Zoom 4pm

AGENDA

1. Declarations of interest

2. Apologies

FOR APPROVAL

3. Minutes of meeting of 20 May 2021

4. Matters Arising

   a) A/20/036 External Audit Plan
   b) A/20/041 Risk Management

5. Review of Committee Remit   Alison Stewart

6. Governance Statement   Alison Stewart

7. Audit Committee Self-Assessment   Lorna Dougall

8. Copyright Policy   Helen Young

FOR DISCUSSION

9. Presentation of Internal Audit Reports   MHA Henderson
                                                     Loggie
   a) Follow Up Review
   b) Health & Safety
   c) Staff Recruitment, Retention and Succession Planning

10. Internal Audit Annual Report   MHA Henderson
                                                     Loggie

11. Progress Report on Audit Recommendations   Stephen Jarvie

12. Risk Management and Springback Risk Register   Alison Stewart

13. Audit Scotland – Guide for Audit and Risk Committees   Alison Stewart

14. Review of Risk

15. Any other competent business

FOR INFORMATION

National Fraud Initiative

Zoom (commencing at 4.30pm)

Present: Lorna Dougall (Chair)
             Hazel Burt
             Paul Devoy
             Alistair McKean

In Attendance: Ken Thomson, Principal
             Alison Stewart, Vice Principal Finance and Corporate Affairs (VPFACA)
             Stephen Reid, Ernst and Young
             Stuart Inglis, MHA Henderson Loggie

The Chair welcomed Paul Devoy and Alistair McKean to their first meeting of the Committee. She also informed members that, since the last meeting of the Committee, Steven Torrie and Mandy Wright who were co-opted members had stood down from the Committee. She noted the thanks of the Committee for their contributions during their time of co-option.

A/20/032   Declarations of Interest

            None

A/20/033   Apologies for Absence

            Emma Meredith

A/20/034   Minutes of meeting of 17 November 2020

            The minutes of the meeting of 17 November 2020 were approved.

A/20/035   Matters Arising

            a) A/20/025 Presentation of Internal Audit Reports

            The Chair noted that the 2019/20 Student Activity Data report, while covered verbally at the last meeting by Stuart Inglis, had not been presented at that meeting and as such was on the agenda for the meeting for consideration.

A/20/036   External Audit Plan

            Stephen Reid (SR) presented the External Audit plan to members, noting that this was the fifth year of Ernst & Young's appointment as external auditors and reminding members that the plan would be passed to Audit Scotland who would publish it on their website as normal.

            He outlined the content of the plan, noting the key elements of the plan and noted areas of risk such as the size of property and equipment on the balance sheet and the pension fund liabilities. He also discussed amendments to the auditing standards and

noted that the code of audit practice required a wider scope, as outlined in section 4 of the plan, focussing on financial management, financial sustainability through the Covid period, governance, transparency and value for money.

The Chair highlighted to members that an Audit Scotland report on going concern in the public sector during Covid was included in the papers for information.

Members discussed concerns with the level of fee for the additional work on going concern and, while welcoming early sight of it this year, questioned whether it was valid given the Audit Scotland guidance.

The Chair also noted that the Finance Committee has expressed concerns regarding the additional fee last year.

SR noted that the proposed approach would be used for all the colleges they were auditing that year and, while hearing the concerns, highlighted that the plan was for noting by the Committee rather than approval.

a) Following discussion, it was agreed that the Committee were content with the plan with the exception of the issue above and that the Chair and VPFACA should discuss this further with the Chair of the Finance Committee.

A/20/037   **Internal Audit Plan 2021/22**

Stuart Inglis (SI) presented the internal audit plan for the coming academic year. He noted that the plan had been drafted in conversation with the College Senior Management Team (SMT). He highlighted that there had been some movement in terms of timings for audits, with some activity brought forward into the current academic year and some deferred and outlined the reasons for these along with a brief overview of the scope of each proposed audit.

Members welcomed the inclusion of student feedback in the proposed Student Application process review. SI confirmed that this would take place either as facilitated workshops or individual interviews with students.

The Principal highlighted that the movement of the corporate plan and service design audits from this academic year to the next reflected the current focus on Covid recovery. He noted that it was intended to bring an early draft of the 2025 strategic plan to the June meeting of the Board of Management.

a) Members approved the Internal Audit Plan 2021/22

A/20/038   **Presentation of Internal Audit Reports**

SI presented the 2019/20 Student Activity Data, referred to as the credits report. He confirmed that this had been discussed verbally at the last meeting as referred to by the Chair under matters arising. He informed newer members that the credits report

would normally be presented to the November Committee meeting and that the delay was due to their being an outstanding query on an aspect of the report with the Scottish Funding Council (SFC) at the time of the November meeting which presented the report being finalised.

He confirmed to the Committee, now that the clarification from SFC had been received, the College had been issued a clean audit certificate.

He also discussed the recommendations contained within the report and the proposed mitigating actions.

a) Members noted the content of the report

A/20/039   **2020/21 Internal Audit Plan Progress Report**

SI presented the report on progress to date against the agreed plan. He noted that the Health and Safety audit report had been recently completed but, owing to staff leave, management responses were needed so this report would come to the next meeting of the Committee.

He confirmed that the Business Continuity audit which was due to be brought to the September meeting had been deferred into 2021/22 with fieldwork commencing in January 2022.

He confirmed that the annual follow up review would occur in August 2021.

a) Members noted the content of the report

A/20/040   **Progress Report on Audit Recommendations**

The CGPO presented the standing report on progress against live audit recommendations. He noted that two recommendations had requested extensions to their completion dates and the reasons for this.

a) Members noted the content of the report

A/20/041   **Risk Management**

The VPFACA presented a revised strategic risk register for member's consideration. She noted the previous version had been in use for a significant period of time and would benefit from a refresh. She noted that the SMT had reviewed the main areas within the corporate plan and identified risks associated with achieving these.

She highlighted that the register had also had an additional column added to reflect the causes of each risk.

She outlined the key risks within the risk register and the causes for each of these.

She asked members to comment on the content and composition of the risk register.

Members welcomed the refresh to the register and asked for further context on the risk relating to capital maintenance which was provided by the VPFACA and Principal regarding capital allocations from SFC and the College's inability to keep surpluses as an arm's length public body.

The VPFACA highlighted that the Covid specific risk register was also attached for information. She noted that a couple of risks were being proposed for removal as the risks hadn't matured but also noted to members, given the move toward the 'Springback' project managing recovery from Covid, going forward it would useful to focus the additional risk register on that activity.

Members agreed that a change in focus from Covid to Springback would be useful.

a) Members noted the content of the report

A/20/042   **Review of Risk**

No new risks identified

A/20/043   **Any Other Competent Business**

The VPFACA noted that there had been discussion at the last Board on the arrangements for meetings going forward.

Following discussion, it was agreed that Board meetings should remain in person and, for the Committee, the joint meeting in November should also remain an in person meeting. Members noted that the other meetings could be held via video conference with a 4pm start.

1. **Purpose**

   To review the remit of the Audit Committee to ensure it continues to provide the Board of Management with the appropriate assurances for next Academic Year.

2. **Recommendation**

   That members review the attached remit of the Audit Committee and recommend any changes to the Board of Management.

3. **Background**

   The Scottish Government Audit & Assurance Committee Handbook considers it good practice for the remit of the committee be reviewed on an annual basis to ensure they continue to fulfil their role of providing the Board of Management with the necessary assurances in relation to good Governance.

4. **Financial Implications - None**

5. **Equalities**

   Assessment in Place? – Yes ☐   No ☒

   Review of committee remit does not require equalities assessment.

6. **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		
Very Low	X	X

   Risk - the Committee does not provide the assurances required by the Board of Management if remit is not relevant.

   Risk Owner – Alison Stewart   **Action Owner –** Stephen Jarvie

7. **Other Implications – None**

   Paper Author – Alison Stewart   **SMT Owner –** Alison Stewart

Audit Committee

1   Committee Rationale

To contribute to good governance by providing assistance to the Board of Management on issues of compliance, risk, financial probity and the overall effectiveness of internal College control systems

2   Purpose

- To advise the Board of Management on the effectiveness of the financial and other internal governance systems

- To advise the Board of Management on compliance with the Code of Audit Practice for Further Education Colleges

- To undertake reviews of topics referred from the main Board of Management and make such recommendations as may be appropriate

3   Membership

- The Audit Committee is appointed by the Board of Management and must comprise 5 members

- The Chair of the Board of Management, Principal, and other senior members of staff are not eligible for membership

- The Chair of the Committee shall be appointed by the Board of Management and should not be the Principal. In the event that the Chair is unavailable to attend a meeting of the committee, a substitute will be nominated by the Committee members in attendance

- Committee members should possess an appropriate level of experience in finance, accounting or auditing

- Finance committee members are eligible to become members of the Audit Committee however, to maintain the independence of these committees, no more than 2 current members of the Finance Committee may serve on the Audit Committee. The Chair of the Finance Committee is not eligible to serve as Chair of the Audit Committee

4   Meetings

- The Audit Committee should normally meet at least three times per year. Additional meetings may be convened at the request of the Chair of the Committee or at the request of the Internal or External Auditor

- The meeting shall be quorate if 3 or more members eligible to vote are in attendance

- The External Auditor will be invited to attend meetings where an external audit report is being considered but may attend any meeting of the Committee

- The Chair of the Finance Committee will be invited to attend the joint meeting of the Finance and Audit Committees where the annual external auditors report is considered

- Minutes will be kept of the proceedings and circulated after approval by the Chair. The minutes will be presented to the following meeting of the Committee for approval and to the next Board of Management meeting

- Meetings will be held in accordance with the Board of Management Standing Orders and Operating Guidelines

- Other members of College staff may be invited to attend meetings of the Committee

5   Specific Duties of the Committee

Internal Governance Systems

- Review and advise the Board of Management of the Internal and External Auditors' assessment of the effectiveness of the College's financial and other internal control systems, including controls specifically to prevent or detect fraud or other irregularities as well as those for securing economy, efficiency and effectiveness

- Review and advise the Board of Management on its compliance with The Code of Good Governance for Scotland's Colleges

- Monitor on behalf of the Board of Management the content of the College Strategic Risk Register and the relevance of actions implemented by Senior Management to mitigate identified risks

- Review and approve the College Business Continuity plan

- Monitor on behalf of the Board of Management compliance with the General Data Protection Regulations

Internal Audit

- Advise the Board of Management on the terms of reference, selection, appointment (or removal), resourcing and remuneration of the Internal Audit providers

- Review the scope, efficiency and effectiveness of internal audit reports and the responses of Senior Management, advising the Board of Management of any significant issues raised

- Review the Internal Auditor's monitoring of management action on the implementation of agreed recommendations reported in internal audit review reports and internal audit annual reports

- Consider and endorse the annual audit plan for the College as developed by Senior Management in consultation with the current internal auditor providers

- Ensure establishment of appropriate performance measures and indicators to monitor the effectiveness of the internal audit service

External Audit

- Consider the College's annual financial statements and the External Auditor's report prior to submission to the Board of Management as part of the annual joint meeting with the Finance Committee

- Review the External Auditor's annual Management Letter and monitor management progress on the implementation of the agreed recommendations. Advise the Board of Management of any issues arising from this activity.

