.5 | Decision 5 – What if assessment conditions cannot be adapted?..... | 15 |
| 2.4.6 | Decision 6 – Can Programme Teams make a final overall professional judgement on the student outcome from all the evidence generated?..... | 16 |
| 2.5 | Programme Assessment Board | 16 |
| 2.6 | Graded Units..... | 17 |
| 2.6.1 | Graded Unit Assessment Board | 17 |
| 2.7 | Overview of Process for gathering evidence..... | 18 |
| 3.0 | Students who have ‘Mitigating’ Circumstances | 19 |
| 4.0 | Documentation..... | 20 |
| 4.1 | Programme Unit Matrix | 20 |
| 4.2 | Student Result matrix | 20 |
| 4.3 | Assessment Evidence Decision Record (AEDR) | 20 |
| 4.4 | Graded Unit Estimation Record..... | 20 |
| 4.5 | Candidate Outcome Record (COR) | 20 |
| 4.6 | Professional Discussion Record (PDR)..... | 21 |
| 5.0 | Storage of Documentation..... | 21 |
| 6.0 | Resulting..... | 21 |
| 7.0 | Verification..... | 22 |
| 7.1 | Internal Verification | 22 |

| | |
|--|----|
| 7.2 External Verification | 22 |
| 8.0 Appeals | 22 |
| 9.0 Where to get support and guidance..... | 22 |
| 10.0 Frequently asked questions | 23 |

List of Appendices

- Appendix 1 Example of Programme Unit Matrix**
- Appendix 2 Example of Student Achievement Matrix**
- Appendix 3 SQA list of qualifications, where alternative assessment may not be possible**
- Appendix 4 Assessment Evidence Decision Record (AEDR)**
- Appendix 5 Graded Unit Estimation Record (GUER)**
- Appendix 6 Candidate Outcome Record (COR)**
- Appendix 8 Professional Discussion Record (PDR)**
- Appendix 7 Professional Discussion Record Guidance**

1.0 Context

On 03 April 2020, SQA and Colleges Scotland issued guidance documentation to be used by Colleges and other training providers to assist with a **holistic model** for internal assessment decisions, which recognises **that assessment evidence, for most students, is incomplete, and acknowledges the need for flexibility in approaches to ongoing assessment** (where this is possible and practicable). The following document will support Programme Teams with choosing the most appropriate approach to ongoing assessment. This guidance relates to HNC/HND, NC, NPA, free-standing NQ units and Skills for Work. This also covers the technical elements of a Foundation Apprenticeship (NC and NPAs).

The guidance states that wherever possible, **students should continue to engage remotely in learning, teaching and assessment until the scheduled end of block/semester, or to the point where the Programme Team considers that sufficient evidence is in place to enable a final assessment judgement to be made.** It is recognised that the gathering of additional evidence may not be possible for all students and holistic outcome decisions may need to be based, making use of this guidance, on the assessment evidence currently available.

Where students have real and significant barriers to learning, assessor judgement may be utilised to a greater extent. This will enable colleges to use their professional judgement to assess a broad range of learner evidence, including formative and summative work completed to date, additional assessment evidence where this can be generated, witnessed work, previous outcomes and part-completed work. Assessment judgements will also be informed by staff knowledge of their students, their engagement, progress and their achievements to date.

By **utilising a professionally informed and evidence-based holistic approach**, students can be recognised for their hard work and learning, and appropriate academic standards can be maintained.

It is important that a balance is achieved in asking for evidence from students against what is needed to allow Programme Teams to be able to confidently make appropriate decisions and estimates of achievement.

2.0 Forth Valley College approach in implementation of the guidance

Please note, this guidance covers the following qualifications:

- Higher National Certificates
- Higher National Diplomas
- National Certificates
- National Progression Awards
- Skills for Work
- Standalone NQ units

SQA are in discussions with regulators and other relevant bodies, reviewing the position for other vocational qualifications, including Scottish Vocational Qualifications (SVQs), Professional Development Awards (PDAs) and licence to practice qualifications. Further guidance on this will be provided by SQA and communicated separately to staff.

2.1 Guidance for Assessment - Short Life Working Group

The approach to developing this guidance for Programme Teams commenced with the creation of a short life working group to consider the operation and the practicalities of the Colleges Scotland and SQA produced 'Assessment of evidence — (HN Qualifications, NC, NPA and NQ freestanding units) — COVID-19 emergency 2020' guidance. The SLWG comprises the following staff from across the College:

Rob McDermott – Quality Manager

Helen Young – Head of Learning and Quality

Kenny MacInnes – Vice Principal Learning and Student Experience

Jen Hogarth – Curriculum Manager

Jeanette McCulloch – Operations Manager

Colin Gunning – Operations Manager

Robert Simpson – Curriculum Manager

The expertise and feedback from this group has been invaluable in developing the best approach for Forth Valley College. Over the next number of weeks, this group will be important in helping to support the Quality Team through the operational aspects of using this guidance as it is implemented within the College.

2.2 Internal Quality Assurance Panel (IQAP)

An internal quality assurance panel model will be adopted to complement and strengthen the work being carried out in Programme Teams across the College in implementing the guidance.

Our Internal Quality Assurance Panel (IQAP) will ensure the standardisation of Programme Teams' interpretation and use of the Colleges Scotland and SQA produced 'Assessment of evidence – (HN Qualifications, NC, NPA and NQ freestanding units) – COVID-19 emergency 2020' guidance. This will ensure the objectivity, fairness and accuracy of assessment judgements at course level.

The IQAP arrangements will be appropriate to the context and scale of the College's assessment activity, and should operate with a risk-based focus. Records of Programme Team judgements and IQAP rationale, discussions and decisions are to be retained until December 2020, but SQA advised that this date may be extended if required.

The overarching principles of the IQAP and the decisions it makes are as follows:

- Decisions to be documented
- Be risk-based and proportionate
- Promote a standardised and consistent approach across all course teams, where appropriate
- Confirm validity and reliability in assessment
- Generate and retain evidence of internal quality assurance activities

IQAP Panel Membership

The panel will comprise the following staff from across the College:

Helen Young – Head of Learning and Quality (Chair)

Rob McDermott – Quality Manager

Kenny MacInnes – Vice Principal Learning and Student Experience

Lesley O'Neill – Equalities and Inclusion Coordinator

Directors of Curriculum - TBC

Operations Managers – TBC

Curriculum Managers – TBC

The panel will commence operation week commencing 27th April 2020 and end in September 2020, when resulting of all qualifications for all students in academic year 2019-2020 has been fully completed.

2.3 The FVC Decision Tree

After consultation with the SLWG, a **Forth Valley College Decision Tree** (Figure 1) was developed in line with the guidance published by SQA. The suggested generic decision tree from SQA has been adapted to allow a local response based around Forth Valley College needs rather than the general approach outlined by SQA. The FVC Decision Tree illustrates a process based on Programme Teams working together to **analyse gaps in evidence** for all students and making the best decisions together going forward to ensure appropriate evidence is gathered to make judgments on achievement for all students against the overall programme **aims of the group award**.

The decision tree allows for a holistic approach to gathering evidence and making decisions in a number of ways, comprising the use of evidence already gathered, ongoing assessment under normal conditions, new approaches to assessment, combined with being able to make reasonable estimates to satisfy **overall programme aims and/or specific learning outcomes at unit level**. Programme Teams can also consider evidence requirements outlined within the unit specification for Graded Units to help make decisions.

The natural position for most staff will be to attempt to meet the aims and objectives of individual units, but this may not be achievable given time constraints, assessment loading on students and limited access to certain resources and equipment. A degree of professional judgement will have to be used collectively within Programme Teams to make the best joint decisions on what can be gathered to predict student achievement against the aims of the group award.

Where full evidence to satisfy the programme aims has not yet been generated, teams must consider, and document, alternative student evidence for the relevant qualification. Staff making assessment judgements based on alternative evidence must consider a range of student evidence with **strong predictive value**. Teams are encouraged where reasonable and possible to seek a range of alternative academic evidence for consideration, and not solely a single assessment piece or source. This may result in making professional decisions, which **infer the student's competence**, where it is safe to do so and where no risk is posed to health or safety. See Appendix 3 for a list of programmes where SQA are providing more guidance on particular units. Further guidance will be issued by the Quality Manager.

Where sufficient evidence to satisfy the programme aims has not been generated, and students are continuing study with the college on an HND or other course, you could consider deferring assessment to a later stage if it is practical to do so.

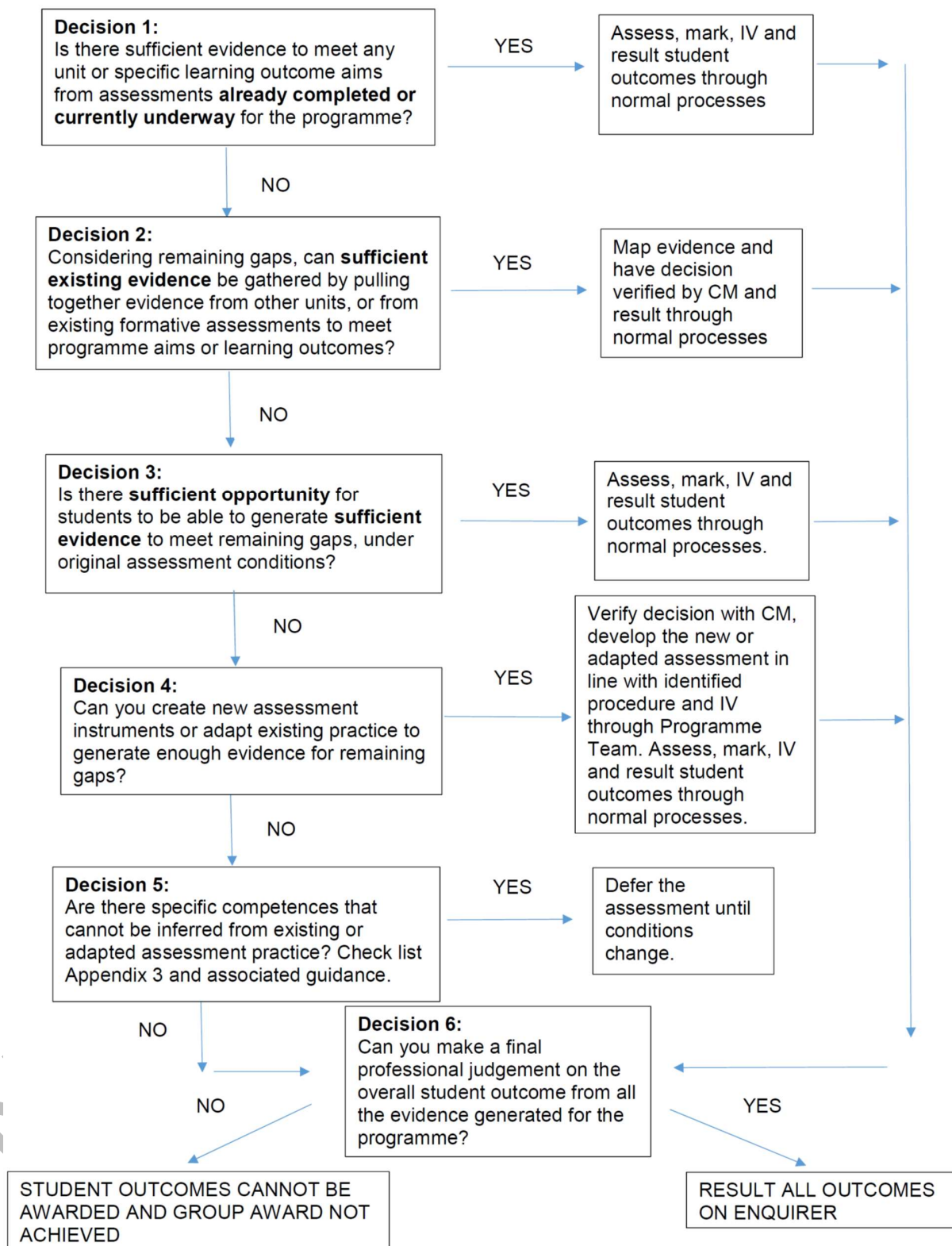


Figure 1 – FVC Decision Tree

The Decision Tree guides Programme Teams to identify what assessment/s has been achieved to date and what is currently underway. Once the current situation has been reviewed, there may be gaps in assessment/achievement. Gaps are defined as what is outstanding in terms of units and assessment outcomes within units. This is a time for Programme Teams to pause, reflect and plan the best course of action going forward. It is not always necessary to gather evidence for every assessment gap, but the Decision Tree encourages a balanced and flexible approach in asking for evidence, which ensures the overall **programme aims and/or specific learning outcomes at unit level** are met. Programme Teams must make use of the aims and objectives contained in arrangement documents, as well as using unit specifications.

Programme teams must therefore have to hand and be familiar with the aims and objectives from overarching arrangement documents for each programme, as well as any specific unit specification documents. Where no overarching arrangement documents exist, for example a college devised NC, Programme Teams should decide what the necessary aims for the programme are. These could be to allow students to progress on to further study or gain employment. The original **approval documentation** may contain this information already on what the overall programme aims are. If this is not the case, in determining the aims for such a programme and what the benchmark should be for making decisions on student achievement, then must be a clearly documented and referenced when making assessment judgements.

It is recommended that when mapping evidence against programme aims or if alternative assessments are developed, reference is made to the SCQF descriptors.

https://www.sqa.org.uk/files_ccc/SCQF-LevelDescriptors.pdf

Before Programme Teams use the FVC Decision Tree, it is advised that they work through the following two documents to establish the current position for each programme:

- Programme Unit Matrix
- Student Achievement Matrix

2.3.1 Programme Unit Matrix

The Programme Unit matrix will be used to show the current overall evidence situation for each programme. It will capture the individual unit evidence completed to date, the assessment/s currently underway, and individual unit evidence still required. Once the current evidence position is established an assessment gap analysis can be carried out which will aid Programme Teams, in conjunction with the Decision Tree, in deciding how the assessment gaps for each unit may be filled under current assessment arrangements, e.g. where assessments or assignments can still be delivered, where assessments or assignments could be changed to allow additional new evidence to be gathered, and also where units cannot be completed due to restrictions on resources, work placements. The Programme Unit Matrix will then be used as a control document to show how the remaining unit evidence will be gathered. This may take the form of new evidence, or composite evidence from other assessments or other units, or professional

holistic judgements being used to support the awarding of an assessment or unit, where the evidence cannot be completed as per normal assessment criteria due to the current situation. The matrix can include proposed rationales for individual unit estimation decisions and proposed rationales for group award estimation decisions, in particular, for Graded unit assessments. Please also consider where there may be outstanding assessments from Block 1 that cannot be delivered in their normal formats, and include rationales as to how these could be achieved. Appendix 1 illustrates a Programme Unit Matrix.

2.3.2 Student Achievement Matrix

The Student Achievement Matrix will be used to initially determine the current evidence position of each individual student and show the assessments that each individual student has completed and passed to date. Once this has been done this will show the gaps in assessment evidence for each student. Then, as evidence is generated or awarded, using the Programme Unit Matrix as the control document, the gap evidence can be filled in for each student where appropriate. It is important to bear in mind that you need to consider students who have outstanding remediation from block one, or who have missed previous units or outcomes. Please refer to 2.3.1 when considering these situations. An exemplar student achievement matrix can be found in Appendix 2. Going forward this will help teams to take the appropriate holistic approach to gathering assessment evidence. At present Enquirer is being tested to see if this information can be provided in a suitable electronic format and further information will be provided on these developments. In the meantime, Programme Teams should continue to work through and record information on Student Achievement Matrices.

It is important for Programme Teams to be aware of any Alternative Assessment Arrangements recorded on Triple S as consideration may need to be given to things such as accessibility. At the stage of estimating student achievement, it is important that lecturers record any important student information on Triple S as it may be useful for panels to view. In making any final decisions on an individual student's outcome Programme Teams must consider all the evidence being presented to support decisions. This should include any SSS information, record of mitigating circumstances (see Section 3.0), previous achievements as well as professional judgements.

Please also refer to Alternative Assessment Arrangement FAQs in Section 10 of this document.

The Student Achievement matrix is a "Live" document and will be continually updated as assessment results are added or awarded.

2.4 Guide to the Decisions

2.4.1 Decision 1 – What is completed and what is already on track for completion under normal conditions?

This decision relates to units or learning outcomes that have been completed, before the College closure or are currently underway and can be done under existing, normal assessment conditions, for example, essays being submitted online, portfolios and some graded unit projects. When there is sufficient evidence to meet the unit or specific learning outcome aims from already completed assessments, result the register as normal. Internal verification should only be carried out if it is deemed high risk by the Curriculum/Operation Manager. Please refer to the Internal Verification Sampling: Exceptional Circumstances Covid-19 Procedure document for internal verification arrangements. It is important to keep gathering any evidence within this scenario as it is likely help with providing evidence in support of other units and meeting course aims elsewhere. Some further remote learning and teaching may be required. It is important to update all results, pause and consider the remaining gaps in each programme.

Documentation Required: Programme Unit Matrix
Student Achievement Matrix

2.4.2 Decision 2 – What are the gaps and how will they be filled?

It is important at this stage for Programme Teams to now take time to **consider the gaps in evidence for remaining units and learning outcomes** that have not been completed or cannot be completed from Decision 1. For any of the remaining gaps, a decision can be taken at this stage to look at the existing evidence gathered from other assessments within the same units or other units, or other formative evidence you may have gathered.

This evidence needs to be compared in line with the **overall course aims from arrangement documents, unit specification purpose and/or aims, and where necessary the aims in line with graded unit specifications.**

Some important information to consider at this stage are:

- Can sufficient existing evidence be gathered in this way to fill gaps?
- Can you make a reasonable prediction on whether units or learning outcomes should be a pass/fail, or have met the appropriate course outcomes?
- Do you need to generate any further evidence to help with your judgement? (See decision 3 and 4)
- Will there be a detriment to students in terms of progression to employment or further study by not continuing with some further learning and teaching and gathering evidence for any gaps?

If you choose to fill any gaps for a class, under this decision an **Alternative Evidence Decision Record (AEDR)** must be completed by the appropriate lecturers and signed off by the Curriculum/

Operations Manager then ratified by the **Internal Quality Assurance Panel (IQAP)**. All paperwork will be uploaded into a central location for your department by the Quality Systems Co-Ordinator (Margaret Martin) which you will have access to. It is important that we can record all decisions around gathering evidence especially if there are appeals from students.

Once all the evidence has been cross checked for each student, the Student Achievement Matrix can be updated and units/ learning outcomes can be resulted on Enquirer.

You may not be able to fill every gap in under this decision and will need to keep working through the decision tree.

Where individual students have real and significant barriers to learning, Decision 2 allows holistic Programme Team judgement to be utilised to a greater extent. This will enable Programme Teams to use their professional judgement to assess a broad range of learner evidence, including:

- Formative and summative work completed to date
- Additional assessment evidence where this can be generated
- Witnessed work, previous outcomes and part-completed work
- Assessment judgements will also be informed by staff knowledge of their students, their engagement, progress and their achievements to date

Where Decision 2 is being used for this purpose, a **Candidate Outcome Record** as per Decision 6 should be filled in by the Programme Teams in a Programme Assessment Board meeting (see section 3.0) for any student that this decision is applicable to.

Documentation Required: Programme Unit Matrix
Student Achievement Matrix
Alternative Evidence Decision Record

2.4.3 Decision 3 – Can more evidence be gathered under existing assessment conditions?

If there are still gaps in evidence after Decision 2, achievement can be demonstrated through generation of evidence through assessment, under the existing assessment conditions of unit specifications, for example, essays being submitted online, portfolios, project work. You must give considerations to assessment conditions and equity of students, for example access to IT and personal circumstances.

Internal verification should only be carried out if it is deemed high risk by the Curriculum/ Operations Manager. Assessment conditions can then be resulted in Enquirer.

Documentation Required: Programme Unit Matrix
Student Achievement Matrix

2.4.4 Decision 4 – Can more evidence be gathered using modified assessment arrangement?

If there are still gaps after Decision 2 and 3, achievement can be demonstrated through generation of evidence through modified assessment. If this decision is taken, you will be required to complete an Alternative Evidence Decision Record (AEDR) to outline the approach being taken and attach the new assessment tool with marking guidelines and prior verification paperwork. You must give considerations to assessment conditions and equity of students, for example access to IT and personal circumstances.

Examples of evidence under this decision may include:

New assessments covering the learning outcomes using modified assessment arrangements — for example:

- Remote testing (this could be paper based, app based, online, audio, video): This should contain content to assess skills, knowledge and understanding, and should include sufficient challenge and application to demonstrate the appropriate level of attainment.
- Professional Discussion: using and recording professional discussion between a candidate and an assessor focusing on, and enhancing, evidence already provided or demonstrated by the learner — including real work activities, practical tasks, a case study, project, portfolio or some other form of assessment.
- Practical assessment: In some circumstances, evidence may be assessed using remote assessment (video, photographic, portfolio, witness testimony), alongside work already demonstrated and assessed.
- Formative coursework: This may have been completed in a developmental way without time constraints and with some peer or tutor support.

Where this approach is adopted the relevant forms should be completed and verification of approach by completed. Registers should be resulted after Internal Verification activity has taken place. Evidence gathered at this stage must be internally verified – Please refer to the Internal Verification Sampling: Exceptional Circumstances Covid-19 Procedure document.

Documentation Required: Programme Unit Matrix
Student Achievement Matrix
Alternative Evidence Decision Record
Internally Verified Alternative Assessment Paper

2.4.5 Decision 5 – What if assessment conditions cannot be adapted?

Where it is not possible for assessment conditions to be adapted, you should consider first whether there are specific health and safety or competence requirements that cannot be inferred. If so, assessment of learners should be deferred until this can be delivered under normal conditions (after the COVID-19 restrictions have been lifted). Where there are no such specialist requirements, assessment may be deferred if it is practical to do so, or you may determine

whether the learner has met the course aims by using a range of indicators of competence, such as partial evidence, formative assessments etc (taking into account any tolerances or rules which have been advised on a subject-specific basis). However, where specific health, safety or competence issues cannot be inferred, it may be that positive outcomes cannot be determined.

See Appendix 3 - SQA guidance on list of qualifications, where alternative assessment may not be possible. Further guidance will be issued by the Quality Manager. Please discuss with the Quality Manager if you have concerns with this guidance.

Documentation Required: Alternative Evidence Decision Record

2.4.6 Decision 6 – Can Programme Teams make a final overall professional judgement on the student outcome from all the evidence generated?

Having considered all evidence gathered from the decisions taken above, including the graded unit evidence where applicable, can the Programme Team make a final decision for each student regarding whether they have passed the course?

The best overall prediction will be based on comprehensive assessment information covering (where possible) all areas assessed. This does not necessarily mean that every topic in every area needs to be assessed exhaustively. A selection of important and representative questions can give a good indication of likely performance on a **holistic** basis across the full group award.

After all evidence has been gathered from Decisions 1-5, Programme Teams outcomes will need to be resulted on Enquirer as per the normal process and signed off by Curriculum/Operations Managers.

A **Candidate Outcome Record** will be filled in for **every student**. In order to do this Programme Teams will need to make this decision together, by way of a Programme Assessment Board.

2.5 Programme Assessment Board

The Programme Assessment Board should ideally comprise the full Programme Team – but as a minimum the lecturers involved in the core units and the Curriculum/ Operations Manager – this will ensure a holistic Programme team approach is taken. Departmental administrators can be involved in these boards so that the Candidate Outcome Record can be completed and held for transparency and appeals situations. A member of the IQAP should also be invited to this meeting and be briefed beforehand with the following documentation:

- Details of any personal exceptional circumstances
- Updated Student Achievement Matrix.
- Student attendance and progress update.
- Triple S record
- PI Prediction Record

Documentation Required: Student Achievement Matrix (Completed)
Candidate Outcome Record

2.6 Graded Units

There are a number of graded units that can be completed under normal assessment conditions and students should be encouraged to complete these. They should be marked, graded and resulted as normal. Evidence from these graded units may be useful in providing estimates for other gaps in the programme. In some cases, suitable and appropriate adjustments are only needed for project based graded units to be completed under existing conditions, keeping in line with the overall aims of the graded unit.

Where a graded unit cannot be completed, a graded unit grade must be estimated at a Graded Unit Assessment Board, which should be scheduled when all other assessment evidence has been gathered and marked.

2.6.1 Graded Unit Assessment Board

The main purpose of this board is to determine a final grade for a graded unit. The board should comprise the full Programme Team – but as a minimum the lecturers involved in the core units, the lecturer delivering the graded unit and Curriculum/ Operations Manager. This will ensure that a holistic Programme team approach is taken. Department administration can be involved in this board so that the necessary Graded Unit Estimation Record (Appendix 5) can be completed and held for transparency and appeals situations. A member of the IQAP should be invited to the Assessment Board.

The paperwork required in advance of the panel sitting is:

- A document outlining the parameters/rules around what constitutes an A, B, C grade and fail. A guide can be found in a number of graded unit specifications. This document will need careful consideration on what parameters are used prior to the board taking place.
- Graded unit specification.
- Group award specification.
- Updated Student Achievement Matrix.
- Attendance and progress information on each student.
- Information held on Triple S and PI Predictions.

2.7 Overview of Process for gathering evidence

Step 1: Programme teams work through a Programme Unit Matrix for each programme that details all assessment outcomes

Step 2: Programme teams work through a Student Achievement Matrix for all students on each programme, tracking what learning outcomes have been completed and those that need to be completed across Block 1 and 2.

PAUSE AND REFLECT

Step 3: In Programme Teams, decide the assessment approach to gathering remaining assessment evidence using the Programme Unit Matrix and FVC Decision Tree (Figure 1). Ensure the Programme Unit Matrix is updated if changes are made.

Step 4: If approach is not as per normal assessment conditions (Decision 2, 4 and 5) identify evidence source from Programme Unit Matrix and track using the Assessment Evidence Decision Record (AEDR).

Step 5: Present AEDR to OM/CM for sign off. CM/OM to send evidence form to Internal Quality Assurance Panel for final sign off.

Step 6: Undertake mapping of evidence and/or develop any alternative assessment instruments as necessary ensuring they are internally verified. Ensure the Programme Unit Matrix is updated if changes are made.

Step 7: Gather all appropriate assessment evidence from students.