- Establish appropriate performance measures and indicators to monitor the effectiveness of the external audit service

Other Duties

- Produce an annual report to the Board of Management

- Review compliance with the Code of Audit Practice and advise thereon

- Consider relevant reports from SFC and Audit Scotland, and successor bodies, and where appropriate, advise the Board of Management of action required

- Review reported cases of impropriety and consider whether they have been appropriately handled

- To receive advice, and act on recommendations, from the Finance Committee

6   **Authority**

- The Committee is authorised by the Board of Management to investigate any activity within its terms of reference. It is authorised to seek any information it requires from any employee

- The Committee is authorised by the Board of Management to obtain legal or other independent professional advice and to commit reasonable financial resources to fulfil its responsibilities

- The Committee is authorised by the Board of Management to approve all policies relevant to the Committee, or where appropriate refer to the Board of Management for final approval

1. **Purpose**

   To review the draft Governance Statement to ensure it provides an accurate reflection of the governance arrangements in place for 2020/21.

2. **Recommendation**

   That members review and approve the draft Governance Statement subject to any changes requested by the Audit Committee.

3. **Background**

   Colleges are required to prepare their annual report and accounts in accordance with an accounts direction from the Scottish Funding Council (SFC) which requires compliance with the governance statement section of the Scottish public finance manual (the SPFM).

   It is considered good practice that the Audit Committee should consider and approve the content of the Governance Statement.

   The draft statement has been prepared in accordance with the Accounts direction guidance issued by SFC and also takes account of Audit Scotland's report on good practice in relation to Governance statements.

4. **Equalities**

   Assessment in Place? – Yes ☐   **No** ☒

   Review of Governance Statement does not require equalities assessment.

5. **Risk**

	Likelihood	Impact
Very High		
High		
Medium		
Low		
Very Low	X	X

   The Governance Statement does not accurately reflect the governance arrangements in place.

   Risk Owner – Alison Stewart   **Action Owner –** Stephen Jarvie

6. **Other Implications – None**

   Paper Author – Alison Stewart   **SMT Owner –** Alison Stewart

Governance Statement

Introduction

The College is committed to exhibiting best practice in all areas of corporate governance. This summary describes the manner in which the College has applied the principles in the 2016 Code of Good Governance for Scotland's Colleges.

This governance statement is designed to supplement the information provided in the financial statements. It sets out the governance structures, risk management and internal control processes that have been operating in Forth Valley College in the year to 31 July 2021 and reports the Board's assessment of the effectiveness of these arrangements.

Governance Structure

The College has a robust and effective Board and Committee structure in place. This was reviewed and amended by the Board of Management in September 2018 to reflect the changing needs of the Board.
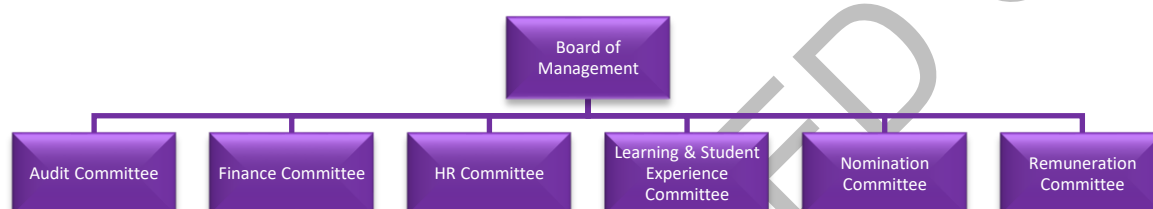
Board of Management Committees

Audit Committee
The committee met on three occasions. Its role is to contribute to good governance by providing assistance to the Board of Management on issues of compliance, risk, financial probity and the overall effectiveness of internal College control systems. The internal and external auditors normally attend meetings.

Finance Committee
The committee met on four occasions during the period. Its role is to contribute to good governance by providing independent advice to the Board of Management on the financial management of the College, providing a strategic overview of the College's financial direction while ensuring a position of financial security and that all relevant audit and legislative requirements are met.

HR Committee
The committee met on two occasions during the period. Its role is to advise on HR strategy (including industrial relations matters), oversee the Board's health & safety responsibilities, and monitor the Board's equal opportunities aspirations.

Remuneration Committee
The committee met on two occasions during this period. Its role is to provide good governance advice and assistance to the Board of Management on the remuneration of senior College staff, considering sectoral guidance and maintaining comparability with relevant external bodies.

Learning and Student Experience Committee
The committee met on three occasions. Its role is to contribute to good governance by providing assistance to the Board of Management on the educational performance of the College, to act as the primary linkage between the Board of Management and the Student Association Executive, and to consider matters relating to the interests of learners in the College.

Board of Management Members

As at 31 July 2021, the Board gender split was 56% female/44% male.

Membership now consists of 18 members as follows:
- Chair
- 12 Independent Non-executive members
- 2 Student Members
- 2 Staff Members
- Principal

There is a clear differentiation in the roles of the Chair of the Board and that of the Principal. Matters reserved to the Board of Management are set out in the Standing Orders and Operating Guidelines, the Scheme of Delegation, and under the Financial Memorandum with the Scottish Funding Council. The Board of Management is responsible for the on-going strategic direction of the College, approval of major developments and the approval of annual budgets.

Members of the Board have a collective responsibility for the proper conduct of the College's affairs. Members have full and timely access to information they consider to be relevant to enable them to perform their roles effectively. Members' roles and responsibilities are described in the Code of Good Governance for Scotland's Colleges and the Guide for Board Members in the College Sector.

Board Effectiveness

The Board of Management has adopted the Code of Good Governance for Scotland's Colleges. The code outlines the activity to be undertaken by a Board. The Board of Management has an effective mix of skills in place, supplemented by a comprehensive induction process which is further enhanced by Board training activities such as the provision of equalities training.

There are self-evaluation processes, led by the Chair and an evaluation process for the activity of the Chair led by the Vice-Chair. These offer a mechanism for members to feedback on their perceptions of the Board, their contribution and any future training needs. The performance of the Chair is also evaluated by the Scottish Government, as regional college chairs are appointed by Scottish Ministers and are personally accountable to them.

An externally conducted effectiveness review was undertaken and completed by the March 2021 deadline. The outcomes of the review were considered by the Board at its schedule meeting on 29 April 2021. The report has been published on the College's website.

Attendance

The Board of Management normally meets formally six times per year and has a number of committees which are formally constituted with terms of reference.

The ongoing Covid 19 pandemic meant that access to the College campuses remained limited and the Board of Management therefore continued to operate virtually. All scheduled Board and Board Committee meetings took place as planned using video conferencing.

Overall there were 6 Board of Management meetings in 2020/21.

	Status	Date of Appointment/Re-Appointment	Date of Retiral/Resignation (If Applicable)	Board of Management	Audit Committee	Finance Committee	HR Committee	Remuneration Committee	Learning & Student Experience Committee
Number of Meetings				**6**	**3**	**4**	**2**	**2**	**3**
R Martin	Regional Chair	01/08/21		6				2	
Dr K Thomson OBE	Principal	01/08/13		6					
N Akram	Non-Exec	01/02/20		1 of 1					
H Burt	Non-Exec	01/02/20		6	3				
A Caldwell	Non-exec	01/03/20		5		3			
A Carver	Non-Exec	26/03/17	25/03/21	4 of 4		1 of 2			
T Craggs	Vice Chair/ Non-Exec	07/12/20		4		2	2	2	
P Devoy	Non-Exec	29/04/21		2 of 2	1 of 1				
L Dougall	Non-Exec / Senior Independent Member	26/03/19		6	3			2	3
P Duncan	Staff	05/09/16	04/09/20	1 of 1					
D Flynn	Vice Chair/ Non-Exec	07/12/20		6			2	2	3
K Graham	Non-Exec	01/07/20		6			2		2 of 2
B Hamilton	Non-Exec	26/03/17	25/03/21	2 of 4	1 of 2		0		
L Hastie	Non-Exec	29/04/21		1 of 2		1 of 1			
J Hogarth	Staff	27/06/19		6					2
L McCabe	Non-Exec	26/03/19		4		3		2	

Name	Role								
A McKean	Staff	15/09/20		5 of 5	1 of 1				
E Meredith	Non-Exec	29/04/21		2 of 2					1 of 1
A Petrovskis	Student	29/06/20	30/06/21	6					2 of 2
K Richardson	Non-Exec	26/03/19		5		4			
A Smirthwaite	Student	29/06/20	30/06/21	6		4			1 of 1
S Tolson	Non-Exec	26/03/19	10/08/20	1 of 1					

Assessment of corporate governance

The College complies with all the principles of the 2016 Code of Good Governance for Scottish Colleges with the exception of the role of Secretary to the Board.

The Code of Good Governance states; "The board secretary may be a member of the senior management team in their board secretary capacity, but they cannot hold any other senior management team position at the same time".