Step 8: If appropriate, carry out a Graded Unit Assessment Board recording results using the Graded Unit Estimation Record. Where a graded unit can be carried out under existing assessment conditions, an assessment board is not required.

Step 9: Carry out any necessary internal verification as per the Interval Verification Covid-19 procedure.

Step 10: Ensure Student Achievement Matrix is fully updated.

Step 11: Carry out Programme Assessment Boards for all students, considering any personal student exceptional circumstance cases. Record final assessment judgements, based on the holistic approach to the gathering of assessment evidence, using the Candidate Outcome Record.

Step 12: Ensure all registers are complete and signed off by CM/OM.

3.0 Students who have 'Mitigating' Circumstances

Where students have real and significant barriers to learning, assessor judgement may be utilised to a greater extent. This will enable colleges to use their professional judgement to assess a broad range of learner evidence, including:

- Formative and summative work completed to date
- Additional assessment evidence where this can be generated
- Witnessed work, previous outcomes and part-completed work.
- Assessment judgements will also be informed by staff knowledge of their students, their engagement, progress and their achievements to date.

Real and significant barriers to learning may include students undertaking front line worker duties, having limited or no access to IT, suffering from anxiety or other mental health conditions, being a single parent with caring responsibilities or those with general caring responsibilities.

If any of your students fall into this category it is important that this is documented if they follow a different path than the rest of the class. This should be recorded on the **Candidate Outcome Record** as per Decision 6 (see Appendix 6 for profoma). In this case, student achievement and decisions must be discussed in a **Programme Assessment Board** meeting (see section 2.5).

4.0 Documentation

It is important that FVC complete and retain the documentation identified in section 4.0 below as part of the overall evidence gathering process.

4.1 Programme Unit Matrix

See section 2.3.1

4.2 Student Result matrix

See section 2.3.2

4.3 Assessment Evidence Decision Record (AEDR)

Please refer to Appendix 4 for the proforma for this record. This form is required for recording decisions where exceptional circumstances are being used to gather alternative assessment evidence across the programme.

This form will be completed by Programme Teams and signed off by Curriculum/Operations Managers in the instance of making use of Decision 2, Decision 4 and 5, where teams are using alternative assessment approaches or using professional judgement to make an assessment decision based on existing evidence. Once signed off, the form will then be sent to the IQAP by emailing it to iqap@forthvalley.ac.uk for review and ratification by the panel.

Once the Curriculum/ Operation Manager has signed off the form, the Programme Team can progress with gathering the appropriate evidence. Decisions will be audited by IQAP on a risk basis.

4.4 Graded Unit Estimation Record

Please refer to Appendix 5 for the proforma for this record. This proforma should be used to record Graded unit grades for each student where alternative assessment approaches have been used to make a final grading solution. It does not need to be completed if a graded unit can be completed under normal assessment conditions.

4.5 Candidate Outcome Record (COR)

Please refer to Appendix 6 for the proforma for this record. This form should be used to record a final holistic Programme Team judgement on achievement for every students at Decision 6 in the FVC Decision Tree. Before this form is completed graded unit estimates must be made where appropriate and the Student Achievement Matrix has been fully updated.

This form will also be used to record where students have had major barriers to producing assessment material. Programme Teams should consider these barriers, referring to the appropriate evidence being submitted to the Curriculum/Operations Managers, in relation to what has been achieved and possible predicted outcome for the programme.

4.6 Professional Discussion Record (PDR)

In gathering appropriate alternative evidence, it may be deemed necessary to carry out a Professional Discussion with students. See Appendix 7 for details of this proforma. Guidance for using this pro forma is contained in Appendix 8.

5.0 Storage of Documentation

SQA have requested that all documentation used to make alternative assessment decisions is kept until December 2020. A repository will be set up to store this paperwork and guidance will follow as to how this will operate. Departmental administration can upload forms to this area, which will be overseen by the Quality Systems Coordinator (Margaret Martin).

6.0 Resulting

It is recognised that not all learners will pass. Where a learner has not achieved the award and this is considered a direct result of the impact of cessation of face-to-face teaching and college closure, it is important that consideration be given to keeping the candidate's entry open and allowing the learner the opportunity to engage in further learning, teaching and assessment when conditions allow. For example, this may arise, where a student has undertaken only a small proportion of the qualification, where there are substantial new subject areas within the group award that the learner has not undertaken (resulting in some course aims not being achieved), or where changes to assessment method are not possible — for example, in respect of health and safety concerns.

Where a student has partially completed the outcomes and demonstrated from other units and activities as per the Decision Tree guidance that they have achieved the aims and objectives of the unit/the programme, the register should record the overall result as a pass.

Where overall a holistic approach has taken place to fill gaps, the register should be resulted as a pass for all units. This should be reflected in the Student Achievement Matrix and a Candidate Outcome Record should be completed for every student.

Once holistic assessment decisions have been finalised, candidate results for the planned units within the group award will be submitted to SQA through normal resulting channels, where possible. Certification will be undertaken by SQA in line with normal arrangements (where possible). Any change to this will be communicated to centres.

7.0 Verification

7.1 Internal Verification

A new procedure has been adapted to cover internal verification under this guidance - Internal Verification Sampling Exceptional Circumstances Covid-19 Procedure. This document will be made available by the Quality Manager

7.2 External Verification

All supporting evidence and student work should be retained in line with SQA published guidelines.

These can be found at https://www.sqa.org.uk/files_ccc/SQA_Evidence_retention_requirements.pdf

8.0 Appeals

The appeals procedure will be adapted for the period of resulting qualifications under this guidance and will be made available by the Quality Manager.

9.0 Where to get support and guidance

Directors of Curriculum, Curriculum and Operations Managers will be able to guide Programme Teams through this process.

It is encouraged that Directors of Curriculum, Curriculum and Operations Managers use the CM/OM Forum as a space to ask questions and share examples of how some evidence is being gathered. A channel will be set up for the Internal Quality Assurance Panel so questions and feedback can be posted on this page.

Lecturers should in the first instance raise any queries or concerns with implementing this guidance to their line manager. If these queries cannot be dealt within Programme Teams, the Internal Quality Assurance Panel (IQAP) will be able to help. In this instance, correspondence should be sent to iqap@forthvalley.ac.uk.

Please note all questions to SQA must be directed to the Internal Quality Assurance Panel using the email address above.

10.0 Frequently asked questions

Q: What if students don't have access to IT or need to access their files on College drives?

A: The College is currently working to supply IT to those students who have been identified as not having access to IT. If you are aware of a student not having access to IT then please forward the students name and details to IT and they will endeavor to ensure the student gets the relevant IT equipment. The College will deliver the IT equipment to the student, until lockdown restrictions are relaxed or lifted.

For those students who have been delayed in getting IT equipment and access to College systems, please take this into consideration when making assessment and grading decisions and use the guidance documentation to support your professional judgement to ensure the student/s will not be disadvantaged by the situation.

Where students need access to data on student U:\ drives please ask them to email inthecloud@forthvalley.ac.uk.

Q: What if we can't give students access to specialist equipment or software to complete units?

A: It is important you refer to overall programme aims contained in the arrangement documents and/or the relevant unit specification purpose. Holistically, based on a broad range of evidence from a collection of assessment evidence completed (or indeed still planned) a judgement of the required skills may be inferred for the use of the software or equipment.

Q: Are we still expected to keep assessing students?

A: Students should continue to engage remotely in learning, teaching and assessment until the scheduled end of block/semester, or to the point where the Programme Team considers that sufficient evidence is in place to enable a final assessment judgement to be made.

Q: When do we stop teaching?

A: This sector wide approach is very much about looking for opportunities to credit students with achievement where they have demonstrated the aims and objectives of units and or the programme. Teaching should stop when Programme Teams are confident that they have sufficient evidence to meet the award aims and objectives as outlined within this guidance. Where this has not been achieved, further teaching and assessment should be carried out until students are able to demonstrate competence and meet the requirements of the award.

Q: How can we ensure standardisation in assessment judgements across the sector?

A: The guidance supports standardisation of approach across the sector. These are truly exceptional circumstances and, in light of timescales and logistics, it will not be possible to moderate assessment judgements sector wide. SQA have acknowledged that colleges are experienced, trusted and trustworthy institutions that are able to utilise and apply professional judgement and evidence to deliver fair and reasonable outcomes for our students.

Q: How do we quality assure?

A: Internal Quality Assurance will be strengthened within each college to support, advise, moderate and confirm the work of Programme Teams in line with SQA guidance. This will support the change from assessment decisions being made by individual assessors to a more holistic, Programme Team approach to decision making.

Q: Can we share resources and approaches across the sector?

A: SQA will support with guidance and resources wherever possible. Colleges may use existing networks for sharing of resources where possible and practicable. However, approaches for supporting students in generating assessment evidence are dependent on a wide range of local factors, including the stage to which assessment has already been achieved, access to equipment and resources, and remote communication networks. Therefore, assessment approaches and conditions will be based on professional judgement at local level.

Q: Can we use open-book assessment in lieu of closed-book?

A: Yes, this would be a suitable alternative approach in some cases. For example, it may be desirable to set this as a timed assessment. Whilst flexibility around conditions of assessment may allow open-book activities to replace established closed-book practice, care must be taken not to compromise existing secure assessment materials. There may be awards and units where this approach is not suitable, these are outlined in the additional guidance from SQA

Q: Will staff be able to devise and implement alternative assessment instruments without having these prior verified?

A: The approaches to alternative assessment and the development of any additional instruments of assessment would be entrusted in these exceptional circumstances to the professional judgment of the Programme Team, and subject to normal internal verification arrangements.

Q: How will all of this apply to students with additional support needs?

A: Staff should choose the most appropriate assessment methodology to make the assessment accessible. This will be in partnership with college student support services. This could include, for example, the use of professional discussion as an alternative to written evidence if a scribe is usually required.

Q: What about SVQ? Can we apply the same guidance?

A: No, SVQs are subject to regulatory requirements, and separate guidance will be issued in respect of these.

Q: How can we apply a grade to a Graded Unit where this cannot be completed and may even be the weakest element of available evidence?

A: The Graded Unit is the summation and application of the candidate's understanding of mandatory units in the HN to meet the course aims. The Programme Team, through a professional discussion, review the quality and sufficiency of candidate evidence, in addition to any work submitted for the Graded Unit, to determine a grade.

Q: What about other awarding bodies? Can we apply the same guidance?

A: No, each awarding body will establish its own arrangements, and separate guidance will be issued in respect of these.

Q: Does there need to be evidence for all outcomes?

A: The Programme Team, using professional discussion and judgement, will reach an outcome decision, where possible, based on holistic review of all available candidate evidence, as well as staff knowledge of their candidates, their engagement, progress and their achievements to date. This may include areas where the available evidence is used to infer competence or predict an outcome that is reasonable and justifiable in respect of the wider evidence base available. Staff should refer to the FVC Decision Tree for guidance.

Q: What is the approach where an HN includes VQ components?

A: SQA is still working with SQA Accreditation and Sector Skills Councils to produce guidance around SVQs and awards that contain SVQ components. WE are waiting for an update on this guidance.

Q: Does this approach apply to all SQA awards?

A: No, there are a number of awards that SQA are producing additional guidance on how to assess and certificate students. These include **SVQs**, **VRQs**, certain **HNs** and **PDA**s. The guidance on these exceptions will be circulated to your CM/OMs as SQA update us.

Q: Can we defer activity to the following year?

A: This is one of the decisions that are available to Programme Teams and may be the only option available. Programme Teams should explore all possible options before this decision is made and this should be referred to IQAP to be verified.

Alternative Assessment Arrangement FAQs

This is a challenging time for the Learning Support team. We are currently trying to support a number of students with different challenges across a number of mediums. This means that the service that we offer needs to change too. Below are some FAQs for you to review before you submit a request for alternative assessment arrangements (AAAs).

Q: I have a student who normally has AAAs for assessments, can I still submit AAA requests to Learning Support?

A: Yes, but only in very limited circumstances and after all other avenues for assessments have been investigated and discounted. When you make your request, you should not request a specific date or time as we may not be able to accommodate this. The submission of the AAA request form will generate a request for a member of the Learning Support team to contact you to have a discussion about your assessment.

Q: What assessments are not supported?

A: Unfortunately, we are currently unable to support assessments for students on Level 4 & 5 courses and assessments that do not contribute to final awards.

Q: Are there any assessment arrangements that do not require support from the Learning Support team?

A: You do not need to submit an AAA request for students who require extra time, separate room, rest breaks or assistive technology. These adjustments can be managed by the student in their own home.

Q: How can I best support students with ASN and other challenges with assessments?

A: Where possible, you should explore different avenues to collect evidence for a student's award. Existing course work can be used to support assessments provided that it meets the assessment criteria. Other technological solutions should also be considered. These should negate the need for timed, written assessments. Learning Support will ask you about other assessment methods should you submit an AAA request.

Q: I have a student who requires a scribe, what other options can I consider?

A: You should consult your course descriptor for the range of assessment methods you are allowed to use. Normally these are very flexible and allow you to assess students in a variety of ways.

You could consider the use of technology for assessing students that may struggle to produce written work without a scribe. For example, your student could audio or video record their answers using their mobile phone or tablet. The Zoom app can also be used to record dictated answers and students can present over Microsoft Teams. A professional conversation could be held with the student to assess their knowledge or you could waive the need for perfect spelling and grammar if the student is required to submit something in writing.

The Learning Support team cannot transcribe all audio recordings but may be able to do some transcription work where the course descriptor specifically prescribes written work. You should contact the Learning Support team to discuss this before setting your assessment.

Q: I have a student who require a reader, what other options should I consider?

A: For students who require a reader, you could audio record the assessment and send it to the student, this would negate the need for a human reader. Microsoft Teams could be used to share this with the students or you can send a video/audio file. Students who already use Read & Write Gold and have access to this at home, should be encouraged to use this to read out the assessment where required.

Q: I have a student who requires a prompter, what should I be considering?

A: If the student is not working under timed conditions, they should no longer require a prompt as they can effectively “chunk” the assessment into manageable parts in a timescale that works for them. Learning Support students who receive support through their Learning Mentor or LDF can continue to do so and will receive non-subject specific support with organisation and preparation for assessments.

If you have any queries regarding the best way to support students with assessment arrangements, please contact your department’s LDF for a discussion. Trying out different methods of assessment can help create an inclusive approach to assessments that will benefit all of your students, not just the ones accessing Learning Support. All of your students will not have access to the same types of technology that are readily available to them in college and allowing them to submit their work in different ways will help encourage engagement and achievement. There are also a number of resources and support available on FVC Community on Teams and the Lecturers’ Toolkit on moodle.

Internal Quality Assurance Panel (IQAP)

Sampling and Risk Guidance

Exceptional Circumstances covid-19

Date of version:

Responsibility for procedure:

Date for review:

Forth Valley College undertakes to carry out a robust process of internal verification of all assessment decisions through a risk based sampling criteria. This process will be carried out by members of the Internal Quality Assurance Panel (IQAP) to ensure that alternative approaches to assessment, the grading and the overall certification of students by Programme Teams is consistent and accurate, equitable, fair and practicable in accordance with the FVC Guidance to Assessment Covid -19.

This guidance does not relate to the Internal Verification of assessment instruments and evidence. This is covered in separate guidance.

This guidance applies to the exceptional circumstances as outlined by the joint Colleges Scotland and SQA proposal April 2020.

1. Sampling Criteria

IQAP Sampling is risk based and should be proportionate. This approach is in line with SQA guidelines produced as part of the Colleges Scotland /SQA guidance on recognising learner achievement.

Risk is defined as being where the decisions being made prior to assessment, during assessment and on completion of assessment may bring the awarding body or the assessing institution in to disrepute.

At the institutional level the IQAP would consider decisions as **High Risk** where:

- alternative/adapted assessments were used especially in relation to Graded unit assessment and grading;
- a holistic approach to assessment and certification was carried out;
- there had been issues from previous Internal Verification activity;
- there had been issues from previous External Verification activity.

At the institutional level the IQA panel would consider decisions as **Low Risk** where:

- no alternative assessments were used
- no holistic approach to assessment and certification was carried out;
- assessments decisions were made by experienced lecturers;
- there had been no issues from previous Internal Verification activity;
- there had been no issues from previous External Verification activity.

2. Alternative Evidence Decision Record (AEDR)

The AEDR form, produced by Programme Teams, records decisions where exceptional circumstances are being used to gather alternative assessment evidence across the programme.

All AEDR decisions will be subject to sampling to ensure that:

- the overall arching principles of Internal Quality Assurance Panel (IQAP) have been applied;
- alternative approaches to assessment have been recorded appropriately in line with the guidance;
- alternative approaches to assessment are equitable, fair and practicable;
- alternative approaches to assessment have been taken in to consideration;
- the assessment meets the awarding body assessment requirements;
- alternative approaches to assessment have been internally verified by the Curriculum/ Operations Managers.

IQAP Sampling as per the sampling flowchart criteria should be carried out using the following sampling methodology.

All decisions within an AEDR must be examined. If any issues are identified the AEDR should be returned to teams for further clarification/discussion.

The signed off AEDR should be placed in the Master Folder on Sharepoint.

A record of the outcome will be stored in the IQAP team's page.

The Curriculum/ Operations Manager, with support from a member of the panel, will be responsible for monitoring actions raised during sampling.

3. Graded unit Assessment Board

The main purpose of this board is to determine a final grade for a graded unit, where a graded units cannot be completed under normal assessment conditions. The board should comprise the full Programme Team plus a member of IQAP. This will ensure that a holistic Programme team approach is taken and ensure that the overall principles of FVC Guidance for Assessment Covid-19 approach are adhered to.

IQAP members should validate that the process is

- Fair;
- Equitable;
- Transparent;
- Documented;
- Follow a standardised and consistent approach across all course teams;

This should be Risk based and proportionate.

4. Programme Assessment Board

The main purpose of this board is to determine the final certification of students on each programme. The board should comprise the full Programme Team plus a member of

IQAP. This will ensure that a final holistic Programme Team approach is taken and ensure that the overall principles of the FVC Guidance for Assessment Covid-19 approach are adhered to.

IQAP members should validate that the process is:

- Fair;
- Equitable;
- Transparent;
- Documented;
- Follow a standardised and consistent approach across all course teams;

IQAP attendance will ensure validity and reliability in the final decision.

This should be Risk based and proportionate.

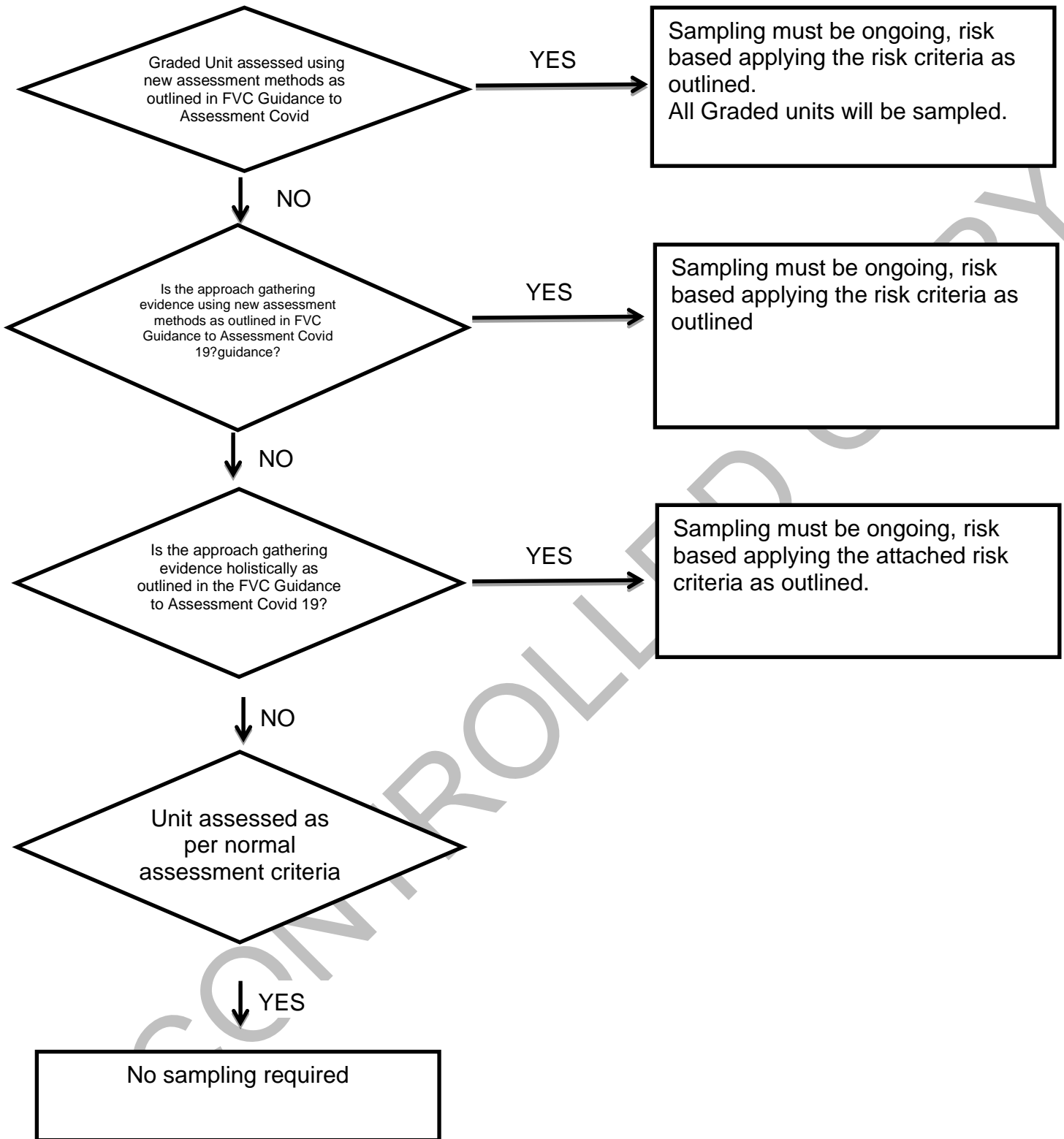
5. Associated Documents

Forms

Assessment Evidence Decision Record template
Graded unit Estimate Record
Candidate Outcome Record
FVC Guidance for Assessment Covid-19

We welcome feedback on this procedure and the way it operates. We are interested to know of any possible or adverse impact that this procedure may have on any groups in respect of gender, race, disability, sexual orientation, religion or belief, age or other characteristics. This procedure will be evaluated for impact assessment at its next review. If you wish to give feedback relating to this procedure please email centre.coordinator@forthvalley.ac.uk .

AEDR Sampling Flowchart



Forth Valley College

Business Development - Business Process Review (BPR)

Internal Audit Report No: 2020/05

Draft issued: 06 January 2020

Final issued: 07 February 2020

Now, for tomorrow

 **mha**
HENDERSON LOGGIE

Contents

| | | Page No. |
|------------------|---|----------------------------------|
| Section 1 | Management Summary | |
| | <ul style="list-style-type: none"> • Background • Scope and Objectives • Audit Approach • Summary of Main Findings • Acknowledgements | <p>1 1 2 2 2</p> |
| Section 2 | Overview of Work Undertaken | 3 - 4 |

UNCONTROLLED COPY

Business Development – Business Process Review (BPR)

Background

As part of the Internal Audit programme at the College for 2019/20 we facilitated a business process review of business development activities within the College. This included:

- Bespoke and standard commercial courses carried out at the college or off-site;
- Commercial courses offered to members of the public, and for which businesses could put staff onto;
- Modern Apprenticeships (MAs) and Vocational Qualifications (VQs); and
- The Flexible Workforce Development Fund (FWDF).

The purpose of the review was to identify inefficiencies in existing processes, and to help identify a more effective and efficient process starting from the identification of opportunities, through to securing work, contracting for this, and invoicing. Delivery of the work was excluded from this review.

Scope and Objectives

There is a perception that the current methodology for costing and agreeing business development activities is overly complex and bureaucratic, and the levels of authorisation required are not flexible to align with the size of the opportunity being evaluated. We have examined the current Business Development Process, from identification of opportunities through to invoicing. This included review of the costing methodology, the approvals process, and the contacting and invoicing processes to ensure that the overall process was proportionate and fit for purpose going forward. This review also considered the processes in relation to commercial training income (including booking for statutory training courses) and reviewed the booking and payment processes for both online and offline bookings and the way in which this linked with the student record system.

The specific objectives of our audit were to identify suggestions to simplify the process by taking into account whether:

- the scope of activity included within the process is appropriate;
- there is clarity amongst the staff involved in the process on the approach to be adopted;
- the agreed costing methodology is reviewed and is applied consistently;
- the methodology for calculating direct and indirect costs is sensible and proportionate;
- authorisation requirements, at the various stages of the evaluation process, are aligned to the risk and size of the opportunity being evaluated;
- the contracting and invoicing processes are appropriate;
- customer relationship / experience is appropriately managed; and
- any non-value adding steps in the process are identified.

Audit Approach

Through a range of facilitated groups, which included staff and senior managers from both Business Development and academic areas, we deployed a range of business improvement tools to examine the current Business Development Process and looked for ideas to improve and enhance the existing arrangements. We conducted a final facilitated session, where key aspects of the change management process were discussed and prioritised and agreed on how the process to implement this change would be initiated.

Business Development – Business Process Review (BPR)

Summary of Main Findings

The review identified a wide range of opportunities for potential change in order to enhance efficiency, effectiveness, and customer service. No issues were identified during our review which would subject the College to material or significant risk.

The key areas for improvement noted during the work were:

- streamlining the 'Business Development Process' to use standard costings for standard course provision, and only requiring a tailored costing to be undertaken for specific bespoke work;
- having a fully joined up workflow process from opportunity identification through to invoicing, to ensure that all opportunities are being progressed on a timely basis and are invoiced appropriately;
- making improvements to the existing website configuration to make it easier to use and to streamline the associated underlying administration processes;
- working to automate or batch process specific actions, such as setting up students on VQ Management and One File systems;
- Making refinements to the FWDF database and systems;
- In the longer term developing a Customer Relationship Management (CRM) database, and creating a culture within the college whereby all staff who make contact with commercial clients capture these interactions and can access this shared intelligence; and
- Working to develop more detailed reports so there is greater transparency over the income, expenditure and margins of each of the College's main commercial activities.