The Board of Management recognises the importance of the Board Secretary being able to report directly to the Chair independently of the Principal in order to prevent any conflicts of interests, however we believe that this can be achieved without the requirement to appoint a Board Secretary without other Senior Management Team responsibilities. The Board of Management has appointed the Vice Principal Finance & Corporate Affairs as Secretary to the Board along with the Corporate Governance & Planning Officer as Deputy Secretary to the Board, both of whom will report directly to the Chair in relation to the Board Secretary duties. The Board of Management believes any risk of non-disclosure or non-compliance not being reported to the Board of Management due to a conflict of interest is mitigated by the appointment of two individuals with direct reporting to the Chair. The Board of Management considers that governance is strengthened rather than weakened by the Vice Principal Finance & Corporate Affairs having a dual role within the Senior Management Team. This arrangement is not unusual in either the public or the private sector. The Board of Management reviewed the existing arrangement in September 2021 and agreed that this should continue unchanged.

Risk Management

The Board of Management has overall responsibility for ensuring the effective identification, mitigation and monitoring of strategic risks within the College. The Audit Committee has delegated authority from the Board of Management to approve the Risk Management Policy and to review regular reports from the College Senior Management Team regarding risk.

All Board Committees are able to request risks be added to the strategic risk register.

The College operates a Strategic Risk Register which identifies the most significant risks to the College. This register is taken to every meeting of the Audit Committee for comment and challenge. It is also provided annually to the Board of Management. There are currently 8 risks on the Strategic Risk Register covering areas such as the ongoing financial sustainability, Covid-19 and ensuring the College continues to meet student expectations.

The Principal is responsible for the maintenance of the College Strategic Risk Register and for ensuring appropriate risk mitigation actions are implemented to address significant risks to College operations and strategic objectives. Senior Management Team members are responsible for establishing controls to mitigate identified risks wherever possible. This information is included on the Strategic Risk Register in summary form.

Risk Management is embedded in the operations of the College. The identification and mitigation of risk is a component in all decision making and is a standing item at all Senior Management Team, Board Committee and Board of Management meetings. The College also operates a risk management system whereby areas of significant risk to the College have their own specific risk register.

In recognition of the unprecedented challenges posed by the COVID-19 situation, and in compliance with the College Risk Management Policy, a specific COVID-19 risk register was created to manage the risks arising from this situation and changes to the operational practices in the College to respond to this. This register is also presented to the Audit Committee and the Board of Management.

Delegation of responsibility for managing the key risks in the risk registers is essential if risk management is to be effective. The risk registers, therefore identify "owners" for each risk.

Internal Audit

The College has an internal audit service, the work of which concentrates on areas of key activities determined by an analysis of the areas of greatest risk, input from Senior Management Team and areas of significant change to operational systems/practices and in accordance with the annual internal audit plan approved by the Audit Committee. The internal auditor reports to the Principal and to the Audit Committee on a regular basis and has direct access to the Chair of the Audit Committee. The internal audit plan, while an annual document, does take into account medium and longer term planning to ensure key areas are audited on a rolling basis.

The internal auditor has issued an annual report which gives an opinion on the adequacy, reliability and effectiveness of the College's internal control systems. On the basis of the work undertaken during the period the auditor has expressed an opinion that the College has a framework of controls in place that provides reasonable assurance regarding the effective and efficient achievement of objectives and the management of key risks and proper arrangements are in place to promote value for money and deliver best value.

Internal Control

The Board of Management is aware of the need for effective internal control and acknowledges its responsibility for such a control system to be in place. The system can provide only reasonable and not absolute assurance that assets are safeguarded, transactions authorised and properly recorded, and that material errors or irregularities are either prevented or would be detected within a timely period.

The system of internal control is based on a framework of regular management information, financial regulations and administrative procedures.

In particular it includes:
- comprehensive budgeting systems with an annual budget approved by the Board of Management
- regular reviews by the Finance Committee of quarterly and annual financial reports which indicate financial performance against forecasts
- setting targets to measure financial and non-financial performance.

Assessment of the effectiveness of internal controls

The Board of Management is of the view that there is an on-going process for identifying, evaluating and managing the College's significant risks. This process is reviewed by the Board of Management through the Audit Committee. A formal Business Continuity Plan is maintained within the College.

For the period to 31 July 2020, the Internal Auditor reported completion of all reviews in the Audit Plan. Internal Audit was of the opinion that the College has a framework of controls in place that provides reasonable assurance regarding the effective and efficient achievement of objectives and the management of key risks and proper arrangements are in place to promote value for money and deliver best value.

The external auditor has given an unqualified audit opinion on the financial statements for the period to 31 July 2020 and on the regularity of transactions reflected in the financial statements. No further significant issues have been identified as part of their audit process.

On the basis of the assurances provided from the sources of assurance outlined above, we can confirm that sound systems of governance, risk management and internal control, consistent with the requirements of the SPFM, have operated for the period ended 31 July 2020 and up to the date of approval of the annual report and financial statements.

Going Concern

The Board of Management believes that pension liabilities resulting in a net liability in the Balance Sheet can be met as these fall due from future funding. The Board of Management has no reason to believe that future support from Scottish Funding Council will not be forthcoming and on that basis these financial statements have been prepared on a going concern basis.

Conclusion

The Board of Management's opinion is that the College has an appropriate framework of internal controls, and these provide reasonable assurance regarding the effective and efficient deployment of resources to achieve the College aims.

1. **Purpose**

   To consider the performance of the Audit Committee.

2. **Recommendation**

   That members review and approve the draft Audit Committee self assessment checklist which has been completed.

3. **Background**

   Since 2019, the Audit Committee has undertaken a self-assessment against the template from the Scottish Government Audit and Assurance Committee Handbook was discussed.

   The most recently completed draft checklist for is attached to this paper for review.

4. **Financial Implications - None**

5. **Equalities**

   Assessment in Place? – Yes ☐   No ☒

   Completion of self evaluation checklist does not require equalities assessment.

6. **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		
Very Low	X	X

   Committee performance is not reviewed and areas for the potential improvement are missed.

   Risk Owner – Alison Stewart   **Action Owner –** Stephen Jarvie

7. **Other Implications – None**

   Paper Author – Alison Stewart   **SMT Owner –** Alison Stewart

Annex H: Self-assessment checklist

Role and remit	YES/NO/NA	Comments/Action
Does the committee have written terms of reference?	Yes	
Do the terms of reference cover the core functions as identified in the *SG Audit and Assurance Committee Handbook*?	Yes	
Are the terms of reference approved by the Audit and Assurance Committee and reviewed periodically?	Yes	Reviewed and approved by the Committee on 9 September 2021 as part of the annual review
Has the committee been provided with sufficient membership, authority and resources to perform its role effectively and independently?	Yes	
Does the body's governance statement mention the committee's establishment and its broad purpose?	Yes	
Does the committee periodically assess its own effectiveness?	Yes	Covered by Board Self-evaluation and this Self-Assessment activity.
Membership, induction and training	YES/NO/NA	Comments/Action
Has the membership of the committee been formally agreed by the management board and or Accountable Officer and a quorum set?	Yes	
Are members appointed for a fixed term?	No	Membership reviewed periodically.

Does at least one of the committee members have a financial background?	Yes	Non-Executive Member and Co-opted member for 20/21
Are all members, including the Chair, independent of the Executive function?	Yes	
Are new committee members provided with an appropriate induction?	Yes	Covered by Board induction and CDN training.
Has each member formally declared his or her business interests?	Yes	
Are members sufficiently independent of the other key committees of the Board?	Yes	
Has the committee considered the arrangements for assessing the attendance and performance of each member?	Yes	Covered by 1:1s and 2020/21 Chairs report to Chair of BOM. The annual chair's report to the Board and the Annual Accounts also consider attendance
Meetings	**YES/NO/NA**	**Comments/Action**
Does the committee meet regularly, at least four times a year?	No	3 meetings a year considered sufficient. Additional meetings can be added.
Do the terms of reference set out the frequency and broad timing of meetings?	Yes	
Does the committee calendar meet the body's business and governance needs, as well as the requirements of the financial reporting calendar?	Yes	

	YES/NO/NA	Comments/Action
Are members attending meetings on a regular basis and if not, is appropriate action taken?	Yes	
Does the Accountable Officer attend all meetings and, if not, is he/she provided with a record of discussions?	No Yes	Attends most meetings. Copies of minutes are circulated and discussed.
Does the committee have the benefit of attendance of appropriate officials at its meetings, including representatives from internal audit, external audit and finance?	Yes	
Internal control	YES/NO/NA	Comments/Action
Does the committee consider the findings of annual reviews by internal audit and others, on the effectiveness of the arrangements for risk management, control and governance?	Yes	
Does the committee consider the findings of reviews on the effectiveness of the system of internal control?	Yes	
Does the committee have responsibility for review of the draft governance statement and does it consider it separately from the accounts?	Yes	
Does the committee consider how accurate and meaningful the governance statement is?	Yes	
Does the committee satisfy itself that the arrangements for risk management, control and governance have operated effectively throughout the reporting period?	Yes	Risk Management workshops and Risk registers reviewed at every meeting.