Acknowledgements

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

Business Development – Business Process Review (BPR)

Overview of Work Undertaken

Our work commenced with work to establish a solid understanding of key systems, by working through the 'Business Development Process' software; gaining an understanding of the website; examining processes used for SDS funds (MAs and VQs); understanding the FWDF processes; and reviewing existing reporting functionality. Building on this initial activity we held six facilitated sessions. At each session handouts were provided on the seven waste categories (which originally devised by the car manufacturer Toyota) to encourage participants to think about different types of inefficiency in existing processes.

The Toyota seven waste categories, along with some examples, are listed below:

Inappropriate processing

- Managers doing the work of subordinates
- Duplication of data entry
- Data being passed multiple times between different staff before processing
- Manual creation of timetables when systems can do this

Overproduction

- Production of multiple versions of forms
- Over servicing of internal customers
- Working unnecessary overtime

Transporting

- Transporting of forms
- Unnecessary movement of staff between locations

Defects

- Manual input errors
- Incorrect reporting of data

Waiting

- In process delays while waiting for staff to process information
- Information not processed when staff are away on holiday

Unnecessary inventory (not applicable for this review)

- Level of stock and work in progress

Unnecessary motions

- Ergonomics of work stations

Business Development – Business Process Review (BPR)

Each session commenced with an examination of the key objectives of the area being reviewed, then moved onto analysing the existing position (including processes and issues) and then considered potential opportunities for process improvements. All points raised were captured on flipcharts, which were placed on the wall throughout the session for all participants to see. These were later summarised to ensure that none of the ideas captured were lost.

The six facilitated sessions covered:

- Commercial processes and the FWDF;
- Use of the website for commercial bookings;
- MAs and VQs and Skills Development Scotland (SDS) processes;
- IT and data;
- Opportunities and how to grow income (with Business Development staff); and
- Opportunities and commercial processes (with Curriculum Directors).

Following the six facilitated sessions, a wrap up session was held with key managers, including the Vice Principal Finance and Corporate Affairs and Vice Principal Information Systems and Communications. During this session priorities were discussed and agreed, key factors in implementing change were highlighted, possible risks and risk mitigations relating to making specific changes were identified, and an initial way forward was agreed.

Following this session, a list of the detailed findings from the facilitated sessions and a record of the final wrap up session were provided to management for them to follow up these points and implement them as they saw appropriate. Given the detailed nature of these findings they have not been included in full within this report, however the main areas for action are

- streamlining the 'Business Development Process' to use standard costings for standard course provision, and only requiring a tailored costing to be done for purely bespoke work;
- having a fully joined up workflow process from opportunity identification through to invoicing, to ensure that all opportunities are being progressed on a timely basis and are invoiced;
- making improvements to the website to make it easier to use and to streamline associated administration processes;
- working to automate or batch process certain actions, such as setting up students on VQ Management and One File systems;
- Making refinements to the FWDF database and systems;
- In the longer term developing a Customer Relationship Management (CRM) database, and creating a culture within the college whereby all staff that have contact with commercial clients use this; and
- Working to develop more detailed reports so there is greater transparency over the income, expenditure and margins of each of the College's main commercial activities.

Aberdeen

45 Queen's Road
Aberdeen
AB15 4ZN

T: 01224 322100

Dundee

The Vision Building
20 Greenmarket
Dundee
DD1 4QB

T: 01382 200055

Edinburgh

Ground Floor
11-15 Thistle Street
Edinburgh
EH2 1DF

T: 0131 226 0200

Glasgow

100 West George Street
Glasgow
G2 1PP

T: 0141 471 9870

MHA Henderson Loggie is a trading name of Henderson Loggie LLP, which is a limited liability partnership registered in Scotland with registered number SO301630 and is a member of MHA, an independent member of Baker Tilly International Ltd, the members of which are separate and independent legal entities

PROJECT INITIATION DOCUMENT (PID)

| | |
|---------------------|---|
| Project Name | Re-engineering Business Development Processes |
| Release | 001 |

| | |
|----------------------------|-----------------|
| Author: | Project Manager |
| Owner: | Executive |
| Client: | FVC |
| Document Reference: | IM-BD-PID |

Document History

| Version Number | Date | Summary of Changes |
|----------------|------|--------------------|
| 001 | | TBC |
| | | |
| | | |

Approvals

This document requires the following approvals:

| Title | Name | Signature | Date |
|------------------|---|-----------|------|
| Executive | Alison Stewart | | |
| Senior Users | Jennifer Tempany; <ul style="list-style-type: none"> • Miles Lagan; • Zak Stark; • Caroline Hogg; | | |
| Senior Suppliers | David Allison <ul style="list-style-type: none"> • Kevin O'Reilly; • Liam Friel; • Lorraine Webb; | | |
| Project Manager | James Aston | | |

Purpose

This Project Initiation Document (PID) has been produced to capture and record the basic information needed to correctly direct and manage the Example Project

The PID addresses the following fundamental aspects of the project:

- What the project is aiming to achieve
- Why it is important to achieve the stated aims
- Who will be involved in managing the project and what are their roles and responsibilities
- Project timetable.

The PID will provide the “Baseline” for the project. It will be referred to whenever a major decision is taken about the project and used at the conclusion of the project to measure whether the project was managed successfully and delivered an acceptable outcome for the user.

CONTENTS

| | |
|--|-------------------------------------|
| 1. Background..... | 4 |
| 2. Project Definition..... | 5 |
| 2.1. Project Objectives..... | 5 |
| 2.2. Defined Method of Approach..... | 6 |
| 2.3. Project Scope..... | 6 |
| 2.4. Project Deliverables..... | 6 |
| 2.5. Exclusions..... | 7 |
| 2.6. Constraints..... | 7 |
| 2.7. Interfaces..... | 7 |
| 2.8. Assumptions..... | 8 |
| 3. Project Organisation Structure..... | 8 |
| 4. Communication Plan..... | 10 |
| 4.1. Project Communication Documents..... | 10 |
| 4.2. Change Management Process..... | 10 |
| 5. Project Quality Plan..... | Error! Bookmark not defined. |
| 6. Project Controls..... | 11 |
| 7. Initial Business Case..... | Error! Bookmark not defined. |
| 8. Initial Project Plan..... | 11 |
| 9. Initial Risk Log..... | 11 |
| Tracking risks..... | 11 |
| 10. Data Protection Impact Assessment..... | 11 |
| Initial Business Case..... | Error! Bookmark not defined. |
| 1. Project Rationale..... | Error! Bookmark not defined. |
| 2. Benefits Expected..... | 13 |
| 3. Options..... | Error! Bookmark not defined. |
| 4. Risks..... | Error! Bookmark not defined. |
| 5. Cost..... | Error! Bookmark not defined. |
| 6. Timescales..... | Error! Bookmark not defined. |

1. Background

As part of an Internal Audit programme at the College for 2019/20 Henderson Loggie facilitated a business process review of business development activities within the College.

This included:

- Bespoke and standard commercial courses carried out at the college or off-site;
- Commercial courses offered to members of the public, and for which businesses could put staff onto;
- Modern Apprenticeships (MAs) and Vocational Qualifications (VQs); and
- The Flexible Workforce Development Fund (FWDF).

The purpose of the review was to identify inefficiencies in existing processes, and to help identify a more effective and efficient process starting from the identification of opportunities, through to securing work, contracting for this, and invoicing.

The review identified a wide range of opportunities for potential change in order to enhance efficiency, effectiveness, and customer service. No issues were identified during our review which would subject the College to material or significant risk.

The key areas for improvement noted during the work were:

- Streamlining the 'Business Development Process' to use standard costings for standard course provision, and only requiring a tailored costing to be undertaken for specific bespoke work;
- Having a fully joined up workflow process from opportunity identification through to invoicing, to ensure that all opportunities are being progressed on a timely basis and are invoiced appropriately;
- Making improvements to the existing website configuration to make it easier to use and to streamline the associated underlying administration processes;
- Working to automate or batch process specific actions, such as setting up students on VQ Management and One File systems;
- Making refinements to the FWDF database and systems;
- In the longer term developing a Customer Relationship Management (CRM) database, and creating a culture within the college whereby all staff who make contact with commercial clients capture these interactions and can access this shared intelligence; and
- Working to develop more detailed reports so there is greater transparency over the income, expenditure and margins of each of the College's main commercial activities.

The key developments were then prioritised as follows:

| Priority | Area | Justification |
|-------------|--|---|
| Joint first | Website course booking changes | Head of Business Transformation advised that he had sufficient resources to have 3 areas taken forward at the same time |
| Joint first | VQ management and One File | As above |
| Joint first | Bespoke commercial and standard commercial process | As above |
| Fourth | MAs, VQs and FIPS | SDS is developing FIPS and it makes sense for this development to proceed prior to making changes in the college. The college has fed/is feeding into a SDS working group |
| Joint fifth | FWDF | Planning for FDWF is largely once a year |
| Joint fifth | CRM | In order to implement a CRM there needs to be a cultural change to ensure everybody buys into using this, and there is a significant amount of work required to do this. |

2. Project Definition

This development will be run as a programme of works, formed of 3 sub projects one for each of the priority "1s". Each sub project will have a dedicated project team and, although managed separately, will run concurrently with elements of work crossing over the 3 developments due to their synergy.

2.1. Project Objectives

The objectives of each of the projects are as follows:

- Project 1 - To streamline the BD New Opportunities Process by dividing the system into Bespoke and Standard opportunities in order to reduce workload in producing quotes
- Project 2 - Improve end user web booking experience by introducing:
 - The ability to book multiple places
 - The ability to pay by PO as well as by card
 - Show real-time course place availability
- Project 3 - Re-engineer the VQ Modules within Unit-e and Enquirer to reduce the amount of manual and double entry of information, and also improve the UI to better display key data for the appropriate stakeholders.

2.2. **Defined Method of Approach**

As highlighted earlier each project will have a dedicated Project team:

Project 1: Miles Lagan, Lorraine Webb and James Aston

Project 2: Zak Stark, Liam Friel and James Aston

Project 3: Caroline Hogg, Kevin O'Reilly and James Aston

Each project will follow a 7-stage plan

1. Project Initiation
2. Discovery and Analysis
3. Systems Design
4. Development, Configuration and Customisation
5. Deployment
6. Training
7. Post Implementation Review Phase

The project teams will be managed by a Programme Team, with the structure being detailed in section of this document

2.3. **Project Scope**

The scope (Areas that the project has been tasked to investigate) of the project will be to:

- Review report requirements as this will dictate how the new process will be designed and developed
- Review and identify and additional processes within the VQMS that are still use double handling and unnecessary manual input

2.4. **Project Deliverables**

Management Products

- M.1 Project Brief – See M.5
- M.2 Project Approach – See M.5
- M.3 Risk Log – See M.5
- M.4 Highlight Reports
- M.5 Project Initiation Document
- M.6 Project Board Records
- M.7 Project Board Sign-offs
- M.8 Project File – (SharePoint)

Quality Products

- Q.1 Product Descriptions
- Q.2 Project Issues/Change Control

Specialist Products - (Also see product Breakdown Structure)

- S.1 Produce Design Documents
- S.2 A re-engineered New Opportunities Process
- S.3 A new Online Commercial Bookings Process
- S.4 A re-engineered VQ Management System
- S.4 Produce End User Guides

N.B. Product Descriptions for the above Specialist Products will be produced as necessary at each stage plan meeting

2.5. Exclusions

The project will not focus of priorities 4 and 5 these will be dealt with by future projects

2.6. Constraints

The following are constraints to the project:

- There is no project budget allocated so any costs that arise will need to be covered by operational budgets. However the decision on this will be the responsibility of the Programme Team.

For Information: The cost of development for the web development has already been agreed prior to this project being approved.

2.7. Interfaces

The following are external parties that are directly related to the project

- Frame

The following are internal parties that are directly related to the project

- IT
- IS
- Marketing
- Business Transformation Team
- Business Development

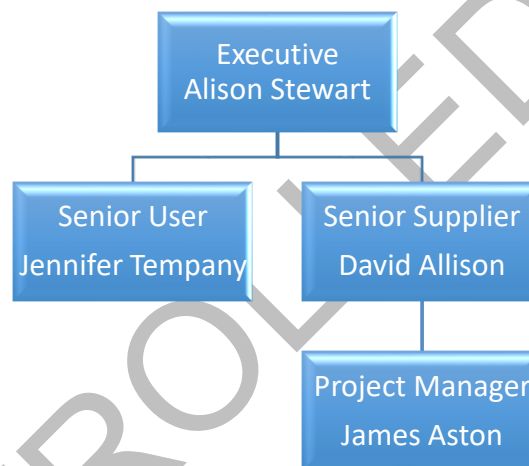
The following are projects directly related to the project

- Information Management Project
- Web Developments Project

2.8. Assumptions

- That the necessary staffing resources will be assigned to the project

3. Programme Team Structure



The personnel involved in managing the project will be Executive, Senior User and Senior Supplier who will make up the Project Board.

James Aston has been invited to be the Project Manager.

It is not expected that Team Managers will be needed, so any specialist staff will report directly to Project Manager. The Project Board will require regular (weekly) Highlight Reports during the Production stage of the project.