Has the committee considered how it should coordinate with other committees that may have responsibility for risk management and corporate governance?	Yes	Audit will recommend risks for consideration by other committees and the other committees can also recommend to Audit
Has the committee satisfied itself that the body has adopted appropriate arrangements to counter and deal with fraud?	Yes	
Has the committee been made aware of the role of risk management in the preparation of the internal audit plan?	Yes	
Does the committee's terms of reference include oversight of the risk management process?	Yes	
Does the committee consider assurances provided by senior staff?	Yes	
Does the committee receive and consider stewardship reports from senior staff in key business areas such as Finance, HR and ICT?	No	Covered by Board and Finance /HE Committees.
Financial reporting and regulatory matters	YES/NO/NA	Comments/Action
Is the committee's role in the consideration of the annual accounts clearly defined?	Yes	
Does the committee consider, as appropriate:		
• the suitability of accounting policies and treatments	No	Finance Committee
• major judgements made	No	Finance Committee
• large write-offs	No	Finance Committee

• changes in accounting treatment	No	Finance Committee
• the reasonableness of accounting estimates	No	Finance Committee
• the narrative aspects of reporting?	No	Finance Committee
Is a committee meeting scheduled to receive the external auditor's report to those charged with governance including a discussion of proposed adjustments to the accounts and other issues arising from the audit?	Yes	Joint meeting with Finance Committee.
Does the committee review management's letter of representation?	Yes	
Does the committee gain an understanding of management's procedures for preparing the body's annual accounts?	Yes	
Does the committee have a mechanism to keep it aware of topical legal and regulatory issues?	Yes	Raised by Board Secretary and internal / external auditors.
Internal audit	YES/NO/NA	Comments/Action
Does the externally appointed Internal Auditors attend meetings of the committee?	Yes	
Does the committee consider, annually and in detail, the internal audit plan including consideration of whether the scope of internal audit work addresses the body's significant risks?	Yes	
Does internal audit have a direct reporting line, if required, to the committee?	Yes	

As well as an annual report from the Externally appointed Internal Auditors, does the committee receive progress reports from internal audit?	Yes	
Are outputs from follow-up audits by internal audit monitored by the committee and does the committee consider the adequacy of implementation of recommendations?	Yes	
If considered necessary, is the committee chair able to hold private discussions with the externally appointed Internal Auditors?	Yes	
Is there appropriate co-operation between the internal and external auditors?	Yes	
Does the committee review the adequacy of internal audit staffing and other resources?	Yes	Considered as part of annual audit plan.
Are internal audit performance measures monitored by the committee?	Yes	Monitored through internal audit progress reports.
Has the committee considered the information it wishes to receive from internal audit?	Yes	Considered as part of annual audit plan.
Has the committee considered formal terms of reference defining internal audit's objectives, responsibilities, authority and reporting lines?	Yes	
External audit	**YES/NO/NA**	**Comments/Action**
Does the external audit representative attend meetings of the committee?	Yes	

Do the external auditors present and discuss their audit plans and strategy with the committee (recognising the statutory duties of external audit)?	Yes	
Does the committee chair hold periodic private discussions with the external auditor?	Yes	Annually each November
Does the committee review the external auditor's annual report to those charged with governance?	Yes	
Does the committee ensure that officials are monitoring action taken to implement external audit recommendations?	Yes	
Are reports on the work of external audit presented to the Audit and Assurance Committee?	Yes	
Does the committee assess the performance of external audit?	Yes	Completed through Audit Scotland questionnaire.
Does the committee consider the external audit fee?	Yes	
Administration	**YES/NO/NA**	**Comments/Action**
Does the committee have a designated secretariat?	Yes	
Are agenda papers circulated in advance of meetings to allow adequate preparation by committee members and attendees?	Yes	
Do reports to the committee communicate relevant information at the right frequency, time, and in a format that is effective?	Yes	

	YES/NO/NA	Comments/Action
Does the committee issue guidelines and/or a pro forma concerning the format and content of the papers to be presented?	No	Standard pro forma document used for all committees.
Are minutes prepared and circulated promptly to the appropriate people, including all members of the Board?	Yes	
Is a report on matters arising presented or does the Chair raise them at the committee's next meeting?	Yes	Raised at next meeting.
Do action points indicate who is to perform what and by when?	Yes	
Does the committee provide an effective annual report on its own activities?	Yes	
Overall	**YES/NO/NA**	**Comments/Action**
Does the committee effectively contribute to the overall control environment of the organisation?	Yes	
Are there any areas where the committee could improve upon its current level of effectiveness?	Yes	Implementing assessment of committee performance
Does the committee seek feedback on its performance from the Board and Accountable Officer?	Partially	Chair covered through annual Board self-evaluation. Minutes reviewed by BoM.

1. **Purpose**

    To seek approval from members for a new Copyright Policy.

2. **Recommendation**

    That members consider this paper and approve the attached Copyright Policy.

3. **Background**

    In 2017, Forth Valley College took a decision to remove the Copyright Licencing Agency (CLA) licence. The licence covered staff making photocopies from textbooks from a collective list of publishers, however, there were legal educational copyright exceptions that could be used to cover such activity instead, without having to pay for the licence. The move to eBooks and other digital resources also negated the need to make physical photocopies from a textbook as these were covered by their own copyright rules.

    As part of the move to operate without a CLA licence, a number of measures were taken to ensure staff had sufficient training and access to alternative resources. This included mandatory training for all staff to complete on a two yearly basis, and Copyright Guidelines. At this time, there was a refocus in the College on Copyright in general and the importance of staff and student compliance, given that Copyright is much wider than making photocopies of materials in print, for example the increase in using digital media, use of software and general ownership of materials developed within the College.

    CLA submitted several Freedom of Information requests with questions pertaining to the Copyright Guidelines and the fact that these were not yet converted to a policy as had been the original intention of the College. A policy is necessary given the importance of Copyright and the sanctions that would follow if there was a breach within the College. Like GDPR and the accessibility regulations, it is important for the College to ensure staff know their individual responsibilities in relation to copyright as infringement would likely lead to fines, a possible prison sentence and reputational damage.

4. **Key Considerations**

    As part of a wider Copyright refresh, including updated training and guidance, the Copyright Guidelines have now been converted into a Copyright Policy. A draft can be found in Appendix 1. Alan Rae, an Education Copyright specialist developed the original Copyright Guidelines in 2018 and was recently commissioned to draft up the new policy in Appendix 1.

    To support staff with understanding and ensuring compliance with the policy, there will also be a refresh of the mandatory training course, the development of additional training materials bespoke to each curriculum area and guidance for students.

    Copyright guidance will also be made available to students through induction in the form of student guidelines. Consideration should be given to any third party contractors, for example,

Associate Assessors and Trainers, employed by the Business Development team, as they also have a duty to comply with the Copyright policy.

The roll out of the policy across the College, along with refreshed training materials will be carried out by the Learning and Digital Skills Academy.

Discussions with Alan Rae have indicated that the other copyright Licences in the College like PPL PRS (music licences) is not necessary and educational exceptions could apply. All licences will be reviewed and removed as necessary.

5. **Financial Implications**

    Please detail the financial implications of this item – If there is a Copyright infringement, the College could be fined up to £50,000, or an individual could face a prison sentence up to 6 months.

6. **Equalities**

    Assessment in Place? – No

    If No, please explain why – EQIA Initial Screening form will be completed for the policy.

    Please summarise any positive/negative impacts (noting mitigating actions) – See EQIA form.

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		X
Low	X	
Very Low		

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

    There is a risk that if we don't have a copyright policy, staff and students are unclear about their responsibilities around copyright and this leads to an infringement. Having a College policy for copyright will ensure that the matter is given the necessary importance.

    Risk Owner – Kenny MacInnes   **Action Owner –** Helen Young

8.   **Other Implications –**

Please indicate whether there are implications for the areas below.

Communications – Yes

The new policy and training will need to be rolled out to all staff.

Health and Safety – No

Paper Author – Helen Young   **SMT Owner –** Kenny MacInnes

Copyright Policy

Status	Draft for Approval
Date of Version	August 2021
Responsibility for Contents	Head of Learning and Quality
Responsibility for Review	Head of Learning and Quality
Impact Assessment Review Date	August 2021
Review Date	August 2023
Primary Contact	Head of Learning and Quality

Written by Alan Rae and adapted for use by Forth Valley College

1   General Policy Statement

1.1   Forth Valley College (the College) respects the copyright of those who create and distribute material for teaching, learning, marketing and advertising purposes. Such materials comprise original literary, dramatic, music, and artistic works; sound recordings, broadcasts, film, computer software and databases. Publishers also have copyright in the typographical arrangement of their published editions.

1.2   This Policy, and related guidance documents, applies to all College staff, both full-time and part-time, all students currently enrolled at the College and all contractors such as Associate Assessors and Trainers, photographers and designers.

1.3   This Policy applies to all third party materials as listed in 1.1 irrespective of whether they are in print or digital format and irrespective of which method of delivery is used for their reference or distribution. Such methods include the Internet, the College Intranet, The College Virtual Learning Environment (VLE) and other devices such as personal computers, laptops, tablets and mobile (smart) phones.

1.4   Staff, students and contractors of the College will not create, distribute, store or make available to the public any unauthorized or unlicensed copies of copyright material by means of the College's systems, equipment or storage media. Such systems include the internet, the College's VLE and the College's internal computer system.

1.5   Staff, students and contractors of the College will not assist with or participate in any known infringement of third party copyright materials by means of a peer-to-peer network using the College's systems, hardware or storage media.

1.6   Infringement of unauthorised and/or unlicensed third party material includes upload, storage or making available to the public of those materials by using the College's systems, equipment or storage media. To avoid any doubt, this clause also includes licensed computer software.

2   Respect for Copyright

The College, in setting out this Policy, states that:

2.1   The College is fully committed to the principle of copyright protection for content produced by creators, rights holders and their representatives.

2.2   The College will take all appropriate measures to ensure that staff, students and contractors comply with all appropriate and relevant copyright legislation and copyright licences held by the College

2.3   The College recognises that legal and moral rights attach to materials created and licensed by third parties.

2.4   The College recognises that creators and licensors are entitled to reasonable protection of their rights.

2.5   The College recognises that creators and licensors may be entitled to reasonable payment for the use of their rights by College staff, students and contractors in the creation of materials for teaching, learning, marketing and advertising purposes.

2.6   The College will keep College staff, students and contractors informed of all aspects of relevant copyright laws and of any and all licensing agreements to which the College subscribes.

2.7   The College recognises that any infringement of third party copyright content by staff, students or contractors may expose The College, as a corporate body, and the individual, to legal action, claims for damages and loss of reputation.

2.8   The College recognises The Copyright Designs and Patents Act of 1988 (as amended) (the 1988 Act) as the principal legislation applying to copyright in the United Kingdom. It is noted that copyright legislation is not a devolved responsibility.

2.9   The College recognises the terms and conditions of the licensing agencies with which it contracts. These agencies are mandated by creators to licence their rights for copying, scanning and any other appropriate use of the content that is covered by the licences.

(See Appendix 1 of this document for the list of licensing agencies)

3   Responsibilities

3.1   College Management

3.1.1   College managers will maintain their own knowledge of copyright legislation and licensing as they relate to their areas of responsibility, and will provide, or arrange for appropriate training and CPD for staff in relation to copyright law, copyright licensing and best practice when using third party content.

3.1.2   College managers are responsible for raising and maintain awareness of relevant copyright information with their staff.

3.1.3   College managers will ensure that students are made aware of the College's Copyright Policy as part of the student induction process.