Executive – Alison Stewart

Responsibilities

- Ownership of the Project's Business Case
- Overall direction and guidance for the project
- Chair Project Board meetings and reviews
- Set Management Stage Tolerance
- Review Exception Reports and Exception Plans
- Delivery of a suitable end Business Product

Senior User – Jennifer Tempny

Responsibilities

- Ownership of the project's from a User viewpoint
- Approval of User Specifications for technical products
- Attend Project Board meetings and reviews
- Prioritise Project Issues
- Review Exception Reports and Exception Plans
- Recommend action on changes

Senior Supplier – David Allison

Responsibilities

- Ownership of the project from a supplier viewpoint
- Approval of Functional specification
- Attend Project Board meetings and reviews
- Prioritise Project Issues
- Review Exception Reports and Exception Plans
- Recommend action on changes

Project Manager – James Aston

Responsibilities

- Day to Day management of the Project
- Planning, monitoring and control
- Reporting progress through Highlight Reports
- Management of Team Manager and Contracts
- Delivery of the project's Products
- Configuration Management, Filing and Change Management.

4. Communication Plan

4.1. *Project Communication Documents*

A dedicated SharePoint Area has been implemented to hold all project documentation

Project Communication Table

[Use the Project communication table to identify the communication documents needed for your project, the recipients of the documents, the persons responsible for creating and updating the documents, and how often the documents need to be updated.]

| Document | Recipients | Responsibilities | Update frequency |
|--------------------------------|-------------------|-------------------------|---------------------------|
| Business Case | SMT/PB/PM/PA | Executive | Review at each Stage Plan |
| Highlight Report | SMT/PB/PA | PM | Fortnightly |
| Risk Log * | PB/PM/PA | PB/PM/PA | When required |
| Issues Log* | PB/PM/PA | PB/PM/PA | When Required |
| Change Control Document | | | When Required |
| Exception Report | PB/PM/PA | PM | When Required |
| | | | |

* Logs are created using SharePoint Lists

4.2. *Change Management Process*

Tracking change requests

Change requests will be tracked through the Change Management log located in SharePoint at the following url:

5. Project Controls

The project will be reviewed at significant points by the Project Board. A major review will take place to approve this PID. A further Project Board review will be conducted when the Functional Specification (Design Phase) is completed, prior to embarkation on the Development Phase.

The End Project, Lessons Learned Report and Post Project Review Plan will also be provided to Project Board at Project Closure.

Highlight Reports will be provided to Project Board on a weekly basis.

Responsibility for all day to day controls will rest with the Project Manager. Overall responsibility for the successful delivery of the project will rest with the Executive member of the Project Board.

6. Initial Project Plan

See Appendix A

7. Initial Risk Log

Tracking risks

Risks will be tracked through the risk log located in SharePoint at the following url:

8. Data Protection Impact Assessment

A DPIA (data protection impact assessment) is a process that helps organisations identify and minimise risks that result from data processing. DPIAs are usually undertaken when introducing new data processing processes, systems or technologies

DPIAs are a legal requirement under the GDPR (General Data Protection Regulation) for data processing that is likely to be 'high risk'

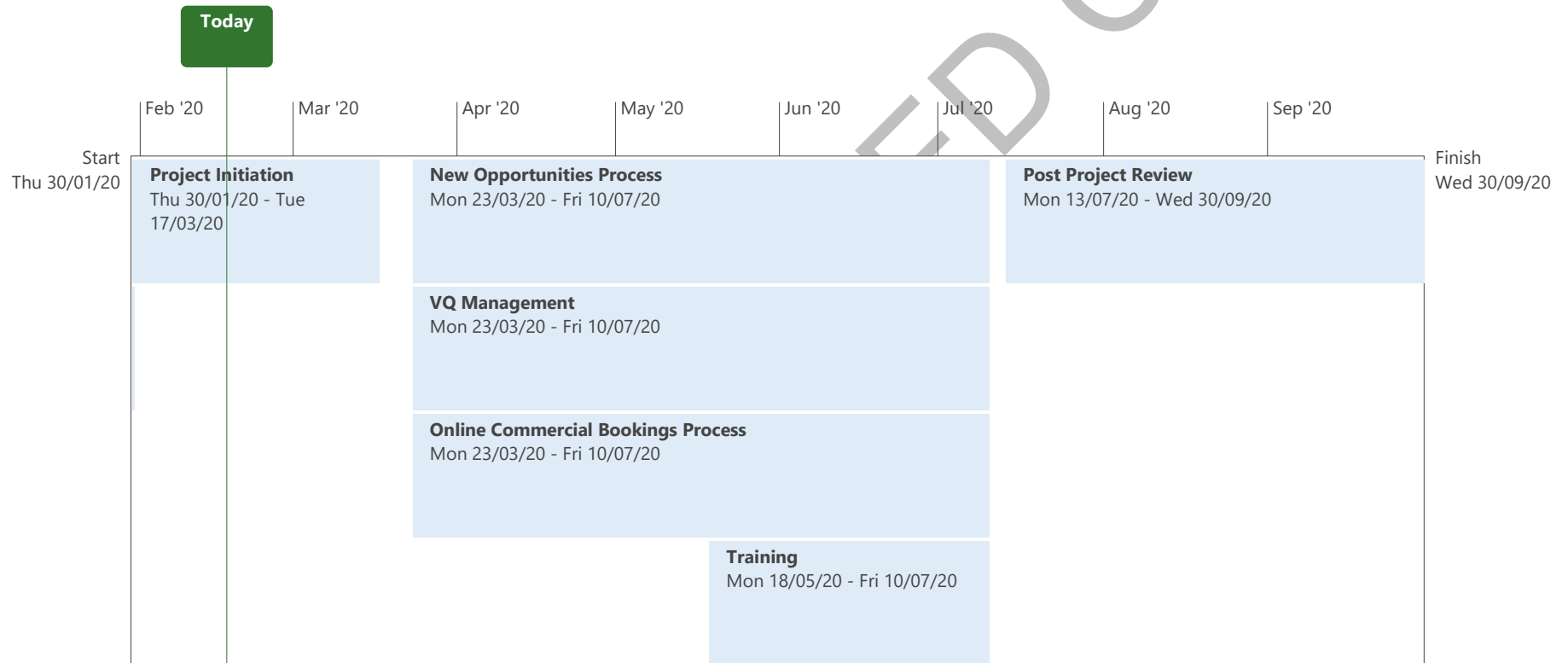
You should to conduct a DPIA if you plan to

- Use innovative technology Use profiling or special category data to decide on access to services;
- Profile individuals on a large scale;
- Process biometric data (in combination with any of the criteria from the European guidelines);
- Process genetic data (in combination with any of the criteria from the European guidelines);
- Match data or combine datasets from different sources;

- Collect personal data from a source other than the individual without providing them with a privacy notice ('invisible processing');
- Track individuals' location or behaviour;
- Profile children or target marketing or online services at them; or
- Process data that might endanger the individual's physical health or safety in the event of a security breach

UNCONTROLLED COPY

Appendix A – Initial Project Timescales



Forth Valley College

**Internal Audit Progress Report
2019/20 Annual Plan**

21 May 2020

Now, for tomorrow

Internal Audit Progress Report

May 2020

Progress made in delivering the annual plan for 2019/20, issued in September 2019, is shown below.

| Audit Area | Planned reporting date | Report status | Report Number | Overall Conclusion | Audit Committee | Comments |
|---|------------------------|--|---------------|---------------------|-----------------|---|
| Strategic Internal Audit Plan 2019 to 2022 and Outline Internal Audit Annual Plan 2019/20 | September 2019 | Draft 29/08/19 2 nd Draft 04/09/19 3 rd Draft 20/09/19 Final 12/11/19 | 2020/01 | N/A | 05/09/19 | |
| Student Engagement – Student Association | November 2019 | Draft 06/11/19 Final 11/11/19 | 2020/04 | Satisfactory | 19/11/19 | |
| Estates Maintenance | May 2020 | | | | | Fieldwork start date was deferred slightly due to COVID-19 pandemic but commenced on 27/04/20. This will now be reported to the September 2020 meeting. |
| Financial Planning | September 2020 | | | | | Agreed start date for fieldwork 06/07/20. |

| Audit Area | Planned reporting date | Report status | Report Number | Overall Conclusion | Audit Committee | Comments |
|------------------------------------|------------------------|----------------------------------|---------------|----------------------------|-----------------|---|
| Business Development Process (BPR) | May 2020 | Draft 06/01/20 Final 07/02/20 | 2020/05 | N/A | 21/05/20 | The review identified several areas for investigation or improvement through facilitated focus group sessions and interviews with staff. Actions were prioritised for the College to take forward. All of the identified actions were improvement actions designed to enhance efficiency and effectiveness. No issues subjecting the College to material or significant risk were identified during the review. |
| Credits audit | November 2019 | Draft 15/10/19 Final 21/10/19 | 2020/02 | Audit opinion unqualified | 19/11/19 | |
| Student Support Funds | November 2019 | Draft 06/11/19 Final 13/11/19 | 2020/03 | Audit opinions unqualified | 19/11/19 | |
| Follow-Up Reviews | September 2020 | | | | | Agreed start date for fieldwork 03/08/20. |

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. |

Aberdeen

45 Queen's Road
Aberdeen
AB15 4ZN

T: 01224 322100

Dundee

The Vision Building
20 Greenmarket
Dundee
DD1 4QB

T: 01382 200055

Edinburgh

Ground Floor
11-15 Thistle Street
Edinburgh
EH2 1DF

T: 0131 226 0200

Glasgow

100 West George Street
Glasgow
G2 1PP

T: 0141 471 9870

MHA Henderson Loggie is a trading name of Henderson Loggie LLP, which is a limited liability partnership registered in Scotland with registered number SO301630 and is a member of MHA, an independent member of Baker Tilly International Ltd, the members of which are separate and independent legal entities

1. Purpose

To update members on progress with the implementation of recommendations contained within internal and external audit reports.

2. Recommendation

That members note the content of the report and associated appendix.

3. Background

The College monitors progress against internal and external audit recommendations and reports on progress to each meeting of the Audit Committee.

4. Summary of Changes

The current audit recommendations are detailed in full in Appendix 1. The table below represents a summary of the current position of these recommendations as at 11 May 2020.

The dates used to determine whether a recommendation has passed its' implementation date comes from the "Revised Completion Date" column in Appendix 1 attached to this report.

There are 5 recommendations covered in Appendix 1.

Since the last meeting of the Audit Committee, 5 of the 5 recommendations have reached a stage where the College considers them to be complete. Completed recommendations are highlighted in grey in the appendix.

| | Grade 1 | Grade 2 | Grade 3 | Total |
|--|---------|---------|---------|-------|
| Live within date | 0 | 0 | 0 | 0 |
| Live recommendation passed implementation date | 0 | 0 | 0 | 0 |
| Completed since last report to Committee | 0 | 2 | 3 | 5 |

5. Financial Implications

There are no unexpected financial implications expected. All recommendations made to the College have either no cost (i.e. changes to existing procedures) or have been incorporated into College budget setting processes.

6. Equalities

Assessment in Place? – Yes No

Monitoring of audit recommendations does not require equalities assessment. Where a recommendation does have an equalities impact through the amendment to policy, each individual policy will be assessed in line with College procedure.

7. Risk

Please indicate on the matrix below the risk score. Risk is scored against Impact and Likelihood as Very Low through to Very High.

| | Likelihood | Impact |
|-----------|------------|--------|
| Very High | | |
| High | | |
| Medium | | |
| Low | X | X |
| Very Low | | |

Any risk to the College would arise from the failure to implement agreed audit recommendations. Regular monitoring, along with accountability for each recommendation being assigned an SMT and action owner; ensures this does not occur.

Risk Owner – Alison Stewart

Action Owner – Stephen Jarvie

8. Other Implications –

Please indicate whether there are implications for the areas below.

Communications – Yes No

Health and Safety – Yes No

Paper Author – Stephen Jarvie

SMT Owner – Alison Stewart

| ID | Audit Name | Date of Audit | SMT Owner | Action Owner | Recommendation | Management Response | Priority | Evaluation | Scheduled Completion Date | Revised Completion Date | Evidence | Completed |
|----|-------------------------------|---------------|---------------|---------------|--|--|------------------|---|---------------------------|-------------------------|--|-----------|
| 1 | Mental Health Services | Feb-19 | Andrew Lawson | Kim Reid | Student Assessments - Whilst we recognise that college staff are not professional counsellors, the College should ensure that the internal student assessment approach and the criteria for referring a student to external counselling are as consistent as possible with the counsellors assessment criteria, to minimise the number of incorrect referrals. In referral cases where the counsellor feels that the counselling is not necessary or appropriate, the College should aim to understand the reasoning behind this. This can be used as a learning tool to further improve services. | We have increased our counselling provision in the past month as a result of the increase in demand on the service. We will undertake a full review of the referral system we have in place and the sign posting activity we have in place with external providers with a view to improving the referral systems and ensure that those most in need can be referred as quickly as possible | Grade 2 (Design) | <p>May 20. We now have additional counsellors in place and working to full capacity. We have also increased student access to The Big White Wall which gives on line support to those who require it. The link between student Health & Wellbeing and other support networks in the college have been strengthened by this approach</p> <p>November 2019 - Funding announcement from SFC received regarding the provision of just over 2 FTE counsellor posts. This additional funding and attendant staffing will be factored into the review.</p> <p>August 2019 - A full review of this service is well underway taking into account the additional information and funding from SFC. Although SFC the guidelines have not been available at the time of writing the initial findings for the review has identified that a clear structure and</p> | 31/12/2019 | | New counselling arrangements in place with internal counsellors employed to manage this activity | Yes |
| | | | | | | | | | | | | |
| | | | | | | | | | | | | |
| | | | | | | | | | | | | |
| 5 | 2018/19 Student Activity Data | Oct-19 | David Allison | Pamela Duncan | R1 The College should ensure that instances of non-attendance for students on school taster programmes are communicated to Student Records staff on a timely basis to ensure that the information in UNIT-e, which impacts the FES data and Credits claim, can be updated. | A report will be written to identify any students on school taster programmes who have never attended, which will be passed to the School Partnership Coordinator for action. | 3 | Meeting held with Schools Partnership Coordinator on 24 October 2019 , report run on a regular basis to identify non-attending school taster programme pupils and withdrawal notifications submitted timeously. | 30/11/2019 | | Student Records report | Yes |

UNCONTROLLED

1. Purpose

To present members with the Strategic Risk and Covid-19 specific risk registers for the College.

2. Recommendation

That members note the content of the register attached to this paper and the actions taken to date.

3. Background

The College continues to monitor Strategic Risks to the College. These risks are discussed at SMT meetings and are also brought to each meeting of the Audit Committee.

In line with the College Risk Management Policy, specific separate risk registers can be created for significant projects or to provide information on specific large-scale risks.

4. Changes to the risk register

Strategic Risk Register

Risk 2 has been provided to reflect COVID-19 and the impact on the College. This is a very high-level summary, with further information on specific risks contained in the COVID-19 risk register.

The score for risk ID3 has been increased to reflect the change in student experience as we have been forced to move from in person to remote delivery. While every effort is being made to ensure a quality provision, the College is aware that there are aspects of some courses which cannot be delivered online. Mitigating actions to ensure the quality of remote delivery have been added.

It is proposed to remove risk ID10, as this related to delays in completion of the new Falkirk campus. As the campus became operational in January 2020, this risk has been overtaken by events.

It is proposed to remove risk ID11, which related to potential unfunded additional pension costs. Owing to commitments from Scottish Government and Scottish Funding Council for the current and next academic years, this risk will not materialise.

COVID-19 Risk Register

This is a new register which has been created to reflect the current situation facing the College. All risks in this register are new and members are invited to review and comment on the risks and mitigating actions contained in this register.

5. Equalities

Assessment in Place? – Yes No

If No, please explain why – The Strategic Risk Register document does not require equalities impact assessment. Individual risks may result in Equalities assessments being completed for new/revised College policies and procedures.

Please summarise any positive/negative impacts (noting mitigating actions) – Not Applicable

6. Risk

| | Likelihood | Impact |
|-----------|------------|--------|
| Very High | | |
| High | | |
| Medium | | |
| Low | X | X |
| Very Low | | |

Please describe any risks associated with this paper and associated mitigating actions – Risk continues to be comprehensively managed and reviewed across the College on an ongoing basis.

Risk Owner – Ken Thomson

Action Owner – Ken Thomson

7. Other Implications –

Please indicate whether there are implications for the areas below.

Communications – Yes No

Health and Safety – Yes No

Paper Author – Stephen Jarvie

SMT Owner – Ken Thomson

Forth Valley College Strategic Risk Register

| No | There is a real or perceived risk that... | Risk Management and Mitigation | | | Owners | | | Initial Risk Score | | | Score After Mitigation | | | Date Added and Date Score Updated | |
|----|---|---|--|--|-----------------|----------------|--------------|--------------------|--------|------------|------------------------|--------|------------|-----------------------------------|------------------------------------|
| | | Potential Consequences | Mitigating Actions | Actions/Progress to Date | Board Committee | SMT Risk Owner | Action Owner | Likelihood | Impact | Risk Score | Likelihood | Impact | Risk Score | | Change to score since last meeting |
| 1 | There is insufficient funding from Scottish Government/SFC to support the core activities of the College | <ul style="list-style-type: none"> - Inability to deliver high quality learning - Inability to react to changing economic and local environment - Inability to maintain College infrastructure - Impact on College performance indicators | <ul style="list-style-type: none"> - Principal and Chair represented on sector groups to lobby SFC/Scottish Government - Vice Principal Finance and Corporate Affairs member of SFC new funding model group - Business Development strategy to increase commercial income being developed by Director of Business Development | <p>May 20 - first phase of the transformation programme has been implemented however the impact of the Covid 19 pandemic will have a significant impact on the College's financial sustainability. Current SFC guidance is that there is no additional funding to compensate for this with the exception of the UK government's Job retention scheme. A separate risk register linked to the Covid 19 pandemic is being prepared.</p> <p>Nov 19 - Chair of BoM and Principal have meeting scheduled with Karen Watt, SFC on 18 November 2019.</p> <p>August 19 - 5 year FFR currently being prepared based on SFC guidance. Funding gap of £2m has been identified in the medium term. A futures programme is being led by the Principal to address the gap.</p> <p>May 19 - Indicative allocations for 2019/20 are based on flat cash GIA and a reduction in capital & maintenance funding both of which are insufficient to meet the ongoing operations of the college. Efficiency savings are being planned and maintenance delayed.</p> <p>Nov 18 - work ongoing</p> | B | P | VPFACA | VH | VH | 25 | VH | VH | 25 | | |
| 2 | the ongoing impact of the COVID-19 pandemic will materially impact on the College's delivery and financial sustainability | <ul style="list-style-type: none"> - Inability to deliver outcome agreement and ongoing financial uncertainty - poor learner experience | <ul style="list-style-type: none"> - Outlined in specific COVID-19 Risk register | <p>May 20 - COVID19 risk register created</p> | B | P | DPCOO | VH | H | 20 | VH | H | 20 | | May-20 |
| 3 | The student experience fails to meet student expectations | <ul style="list-style-type: none"> - Reputational risk - Current/Potential students choose another College/Learning provider - Impact on College meeting credit and PI targets | <ul style="list-style-type: none"> - Listening to Learners - Ensuring relevance of courses through robust curriculum review - Robust evaluation processes at all levels - Student support systems in place and effective - Deliver on Creative Learning and Technologies Strategy | <p>May 20 - Covid-19 update: Assessment guidance released to curriculum teams to support assessment decisions through robust, valid processes and to ensure students' results are reliable. MS Teams digital community set up to support staff in delivering on-line. IQAP group established to verify assessment decisions on risk based approach to ensure students gain the correct results and curriculum teams follow the emergency processes. IQAP process to allow student complaints and appeals to dealt with in a fair and balanced approach.</p> <p>Nov 19 - Official release of SFC Student Satisfaction Survey highlights FVC FE Students 95.8% satisfied and HE Students 86.3% satisfied with their college experience. Combined 91% satisfied. Student success PIs released to SFC. Down 1.5% combined (PT/FT FE and PT/FT HE) as 17.10 but mitigation plans in place</p> | LSE | P | VPLSE | M | VH | 15 | M | VH | 15 | Likelihood updated to M | May-20 |
| 4 | National Bargaining process will negatively impact on the College | <ul style="list-style-type: none"> - Unaffordable pay awards - Potential strike action which could impact on the Student experience and meeting commercial contracts - 'No Detriment' restricts options for FVC compared to sector | <ul style="list-style-type: none"> - Chair and DPCOO represent the College on the Employers Association - Communication with staff, students and other users - Force Majeure clauses in commercial contracts to mitigate impact of strike action | <p>May 20. We are now at the beginning of new talks with EIS regarding a cost of living pay award until this is resolved the impact on the college is unclear. However, given the current situation funding a cost of living pay award will be a challenge</p> <p>Nov 19 - No further update</p> <p>Aug 19. Following a lengthy negotiation final settlement has been reached with new Terms & Condition in place. The settlement did have an impact on the colleges financial situation however, this has been worked through</p> <p>April 19. This situation regarding EIS dispute continues. No settlement has been agreed and further strike action is planned for the month of May. EIS have also initiated ASOS. We continue to ensure that where possible</p> | B | P | DPCOO | H | H | 16 | H | M | 12 | | |
| 5 | the sale of the old Falkirk campus is not concluded | <ul style="list-style-type: none"> - Inability to repay SFC advance - not securing best value for resource | <ul style="list-style-type: none"> - Amendments to contract currently being drafted and agreed with purchaser | <p>May 20 - Legal negotiations currently underway</p> | B | P | DPCOO | M | H | 12 | M | H | 12 | | |

Forth Valley College Strategic Risk Register

| | | | | | | | | | | | | | | | |
|---|--|--|--|--|-----|-------|-------|---|----|----|---|----|----|--|--|
| 6 | The College will fail to deliver the Outcome Agreement | <ul style="list-style-type: none"> - Reputational damage - Potential clawback of funding and risk of reduction in credits allocated to the College | <ul style="list-style-type: none"> - Ongoing monitoring of performance against targets by new Leadership Team - Targets cascaded to Directors with accountability | <p>May 20 - As a direct impact of Covid-19 we have identified there is potential for the College to be short of it's Credit target. Work is ongoing to address the predicted shortfall.</p> <p>Nov 19 - The College met its Credits Activity target. Performance against full time PI targets was disappointing, despite the introduction on in-year tracking. Earlier and more in-depth tracking is being introduced this session.</p> <p>Aug 19 - Comparisons of in-year PI estimates with final outcomes is ongoing.</p> <p>May 19 - Additional monitoring reports have been built, and will be refined through usage.</p> <p>Nov 18 - Additional monitoring reports being built for Department teams to allow granular monitoring of targets.</p> | LSE | P | VPISC | M | VH | 15 | L | VH | 10 | | |
| 7 | The College is adversely impacted by a cyber attack. | <ul style="list-style-type: none"> - Reputational risk - Impact on learning & teaching - Impact on key services | <ul style="list-style-type: none"> - Up to date firewall, and cyber protection through Disc - Regular security patching - Full nightly backups and hourly snapshots to minimise disruption in the event of the need to restore data - Up to date anti-virus and malware software - Scanning and monitoring of all external drives - Resilience through additional connections to outside world - Documented and tested business continuity plan | <p>May 20 - With increased home working due to Covid-19, we are enhancing our security around remote working.</p> <p>Nov 19 - College staff continue to attend security briefings, and Windows security updates are deployed estate-wide as they are received from Microsoft.</p> <p>Aug 19 - College staff are attending regular security briefings. Windows updates are deployed estate-wide as they are received from Microsoft.</p> <p>May 19 - College staff are members of Scottish Government Cyber Catalyst Group, and receive early warnings of any known cyber attacks.</p> <p>Nov 18 - Cyber Essentials accreditation secured, Member of National Cyber Security Information Sharing Partnership</p> | A | P | VPISC | M | VH | 15 | L | VH | 10 | | |
| 8 | the National Job Evaluation Process may impact staff | <ul style="list-style-type: none"> - Impact on staff morale - Short timescales for completion of submission - Potential financial impact on staff | <ul style="list-style-type: none"> - Driven by National Agreement - Sector wide Process - Follow guidelines from Colleges Scotland | <p>May 20 No further update the process continues</p> <p>Nov 19 - With the exception of staff on maternity leave FVC have now submitted all JE document to Scotland Colleges. A team of analysts have been identified to take this process forward</p> <p>Aug 19 The first part of this process in near completion with only a few post to be evaluated . This is mainly due to post holder either being on maternity leave or having left the college after the cut of date of 18 September 18. This post will be evaluated by the relevant line manager</p> <p>May 19 - Process now begun with a Project Manager in place to support staff going through the process. Unison involvement is also in place and meeting are planed for key staff to support them in completing the sector wide template to role profiles</p> | HR | DPCOO | DPCOO | H | M | 12 | M | M | 9 | | |
| 9 | Loss of key staff will impact on College operations | <ul style="list-style-type: none"> - Loss of knowledge, experience and links within the Sector and to employers etc | <ul style="list-style-type: none"> - People Strategy - Succession Planning - Talent Management Programme in place - Directors in post | <p>May 20 We are currently going through a restructure process which will result in a change to posts within the college. However, we have secure post for all affected staff</p> <p>Nov 19 - There is no further update</p> <p>Aug 19 There is little evidence of staff exiting the college. The second stage of the Peoples Strategy is now underway and the focus is on potential managers of the future.</p> <p>April 19 - The first six months of the People Strategy has proven to be a success. We made the decision to fill vacancies internally where possible to encourage talent to remain within the college</p> <p>Nov 18 - First cohort of staff now on Talent Management programme. Effective TNA in place in all departments. Talent Management programme for first time managers ready to roll out</p> | HR | DPCOO | DPCOO | H | M | 12 | H | L | 8 | | |