3.1.4   College managers will ensure that new members of staff are made aware of the College's Copyright Policy as part of the staff induction process.

3.1.5   College managers will ensure that all relevant contractors, consultants and advisors are made aware of the College's Copyright Policy as part of the procurement and appointment process before any work is created in partnership with these third parties. Please also refer to sections 4.3 and 4.4 of this Policy.

3.1.6   College managers will ensure that the College Copyright Policy and all associated guidance notes are kept current and notified to staff, students and contractors by appropriate communications such as postings on the College intranet and by appropriate messaging systems.

3.1.7   The Head of Learning and Quality will have responsibility for the maintenance of the College Copyright Policy.

3.1.8   College managers will ensure that all necessary support will be given to enable staff to comply with the copyright rules and regulations that affect their areas of responsibility.

3.2 Members of staff and contractors

3.2.1 Individual members of staff and contractors will take responsibility, in association with College managers, to keep current their own copyright and licensing knowledge, as these affect their work.

3.2.2 Individual members of staff and contractors will take responsibility for complying with relevant copyright legislation and licences.

3.2.3 It is the responsibility of all staff and contractors to ensure that any third party material they wish to copy, scan, upload or distribute either internally or externally, has been cleared by licence, permission from the rights holder, or is subject to an exception as indicated by the 1988 Act.

3.2.4 Staff and contractors will take responsibility for their own copyright actions. They are not permitted to delegate this responsibility to a colleague without either the colleague's written consent or understanding.

3.3 Students

3.3.1 Students, in association with their lecturers, will take responsibility for their use in their work of materials that are subject to copyright.

3.3.2 Students will work within the scope of the guidance attached to this policy and will also work within the legislative and licence regulations that affect the College.

4 Ownership of Copyright

4.1 Staff

4.1.1 Unless there is a written agreement to the contrary, and which is preferably agreed prior to commencement of the creation of an original work, all copyright in materials created by a member of staff in the course of their work, will belong to the College.

4.1.2 Unless there is a written agreement to the contrary, members of staff may not assign or licence the copyright of any work they, or their colleagues have created in the course of their employment at The College, to a third party without the express consent of the College's permission must be requested by sending a request to copyright@forthvalley.ac.uk.

4.2 Students

4.2.1 Unless there is a written agreement to the contrary, the copyright of all original works created by students in the course of their studies, while attending the College, will belong to the learner.

4.2.2 If the College wishes to use original works created by students during the course of their studies – photographs, designs, film, broadcasts, choreographed pieces, sound recordings etc for the purposes of promotion, exemplar, advertising etc, then the College must seek the learner's permission and enter into an agreement with the learner for the use of the works.

4.2.3   If the College employs a learner on a work contract, then the terms and conditions of an employment contract with the College will apply to the learner in regard to the College copyright policy.

4.3   Contractors

4.3.1   The College will ensure that all agreements entered into with contractors who are not employees or students of the College, contain relevant and appropriate terms and conditions relating to the ownership and exploitation of any copyright created by original works that are produced in the course of the contract.

4.4   Joint Authorship

4.4.1   The College will ensure that all agreements entered into with other third parties such as educational establishments, private companies, local authorities and voluntary organisations, for the creation of content such as teaching and learning materials or promotional items contain relevant and appropriate terms and conditions relating to the ownership and exploitation of any copyright created by original works which are produced in the course of the agreement.

5   Compliance

5.1   Any activities or materials that do not comply with the terms of this policy are subject to immediate removal, termination and/or forfeiture.

5.2   Staff or students who purposely do not comply with this policy may be subject to disciplinary action relevant to the circumstances of the infringement. Such disciplinary action may include suspension or dismissal.

5.3   Contractors who are found to have purposely failed to comply with this policy may be subject to immediate suspension of the contract pending an enquiry into the non-compliance.

Appendix 1 – List of Copyright Licences

Copyright Licensing Agency (CLA)

Educational Recording Agency (ERA)

NLA Media Access

PRS for Music

Phonographic Performance Licence (PPL)

Forth Valley College

Follow Up Reviews

Internal Audit report No: 2021/08

Draft issued: 1 September 2021

Final issued: 3 September 2021

Henderson Loggie

Follow Up reviews

Contents

Follow Up reviews

Management Summary
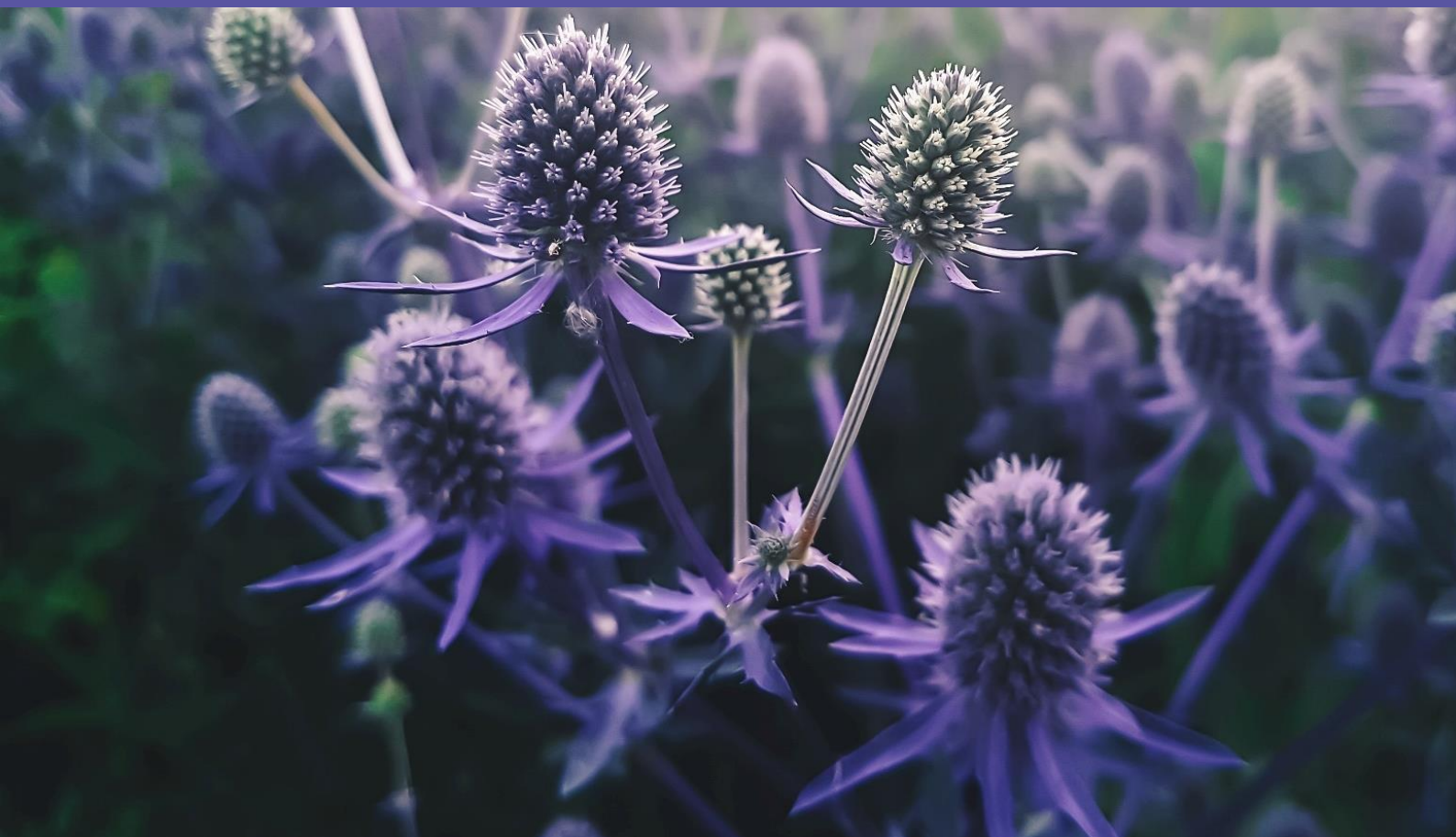
Introduction and Background

As part of the Internal Audit programme at Forth Valley College ('the College') for 2020/21 we carried out a follow-up review of the recommendations made in Internal Audit reports issued during 2020/21 and reports from earlier years that had either not already been subject to follow-up. These were:

- Report 2020/06 – Estates Maintenance
- Report 2021/02 - 2019/20 Student Activity Data
- Report 2021/04 - Externally Facilitated Effectiveness Review

Reports 2021/01 – Annual Internal Audit Plan 2020/21 and 2021/03 – Student Support Funds did not contain an action plan and therefore no follow-up was required as part of this review.

It should be noted that given the nature of report 2021/04 - Externally Facilitated Effectiveness Review, and the requirement to report the final output to the Scottish Funding Council, the recommendations contained in the action plan were not graded using our normal grading methodology.

Objectives of the Audit

The objective of each of our follow-up reviews is to assess whether recommendations made in previous reports have been appropriately implemented and to ensure that, where little or no progress has been made towards implementation, that plans are in place to progress them.

Audit Approach

For the recommendations made in each of the reports listed above we ascertained by enquiry or sample testing, as appropriate, whether they had been completed or what stage they had reached in terms of completion and whether the due date needed to be revised.

Action plans from the original reports, updated to include a column for progress made to date, are appended to this report.

Overall Conclusion

The College has made good progress in taking forward the seven recommendations, which have passed their target implementation date, followed-up as part of this review with five of the seven recommendations being assessed as 'fully implemented'. One recommendation has been classified as 'partially implemented' with one classified as 'little or no progress'. The remaining five recommendations examined had not passed their target implementation date at the point of review. Revised implementation dates have been agreed where appropriate.

Follow Up reviews

Overall Conclusion (Continued)

Our findings from each of the follow-up reviews has been summarised below:

From Original Reports			From Follow-Up Work Performed				
Area	Rec. Priority	Number Agreed	Fully Implem-ented	Partially Implem-ented	Little or No Progress Made	Not Past Agreed Completion Date	Considered But Not Implemented
Report 2020/06 – Estates Maintenance	**1**	-	-	-	-	-	-
	2	-	-	-	-	-	-
	3	2	1	-	1	-	-
Total		**2**	**1**	**-**	**1**	**-**	**-**
Report 2021/02 - 2019/20 Student Activity Data	**1**	-	-	-	-	-	-
	2	1	1	-	-	-	-
	3	1	1	-	-	-	-
Total		**2**	**2**	**-**	**-**	**-**	**-**
Report 2021/04 - Externally Facilitated Effectiveness Review		-	-	-	-	-	-
		-	-	-	-	-	-
		8	2	1	-	5	-
Total		**8**	**2**	**1**	**-**	**5**	**-**
Grand Totals		**12**	**5**	**1**	**1**	**5**	**-**

Follow Up reviews

Overall Conclusion (continued)

The grades, as detailed below, denote the level of importance that should have been given to each recommendation within the internal audit reports:

Gradings for recommendations from Henderson Loggie internal audit reports:

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

Acknowledgements

We would like to thank all staff for the co-operation and assistance we received during the course of our reviews.

Appendix I - Updated Action Plan
Internal Audit Report 2020/06 – Estates Maintenance

Original Recommendation	Priority	Management Response	Agreed	To Be Actioned By	No Later Than	Progress at August 2021
R1 The risks associated with not fully funding estate maintenance, and its potential risk to FVC in the delivery of its curriculum programme, should be identified and kept under review within both the departmental risk register and the Strategic Risk Register.	3	The College has commenced a review of lifecycle maintenance and funding matters and will reflect the risks associated with this in the College strategic risk register and departmental register as appropriate	Y	Depute Principal	30 November 2020	Risks associated with Capital Maintenance levels have been included in the Strategic Risk Register (see evidence 1 – SRR, risk ID 2). We also confirmed, through review of minutes, that this risk is also discussed at Board meetings where relevant to ensure members remain aware of the concerns. **Fully Implemented**

Follow Up reviews

Original Recommendation	Priority	Management Response	Agreed	To Be Actioned By	No Later Than	Progress at August 2021
R2 The College should review its strategic, governance and corporate oversight to identify a management group and / or a sub-committee of the Board that has a formal defined responsibility for the estates function to ensure that it maintains current teaching capability and any risks associated with the ability to maintain delivery of the curriculum are identified and mitigated.	3	This recommendation matches requests from the Board to ensure capital utilisation and maintenance is monitored. The Board Chair and Board Secretary have had discussions around how best to achieve this. Recommendations and a remit for this work will be taken to the Board of Management for consideration and approval in February 2021.	Y	Vice Principal Finance and Corporate Affairs	28 February 2021	With the cancellation of the February 2021 strategic session, owing to Covid-19 restrictions in place, the completion date for this action was revised to December 2021 to allow consideration by members at the rescheduled Board strategic sessions happening in November 2021. **Revised implementation date**: 31 December 2021 **Little or No progress**

Appendix II - Updated Action Plan
Internal Audit Report 2021/02 - 2019/20 Student Activity Data

Original Recommendation	Priority	Management Response	Agreed	To Be Actioned By	No Later Than	Progress at August 2021
R1 The College should ensure that a schedule of milestones agreed at enrolment is maintained for all distance learning programmes. This should include a record of the estimated amount of time that students are expected to take to complete each element of the course, to evidence eligibility of the Credits value claimed.	2	As per Credit guidance, for non-credit rated units, an estimate of planned learning hours is used as the basis for claiming Credits. This information is recorded within the College's Curriculum Planning System. For FES/Credit purposes there is no need, or mechanism, for recording granular information below unit level, nor is this level of granularity required for any College purpose. Consideration will be given to how College systems can be adapted / built to capture this additional granular information with the minimum of additional work for College staff.	Y	Vice Principal Information Systems / Learning Services Co-ordinator	31 May 2021	Systems have been developed to show planned learning hours. **Fully Implemented**

Follow Up reviews

Original Recommendation	Priority	Management Response	Agreed	To Be Actioned By	No Later Than	Progress at August 2021
R2 In order to accurately capture the part-time fee waiver status of students the format of the part-time fee waiver form should be amended to include separate fields for Job Seekers Allowance and Universal Credit and the associated source of finance codes.	3	The College's part-time fee waiver form will be amended to reflect the separation of Job Seekers Allowance and Universal Credit, which used to be reported together.	Y	Student Records Manager	31 December 2020	We reviewed the updated Application for Fee waiver 2020 form (FVC72), which was updated in December 2020, to confirm that the form now provides the required separation. **Fully Implemented**

Appendix III - Updated Action Plan
Internal Audit Report 2021/04 – Externally Facilitated Effectiveness Review

Original Recommendation	Management Response	Agreed	To Be Actioned By	No Later Than	Progress at August 2021
R1 A distillation exercise should be conducted to translate the ROA into an accessible format which would set out for all Board Members the key priorities in the ROA and what these mean for the College going forward.	ROA Dashboard will be presented to Learning and Student Experience Committee and attached to minute which is reviewed by the Board.	Yes	David Allison, Vice Principal Information Systems and Communications	30 April 2021	An Outcome Agreement Dashboard was presented to the Board on 24 June 2021 after first being considered by the Learning and Student Experience Committee. **Fully Implemented**

Follow Up reviews

Original Recommendation	Management Response	Agreed	To Be Actioned By	No Later Than	Progress at August 2021
R2 As part of the strategic planning process which is scheduled for later in 2021 the Board should consider mapping the ongoing and planned initiatives and projects with local, regional and national priorities and defining performance metrics which will allow internal and external reporting on the impact which these initiatives and projects are delivering.	Mapping exercise to be conducted and workshop to be included in Strategic planning session scheduled for October 2021.	Yes	SMT	30 October 2021	Owing to availability of Board members, this session has now been scheduled for November 2021 where the mapping exercise will be considered. **Revised implementation date**: 30 November 2021 **Not past agreed completion date**

Follow Up reviews

Original Recommendation	Management Response	Agreed	To Be Actioned By	No Later Than	Progress at August 2021
R3 Consideration should be given to the production of a "You said – We did" feedback document which would capture the outputs from the student surveys and Feedback Fridays and would showcase the work which is being progressed to address the issues raised.	Feedback mechanisms (including recurring timescales) to be developed. These will be presented to the Learning & Student Experience Committee and thereafter distributed to students by FVSA.	Yes	Vice Principal Learning and Student Experience	30 November 2021	On-going. On target for completion. **Not past agreed completion date**

Follow Up reviews

Original Recommendation	Management Response	Agreed	To Be Actioned By	No Later Than	Progress at August 2021
R4 The role and remit of the Corporate Parenting Planning Group should be revisited to ensure that it is fit for purpose and an explicit reporting line to the Learning and Student Experience Committee should be established.	Remit will be reviewed and reporting link to Learning & Student Experience Committee established.	Yes	Vice Principal Learning and Student Experience	30 October 2021	On-going. On target for completion. **Not past agreed completion date**

Follow Up reviews

Original Recommendation	Management Response	Agreed	To Be Actioned By	No Later Than	Progress at August 2021
R5 An exercise should be conducted, ideally as an integral part of the strategic planning exercise, to revisit the Board's risk appetite for the various categories of risk on the College's Strategic Risk register. This should be done in such a way that future reporting to the Audit Committee can highlight residual risks which are sitting above the stated risk appetite level.	A risk workshop regarding risk appetite will be held and the risk register will be considered at the strategic planning session in October 2021.	Yes	Board Secretary	30 October 2021	This will occur at the November 2021 Board session referred to above. **Revised implementation date**: 30 November 2021 **Not past agreed completion date**

Follow Up reviews

Original Recommendation	Management Response	Agreed	To Be Actioned By	No Later Than	Progress at August 2021
R6 The Chair of the Board of Management should explore ways in which staff and student input can be captured and fed into the process to set the annual objectives for the Principal.	The Chair will have this in place by the end of the current academic year.	Yes	Chair	30 August 2021	The Chair will utilise his existing links with the Student Association (and through them class reps – 201 reps in 2020/21) as well as with College trade union reps to gain an insight into opportunities for development/areas of concern and feed this into his objective setting considerations for the Principal. **Revised implementation date:** 31 December 2021 **Partially Implemented**

Follow Up reviews

Original Recommendation	Management Response	Agreed	To Be Actioned By	No Later Than	Progress at August 2021
R7 Consideration should be given to the introduction of a short written report by Board Sub Committee Chairs which will set out in bullet point format the key issues which will be highlighted for further discussion at the Board. Consideration should also be given to the introduction of high level dashboard reporting as part of these Sub Committee Chair updates in order to highlight key points.	Do not believe there is a requirement for an additional report as the minute provides the detail of committee discussions. Relevant dashboards presented to Committees will be attached to minutes for members information such as is done for the Learning & Student Experience Committee. The Chairs also have the opportunity to highlight matters of importance to members.	Yes	Committee Chair	30 August 2021	We confirmed that Committee minutes are taken to each Board meeting as well as relevant dashboards . Any items committees wish to raise to Board level are taken to the next meeting. **Fully Implemented**

Follow Up reviews

Original Recommendation	Management Response	Agreed	To Be Actioned By	No Later Than	Progress at August 2021
R8 As part of the development of the Strategic Plan the Board should develop a consensus around partnerships and collaborations with entities who are involved in fossil fuels and explain this in a way which makes it clear to stakeholders how this stance can be aligned with the Net Zero and decarbonisation agenda.	The Board will discuss this at the next strategic planning session and develop an Ethical Policy.	Yes	Board of Management	30 October 2021	The Strategic Planning session has been scheduled for November 2021 owing to Board members availability. Given this and the need to develop the policy following Board input, the completion date for this recommendation will need to be revised to 24 February 2022. **Revised implementation date**: 24 February 2022 **Not past agreed completion date**

Henderson Loggie

Aberdeen 45 Queen's Road AB15 4ZN
Dundee The Vision Building, 20 Greenmarket DD1 4QB
Edinburgh Ground Floor, 11–15 Thistle Street EH2 1DF
Glasgow 100 West George Street, G2 1PP

T: 01224 322 100   **F:** 01224 327 911
T: 01382 200 055   **F:** 01382 221 240
T: 0131 226 0200   **F:** 0131 220 3269
T: 0141 471 9870

Forth Valley College

Health and Safety

Internal Audit Report No: 2021/05

Draft issued: 7 May 2021

Final issued: 1 September 2021

LEVEL OF ASSURANCE

Requires Improvement

Now, for tomorrow

mha
HENDERSON LOGGIE

Contents

Level of Assurance

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

Gradings are defined as follows:

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

Action Grades

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

mha
HENDERSON LOGGIE

Health and Safety

Management Summary

Overall Level of Assurance

Requires Improvement	System has weaknesses that could prevent it achieving control objectives

Risk Assessment

There are no specific Health & Safety (H&S) related risks on the Forth Valley College ('the College') Strategic Risk Register however this review focused on the controls in place to mitigate the risk of failure to meet legislative and regulatory requirements in relation to H&S.