Forth Valley College Strategic Risk Register

| | | | | | | | | | | | | | | | |
|----|---|--|--|---|------|---|--------|----|---|----|---|---|---|---|--------|
| 10 | Delays to completion and/or issues with the transition process to the new Falkirk Campus (e.g. as a result of adverse weather/impact of Brexit on supply chain) | <ul style="list-style-type: none"> - Impact on student experience and success - Potential increase in costs - Reputational damage | <ul style="list-style-type: none"> - EEG and FCPB monitoring progress - Development of migration strategy - Communications with stakeholders to manage expectations | <p>May 20. The move is now complete although snagging issues continue to be reviewed. Risk to be removed</p> <p>Nov 19 The project remains 3 weeks behind. However we will still have access on the 15 November to begin the transition to the new campus . Balfour Beattie will retain the insurance requirements for the building until full completion is done. We (FVC) do not see this as a major issues at this time</p> <p>Aug 19 The project remains on track with no major issues identified . The slight delay is being mitigated by Balfour Beatty</p> <p>April 19 - confirmation of completion date is now 15 November. Space Solution now in place and transitions groups are meeting to manage the transition process. At the point of writing no major issues have been identified</p> <p>Nov 18 - Actions being planned as per mitigating actions</p> | FCPB | P | DPCOO | H | H | 16 | L | L | 4 | Likelihood from M to L and impact down to Low | May-20 |
| 11 | Employers pension contributions to the Scottish Teachers Pension Scheme could increase by 5.2% from April 2019 | - Additional cost of approx. £500k per annum | <ul style="list-style-type: none"> - Scottish Government in discussion with UK Treasury - Working with Colleges Scotland to lobby Scottish Government for additional funding | <p>May 20 - Risk to be removed. SG/SFC have provided funding for 19/20 and 20/21 to cover the increased cost.</p> <p>Nov 19 - no further update</p> <p>August 19 - SFC have confirmed 100% funding for the period September 2019 to March 2020. There is no guarantee of funding beyond this point. SFC guidance for the FFR is to assume 100% funding going forward but have stressed this is only a planning assumption and not confirmation of funding.</p> <p>May 19 - Initial guidance from SFC is to assume 50% funding being worst case scenario. Score changed - impact low v medium</p> <p>Nov 18 - awaiting outcome of discussions with Scottish Government</p> | F | P | VPFACA | VH | M | 15 | L | L | 4 | Likelihood changed from VH to L | May-20 |

UNCONTROLLED

LIKELIHOOD, IMPACT AND CONSEQUENCES

LIKELIHOOD

| Description | Scenario | Code Letter | Risk Rating Value | Guide Probability |
|-------------|-------------------------------|-------------|-------------------|-------------------|
| Very High | Expected to occur | VH | 5 | 100% |
| High | More likely to occur than not | H | 4 | 75% |
| Medium | Fairly likely to happen | M | 3 | 50% |
| Low | Low but not impossible | L | 2 | 25% |
| Unlikely | Extremely unlikely to happen | VL | 1 | 5% |

IMPACT

| Description | Scenario | Code Letter | Risk Rating Value |
|-------------|---|-------------|-------------------|
| Very High | Critical or Major impact across the organisation | VH | 5 |
| High | Critical or Major impact on costs, objectives. Serious impact on output and/or quality and reputation. Medium to long-term effect and expensive to recover. | H | 4 |
| Medium | Reduces viability significant waste of time and resources and impact on operational efficiency, output, and quality. Medium term effect, which may be expensive to recover. | M | 3 |
| Low | Minor loss, delay, inconvenience or interruption. Short to medium term effect. | L | 2 |
| Very Low | Minimal loss, delay, inconvenience or interruption. Can be easily and quickly remedied. | VL | 1 |

Committees

| | |
|---|---|
| A | Audit Committee |
| B | Board of Management |
| F | Falkirk Campus Project Board |
| F | Finance Committee |
| H | HR Committee |
| L | Learning and Student Experience Committee |

UNCONFIRMED COPY

UNCONFIRMED

Forth Valley College COVID-19 Risk Register

| Risk Management and Mitigation | | | | | Owners | | | Initial Risk Score | | | Score After Mitigation | | | Date Added and Date Score Updated |
|--------------------------------|---|---|--|--|-----------------|----------------|--------------|--------------------|--------|------------|------------------------|--------|------------|-----------------------------------|
| No | There is a real or perceived risk that... | Potential Consequences | Mitigating Actions | Actions/Progress to Date | Board Committee | SMT Risk Owner | Action Owner | Likelihood | Impact | Risk Score | Likelihood | Impact | Risk Score | |
| 1 | Insufficient staff resource to deliver against a model where class sizes are significantly reduced and spanned operating hours are in effect whilst there may also be elevated levels of staff absence (self isolation etc) | - impact on credit delivery - impact on student attainment - industrial relations with unions in relation to potential changes to working practices (hours, recording/streaming of lectures) | - Early and ongoing engagement with unions on what returning to campus operations may look like - forward planning to maximise return from existing resource and to identify gaps | May 2020 - Union membership on short life working group, looking at models for reopening College - Work is ongoing to ensure we can deliver in a different way and one that allows all students access to learning either in college or virtually at the same time - Directors/cm's/managers maintaining contact to ascertain who will be able to come back and factoring this into planning. | B | P | DPCOO | VH | VH | 25 | VH | VH | 25 | |
| 2 | the College will not be able to deliver on agreed credit targets for 2019/20 and 2020/21 owing to closure and reopening with physical distancing reducing capacity of campuses | - reduction in claimable core funding - failure to reach target levels will jeopardise ESF funded activity (circa £500k per annum) which is additional to core credit levels - limited flex in budgets to account for any shortfall - budget issues may compromise achievement of agreed futures programme for the College | - short life working group to look at safe resource maximisation when campuses re-open to provide clarity on deliverable levels of curriculum under physical distancing - sector engagement with SFC and Scot Gov on attainability of credits targets and criteria for ESF elements - utilisation of UK Gov funding to furlough staff unable to perform duties remotely to protect budgets | May 2020 - short life working group established - Sector engaging with SFC and ministers - 100+ staff furloughed | B | P | DPCOO | H | VH | 20 | H | VH | 20 | |
| 3 | Commercial activity levels and contribution to the College will be reduced owing to a) lockdown period, b) college resource being focussed on delivery of core activity and c) businesses reducing non-key CPD to address budget issues | - significant impact on College budgets - current commercially oriented staffing levels may become unsustainable for a period of time | - review of commercial offering to focus on potential future funding streams from SFC and Scot/UK Govs to support recently unemployed workers reskill or companies to implement efficient practices - sector advocacy for the importance of continuation of flexible workforce development funding - If recession is worse then further reductions in budget may be needed | May 2020 - first draft commercial budget for 20/21 revised to take account of risk, using data from last economic down turn ~£300,000 reduction, capacity adjusted to allow for social distancing and courses still returning a slight profit on this basis. - Discuss pre apprenticeship offerings with government bodies, managing agents and advertise and recruit for August / September start | B | P | VPFACA | VH | H | 20 | VH | H | 20 | |
| 4 | opening campuses during a live pandemic will increase the risk to the health and safety of staff and students | - increased exposure to infection - outbreak in College could lead to closures (singular or repeated) | - implement physical distancing across all areas of College activity (classrooms, circulation spaces and workspaces) | May 2020 - review begun into assessment of maximum occupancy for College areas based on current social distancing guidance | B | P | DPCOO | H | H | 16 | H | H | 16 | |
| 5 | costs associated with implementing physical distancing and additional measures such as increased FM and health and safety related activity will impact on lifecycle maintenance | - while there has been an increase in capital funding for 2020/21 this was already under the anticipated lifecycle levels for the campuses. Allocation of this resource to combat infection will further exacerbate this | - sector engagement with SFC and Scot Gov on the unbudgeted expenditure to operate during a pandemic - review lifecycle maintenance projects to prioritise against available resource | May 2020 - Work s underway to ensure all resources required for any additional measure required as a result of the current situation are fully captured | B | P | DPCOO | VH | M | 15 | VH | M | 15 | |
| 6 | Student applicants may be unwilling to come to College whilst the pandemic is still underway | - reduction in student numbers will impact on credits - some classes may become unviable to run with reduced numbers, leading to the College having to cancel classes and lose further credits and impact on students who wanted to attend - may lead to disadvantage to poorer students who have to utilise public transport to travel to College and who are unwilling to do so | - Clear communications for revisions to campus operations once they are in place to all students - alter timetabling where possible to avoid students (and staff) having to access public transport during peak times | May 2020 - Short life working group has communications embedded into it's remit | B | P | DPCOO | M | H | 12 | M | H | 12 | |
| 7 | Increased remote working/learning will lead to increased cyber related risks to College systems | - potential breach (ransomware or data breach) impacting on College ability to operate for periods of time - home based systems utilised by staff and students could introduce malicious software to College devices | - IT are monitoring increased attacks on College network and reacting to these - ensure up to date anti virus and system patching in place on all college systems - IT implementing two factor authentication - Implementation of VPN, with a move away from Remote Desktop | May 2020 - Rollout of a VPN (Virtual Private Network) to replace Remote Desktop 50% complete. Geo-location enabled to block any attempt to access Remote Desktop from out with the UK. A Remote Desktop 'sin-bin' introduced for anyone using an incorrect password, where all services are suspended for 30 minutes on the account. | B | P | VPISC | H | H | 16 | M | H | 12 | |
| 8 | the current situation will result in an increase in staff anxiety | - Staff may not be comfortable to return to College when we reopen - an increase in mental health related issues | This is being explored within the SLWG in line with planning out return to operational business . We are also considering Health & Wellbeing for home working | May 2020 - A set of sub groups have been set up to develop clear actions for ensuring a safe working environment | B | P | DPCOO | M | H | 12 | M | H | 12 | |

Forth Valley College COVID-19 Risk Register

| | | | | | | | | | | | | | | | |
|----|--|--|---|---|---|---|-------|---|---|----|---|---|----|--|--|
| 9 | an increase in blended learning delivery impacts on student attainment | - Reduction in successful course completion can impact on the reputation of the College - Complaints from students to College and awarding bodies regarding quality of learning | | May 2020 - A curriculum and IT sub group linked to the SLWG will develop actions to take this forward | B | P | DPCOO | M | H | 12 | M | H | 12 | | |
| 10 | Students do not have access to IT equipment or access to the internet | - Inability of students to engage in remote learning | - Assess a student's ability to engage in remote learning - Provide IT equipment - Provide connectivity | May 2020 - Over 360 laptops built and delivered to students, and internet access purchased for the most at need students. | B | P | VPISC | H | H | 16 | L | H | 8 | | |

UNCONTROLLED COPY

LIKELIHOOD, IMPACT AND CONSEQUENCES

LIKELIHOOD

| Description | Scenario | Code Letter | Risk Rating Value | Guide Probability |
|-------------|-------------------------------|-------------|-------------------|-------------------|
| Very High | Expected to occur | VH | 5 | 100% |
| High | More likely to occur than not | H | 4 | 75% |
| Medium | Fairly likely to happen | M | 3 | 50% |
| Low | Low but not impossible | L | 2 | 25% |
| Unlikely | Extremely unlikely to happen | VL | 1 | 5% |

IMPACT

| Description | Scenario | Code Letter | Risk Rating Value |
|-------------|---|-------------|-------------------|
| Very High | Critical or Major impact across the organisation | VH | 5 |
| High | Critical or Major impact on costs, objectives. Serious impact on output and/or quality and reputation. Medium to long-term effect and expensive to recover. | H | 4 |
| Medium | Reduces viability significant waste of time and resources and impact on operational efficiency, output, and quality. Medium term effect, which may be expensive to recover. | M | 3 |
| Low | Minor loss, delay, inconvenience or interruption. Short to medium term effect. | L | 2 |
| Very Low | Minimal loss, delay, inconvenience or interruption. Can be easily and quickly remedied. | VL | 1 |

Committees

| | |
|---|---|
| A | Audit Committee |
| B | Board of Management |
| F | Falkirk Campus Project Board |
| F | Finance Committee |
| H | HR Committee |
| L | Learning and Student Experience Committee |

UNCON
DRAFT COPY

| Audit Committee Agenda Items | 2020/21 | | |
|--|---------|-----|-----------------|
| | Sept | Nov | Future Years |
| Governance | | | |
| Terms of Reference | ✓ | | |
| Governance Statement | ✓ | | |
| Audit Committee Chair's Annual Report to Board | | ✓ | |
| Audit Committee Self Assessment | ✓ | | |
| Items to be discussed privately with Auditors | ✓ | ✓ | |
| Internal Audit | | | |
| Appointment / Extension of Internal Auditors | | | May 22 / May 23 |
| Internal Audit Plan Progress Report | ✓ | ✓ | |
| Annual Internal Audit Report | ✓ | | |
| Internal Audit Reports | ✓ | ✓ | |
| Progress on Internal Audit Recommendations | ✓ | ✓ | |
| External Audit | | | |
| External Audit Report | | ✓ | |
| Letter of Representation | | ✓ | |
| Risk Management | | | |
| Risk Management | ✓ | ✓ | |
| Deep Dive Proposals | ✓ | ✓ | |
| Policies (Review every 3 years) | | | |
| Risk Management | | | Nov-22 |
| Value for Money Policy | ✓ | | |
| Fraud & Anti - Corruption | ✓ | | |
| Modern Slavery | ✓ | | |
| Whistleblowing | ✓ | | Sep-22 |
| Safeguarding / Prevent | ✓ | | |
| GDPR | | | Jun-21 |
| Other | | | |
| Audit Scotland Report - Scotland's Colleges | ✓ | | |
| Business Continuity | ✓ | | |
| National Fraud initiative | | | Sep-21 |
| Annual Complaints Report | | ✓ | |
| Audit & Assurance Committee Handbook 2018 | | | As required |