Background

As part of the Internal Audit programme at the College for 2020/21, we have carried out a review of the College's H&S arrangements, with consideration of specific risks from the move to the new Falkirk campus. Our Audit Needs Assessment, identified this as an area where risk can arise and where Internal Audit can assist in providing assurances to the Board of Management and the Principal that the related control environment is operating effectively, ensuring risk is maintained at an acceptable level.

At the time of audit, no students and staff were physically located on campus due to the national lockdown restrictions brought about by the global COVID-19 pandemic. However, contractors for Balfour Beatty and the H&S team continued to work together to complete construction requirements at the Falkirk campus. At the time, the teams were working on recommendations from a fire safety inspection at the Falkirk Campus, conducted in December 2020, which raised some issues around fire doors. These issues were in the process of being resolved during our fieldwork. The annual health and safety audit schedule was postponed during 2020 due to national restrictions. However, the schedule for 2021 includes the review of arrangements within 10 areas at Falkirk Campus.

Within the College it is important to demonstrate full implementation and embedding not only of H&S legislation but demonstrate that H&S issues are considered by all staff, students, and management. This will reduce the risks related to accidents and occupational health. Furthermore, all staff should receive appropriate training to not only identify risks to themselves but to understand that H&S is their responsibility, and not only that of management. The recommendations from this report will be applicable for arrangements across all three campus sites at Falkirk, Stirling and Alloa.

mha
HENDERSON LOGGIE

Health and Safety

Scope, Objectives and Overall Findings

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

The table below notes the specific objectives for this review and records the results:

Objective	Findings				Actions already underway
The specific objectives of this audit were to obtain reasonable assurance the College has:		**1**	**2**	**3**	
1. H&S policy and documented procedures which are communicated to all staff	**Satisfactory**	-	-	1	
2. H&S training programme which includes induction training, refresher training and training for new equipment or legislation	**Requires Improvement**	-	3	1	✓
3. 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	**Satisfactory**	-	1	-	✓
4. An incident and accident recording system with follow-up process and implementation of new controls where required	**Good**	-	-	-	
5. Regular reporting of H&S to senior management and to the Board of Management	**Good**	-	-	-	
Overall Level of Assurance	**Requires Improvement**	-	4	2	
		System has weaknesses that could prevent it achieving control objectives.			

Audit Approach

From discussion with the Head of Estates, Facilities and H&S, the H&S Coordinator and Head of Human Resources, and review of procedural documentation, we identified the internal controls in place and compared these with expected controls including by the Health and Safety Executive (HSE). A walkthrough of key systems was then undertaken to confirm our understanding, and this was followed up with compliance testing were considered necessary.

We have reported on areas where expected controls were absent, not operating effectively, or where controls could be further strengthened.

Discussions were held remotely on Microsoft TEAMS due to national COVID-19 restrictions at the time of audit.

mha
HENDERSON LOGGIE

Health and Safety

Summary of Main Findings

Strengths

- The College has a H&S Policy in place which is supported by a comprehensive range of additional H&S procedures.
- The current H&S policies and procedures are being reviewed and updated.
- The College has a H&S Committee which meets four times per year and receives appropriate updates and statistics on all relevant H&S issues across all campuses. The committee includes members of the College Board of Management, its senior leadership team and senior managers who are well placed to respond to the H&S risks identified and make improvements to the culture within the College.
- The College also has a H&S Operational Committee that reviews matters monthly and drives actions across staff, students, and contractors.
- There is an online database for reporting and recording accidents and incidents, and action tracking that is efficiently maintained by the H&S Coordinator. Full audit trails allow for accurate reporting to the H&S Committee.
- All risk assessments completed are centrally retained by the H&S Coordinator who offers support to departments where required.
- There is a programme of audit that was interrupted in 2020 due to national restrictions imposed by the COVID-19 pandemic and Trade Union representation not being available. The revised 2021 audit programme was underway at the time of our audit, as a matter of priority for the H&S department.
- There is an agile approach to new H&S requirements, such as revised risk assessments for staff working from home due to COVID-19 and risk assessed arrangements around the new Vaccination Centres at each campus.
- There is a desire to continually improve the current H&S approach and address the current weaknesses in its application across the College.
- Out with weakness noted below, the governance arrangements for reporting the status of H&S arrangements are satisfactory with action plans for groups reviewed established and monitored.

Weaknesses

Our audit highlighted scope for improvement in the following areas:

- the updating and version control of H&S policies and procedures; and
- ensuring that risk assessments are approved by area directors in line with requirements and consistently identified next review dates, where appropriate.

However, we noted significant weaknesses within the controls established around mandatory and refresher training monitoring, inclusive of H&S training, and provision of H&S specialised training in line with good practise as follows:

- The audit identified that 45 new starters, who have joined the College since April 2020, were not recorded on the HR training system, My Employee Record, and therefore there was no evidence that they had completed any mandatory training on Moodle. We have concluded that remote working arrangements during 2020/21 may have been a contributory factor, with a corresponding detriment to HR oversight of arrangements. However, there has also been an absence of reporting on new start mandatory training completion to the H&S committees over this period. Management should ensure all new starters have completed their mandatory training and assess the risk to the organisation of this gap. Without recorded evidence, there is an increased risk that the organisation may be in breach of its regulatory obligations to ensure the health and safety of all staff.

mha
HENDERSON LOGGIE

Health and Safety

Summary of Main Findings (Continued)

Weaknesses (Continued)

- There is an absence of a joined-up approach between HR and the H&S Team that effectively identifies all staff requiring H&S training, refresher training, and any training gaps in the organisation. This is impacted by the following:
  - ♦ There is absence of a skills matrix for identifying mandatory and desired H&S training for job roles.
  - ♦ The current process for reporting specialised H&S training requirements is not effective. In practice, Staff Development Activity Forms (SDAFs) are submitted on an ad hoc basis. However, HR reported that the documentation may not always be completed, impacting on effective review of training needs by HR.
- There is currently no reporting on the compliance levels of refresher training completed across the College to the HR Committee and H&S refresher training completion rates to the H&S Committee.
- There is no process for reporting the student rates of H&S training completed to the H&S Team for oversight of support required by curriculum areas.
- There is no process for reporting H&S training completed by competent persons to the H&S Team, impacting on the FVC Competent Persons list being out of date. A process should be developed to ensure the organisation has a record of those completing required training for their role and responsibilities.
- While the Health, Safety, Environment and Welfare Policy (June 2020) defines that H&S training responsibilities lie with HR, it does not link to HR's induction policy to identify the courses to be completed by staff or the process for requesting specialised H&S training - which should be updated on the back of recommendations from this report. Accountabilities for staff not completing mandatory training are also not defined in policies reviewed.
- Contractor induction form template (2014) also requires to be version controlled in line with good practice.

Acknowledgements

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

4

mha
HENDERSON LOGGIE

Health and Safety

Main Findings and Action Plan

Objective 1: A H&S policy and documented procedures which are communicated to all staff.

The College has a Health, Safety, Environment and Welfare Policy (published June 2020) and is supported by a comprehensive range of H&S procedures which address key risks and support the delivery of effective delivery of health and safety across the College. These policies and procedures are made available to staff on both the College website and the H&S staff intranet site, eFocus.

All staff are required to undertake induction and mandatory training in health and safety before their probation is successfully completed. This is monitored by their line manager through one-to-one meetings. Contractors undertaking work within the campus are made aware of the College's health and safety policies and procedures, which they are required to comply with, and there is an induction form in place for them to complete with the Head of Estates, Facilities and H&S. Students also have Moodle eLearn to complete as part of their induction to the College. However, this aspect of the process is not monitored by H&S.

All H&S policies and procedures are maintained centrally by the H&S management team. Our review of the 32 documents provided confirmed that most were updated in line with their review schedule and were in line with current legislation and good practice. However, some exceptions were noted (see Appendix 1), this was primarily due to management reprioritisation during academic session 2020/21 due to the COVID-19 pandemic.

Our testing confirmed that all policies are made available to all staff, cover the key risks, outline how work tasks should be performed safely ensuring the College complies with its legal requirements.

mha
HENDERSON LOGGIE

Health and Safety

Objective 1: A H&S policy and documented procedures which are communicated to all staff (continued)			
Observation	**Risks**	**Recommendation**	**Management Response**
As noted in Appendix 1, not all H&S policies and procedures have been reviewed in line with their agreed schedules and do not evidence management review that they remain appropriate to current arrangements.

Many have older dates recorded in footnotes or refer to the previous Health, Safety and Welfare Policy rather than the revised Health, Safety, Environment and Welfare Policy (June 2020) which could confuse readers. Inspection of the Display Screen Equipment Procedure (January 2021), for example, also had a telephone number for H&S Manager that did not match their present number.

The Policy also did not refer to other key documents such as the Risk Assessment Procedure. Review of the Risk Assessment Procedure also noted that it should be enhanced with references to decision flow charts to support understanding of the requirements.

The Health and Wellbeing at Work Strategic Commitment (April 2017) has a seven-year review period that could be excessive and no longer be relevant to current focus in a post-COVID-19 recovery environment. | Health and Safety policies and procedures do not reflect current risks and practices in place to effectively manage the health and safety risks | **R1** The College should ensure that all health and safety policies and procedures (as noted in Appendix 1) are reviewed and updated.

Management noted that the current Health, Safety, Environment and Welfare Policy (June 2020) is currently under review due to the significant change in circumstances relating to Covid-19 and the Scottish Government environmental changes. All policies and procedures (see Appendix 1) should be updated to ensure that old dates and references to the previous H&S policy are removed. Telephone numbers within procedures should also be checked to ensure they remain up to date. Link should also be made in the Policy to key procedures, such as the Risk Assessment Procedure. The Risk Assessment Procedure should be enhanced with reference to decision flow charts.

The College's Health and Wellbeing at Work Strategic Commitment (April 2017) should also be reviewed to ensure that it remains current to any post-COVID-19 recovery requirements. | The College actively works to keep all Health and Safety policies and procedures up to date and reviewed at agreed intervals or on a significant change.

There is an acceptance with the points raised in relation to updating headers and footers on documents and to ensure continual improvement this admin exercise has commenced.

It is acknowledged that due to the urgent priority that the pandemic brought and with reduced occupancy in campus it allowed for some review dates to be exceeded.

The College's Health and Wellbeing at Work Strategic Commitment (April 2017) will be reviewed by the H&S committee and HR Committee

To be actioned by: Head of H&S and College Leadership Management Team

No later than: 1 November 2021 |
| | | | **Grade** 3 |

Health and Safety

Objective 2: H&S training programme which includes induction training, refresher training and training for new equipment or legislation.

Our audit reviewed the measures which the College has in place to train staff in health and safety. The review of the Health, Safety, Environment and Welfare Policy (published June 2020) states that Human Resources (HR) are responsible for the retention of any H&S training records. Mandatory training requirements are detailed in the Recruitment and Selection – Induction Guidelines (March 2020) and the list of mandatory training and the frequency of training refresh is documented. These are as follows:

Course	Hosted by	Pass rate of assessment	Frequency of refresh
VDU and Workstation Health & Safety	Health & Safety Co-ordinator	60%	Every 18 Months
DSE - Display Screen Equipment	Health & Safety Co-ordinator	N/A	Every 2nd Year
Safe Manual Handling	Health & Safety Co-ordinator	60%	Every 3rd Year
Fire Safety & Evacuation	Health & Safety Co-ordinator	60%	Every 2nd Year
Sustainability - Staff Induction	Health & Safety Co-ordinator	80%	Every 3rd Year

Mandatory training is completed using e-Learn modules on Moodle with HR's training system, My Employee Record, recording outcomes and triggering the next review date. Any refresh overdue is highlighted red and is to be monitored by line managers through one-to-one meetings with their staff. HR support management by providing mandatory records to departmental meetings. Line managers should be meeting with their staff for one to ones to check training has been completed and not approve the probation period until all mandatory training is completed. Confirmation of the completion of this process for all new employees is submitted to HR. Should employee contracts have limited hours, employees can be paid additional hours to ensure they complete all necessary training required. However, these arrangements are not detailed in policies reviewed.

The H&S Committee and H&S Operational Committee each have training oversight as part of their duties and noted in their remits. H&S management also request a My Employee Record report on new start training completed and report statistics within their Newsletter supplied to the H&S Committee and HR Committee. The latest report detailed new starts from November 2019 to April 2020 and showed 100% completion.

Training requirements are also split into those with specific requirements with a role in H&S and refresher training for all other staff. A Competent Persons List is an Excel spreadsheet available for staff who have had specific H&S training across the College. Members of staff requiring specialised H&S training are required to complete a Staff Development Activity Form (SDAF) with their line manager and send to HR to help record training needs and completion. This allows HR to review if there is a cost involved and track training completed on the My Employee System. Training is also provided by the Health and Safety Coordinator on specific issues such as risk assessment completion. However, the audit highlighted that training arrangements require strengthening and there are controls that are not operating effectively impacting. These are addressed in more detail below.

mha
HENDERSON LOGGIE

Health and Safety

Objective 2: H&S training programme which includes induction training, refresher training and training for new equipment or legislation (continued)			
Observation	**Risks**	**Recommendation**	**Management Response**
The Management of Health and Safety at Work Regulations (1999) identifies situations where health and safety training is particularly important, such as when people start work, on exposure to new or increased risks, and where existing skills may need updating. Discussions with management and review of committee reporting noted that mandatory training completion rates across the organisation are not reported (see R4), except for new starts as part of the H&S Newsletter reports. However, new starters who joined the College since April 2020 had not had their mandatory training records reviewed. The audit identified that no records on My Employee Records were established for the 45 new starters, therefore there was no evidence that they had completed the training on Moodle. This risk is partly mitigated by staff working off campus due to national lockdown requirements, however, it impacts demonstration that these new starters have awareness of their H&S responsibilities before returning to campus. While working remotely due to the global COVID-19 pandemic may have impacted the efficiency of review of records, the issue had not been identified prior to our audit. Actions by management to identify the root cause was underway at the time of our audit. We also noted that the H&S Team is not provided with reporting on student H&S training completion rates, impacting organisational knowledge on any gaps and additional support required.	The organisation cannot demonstrate that all new staff have adequate H&S knowledge.	**R2** Management should review all new staff records to ensure they have completed all mandatory training requirements within their probationary period. The root cause as to why staff records were not created on My Employee Record should be identified and a mitigating control established, such as a checklist for HR managers to check these have been established and mandatory training is completed before probationary periods are complete. The risk to the organisation of not having evidence of H&S training completed should be identified in the risk register and actions identified to ensure there is no reoccurrence. A process for reporting the completion rates of student H&S training should be developed to inform management of any gaps and support required in curriculum areas.	The College is in agreement with **R2** and is making adjustment to reflect the required changes. The College will review the process of identifying mandatory training for all staff to develop a matric of mandatory training by role profile, which will be linked to staff records. A suite of reports will be developed to identify outstanding mandatory training, and when training is due to lapse, including alerts to line managers and HR managers. Completion of mandatory training will be monitored through LMT on a regular basis. Health and Safety will be added to the College risk register, and there will be a review of current processes to ensure that student Health & Safety training is being effectively recorded. **To be actioned by:** Head of HR, Head of Estates and Directors of Curriculum **No later than:** 31 March 2022

Grade	**2**

Health and Safety

Objective 2: H&S training programme which includes induction training, refresher training and training for new equipment or legislation (continued)			
Observation	**Risks**	**Recommendation**	**Management Response**
There is absence of a joined-up approach between HR and the H&S Team that effectively identifies all staff requiring H&S training, refresher training, and any training gaps in the organisation. This is in part due to roles and responsibilities in relation to approving H&S training not being clear. While the training budget lies with HR, H&S is required to assess any specialised H&S training needs to determine if training can be provided inhouse or approve any external training providers requirements. However, this is not always happening and there is a breakdown of communicating specialised H&S training needs from requests to HR to the H&S Team. While some H&S training needs are identified by the H&S Team, others are not, potentially impacting on effective use of training budgets. In practice, SDAFs are submitted on an ad hoc basis to HR who maintain the training budget. HR management reported however that they may not always be completed, also impacting on HR's oversight of training needs. There is absence of a skills matrix for identifying mandatory and desired H&S training for key roles.	Staff lack awareness of the current H&S requirements ensuring the health and safety of all people at the College. H&S training needs are not effectively planned and prioritised.	**R3** A more 'joined-up' approach between HR and H&S is required to ensure that H&S training needs are identified and delivered in a cost-effective manner. A process should be developed to ensure that HR and H&S teams review all specialised H&S training requests to determine need and inhouse provision. All H&S training should be reported to HR using the SDAF. No H&S training should be approved without due diligence over SDAF forms by the H&S Team. Management should identify the H&S skills and knowledge needed for staff to do their job in a safe way. This could take the form of a skills matrix based on job roles that details the mandatory and desired H&S training requirements. The process for reporting H&S training needs to HR and H&S should be defined in polices for staff awareness, including that training needs be identified from completing risk assessments and who to communicate needs to.	Please refer to management response to **R2**. **To be actioned by:** Head of HR, Head of Estates and Directors of Curriculum **No later than:** 31 March 2022
			Grade 2

9

mha
HENDERSON LOGGIE

Health and Safety

Objective 2: H&S training programme which includes induction training, refresher training and training for new equipment or legislation (continued)			
Observation	**Risks**	**Recommendation**	**Management Response**
There is no process for monitoring mandatory refresher training rates across the College. For example, there is no reporting of: • refresher training completion rates to the HR Committee in line with good practice, and • H&S refresher training to the H&S committees, impacting awareness of the level of compliance across the College. There is also no process established to review the training completed by all Competent Persons through My Employee Reports, impacting on the Competent Persons list online being out of date.	Staff are not aware of the health and safety requirements impacting on their safety and the safety of others.	**R4** A process for reporting refresher training compliance rates from across the College should be developed with quarterly reports provided to the HR Committee in line with good practice. H&S refresher training compliance rates should also be reported quarterly to the H&S Committee and H&S Operational Committee in support of their remits. Any gaps in compliance should be identified and support provided where necessary by the H&S Team. A process for reporting H&S training completed by named 'Competent Persons' should also be developed, such as reports from My Employee Record. The Competent Person list should also be updated.	The College acknowledges the recommendation and will strive to verify the data received to ensure accurate data submissions and trend analysis are carried out. Links between both H&S and HR to be established and developed further as necessary Aim to obtain and retain credible data to develop a reporting structure to ensure overall compliance and reporting to the relevant committees. Further development of Moodle courses for new starts **To be actioned by:** Head of H&S, Head of HR, Head of Quality **No later than:** 1 November 2021
			Grade **2**

mha
HENDERSON LOGGIE

Health and Safety

Objective 2: H&S training programme which includes induction training, refresher training and training for new equipment or legislation (continued)			
Observation	**Risks**	**Recommendation**	**Management Response**
The Health, Safety, Environment and Welfare Policy (published June 2020) defines that H&S training responsibilities lie with HR. However, the Policy does not reference what training should be completed such as mandatory H&S training, and when, such as by new starters or refresher training. There was also no link to the College's HR induction policy that would supply further details on requirements. The process for requesting specialised H&S training is also not documented. Accountabilities for staff not completing mandatory training or refresher training are also not defined in policies reviewed. The Contractor Induction form was noted not to be version controlled and dated January 2014 impacting transparency that arrangements documented are in line with current requirements.	Organisational assurance around staff H&S awareness.	**R5** The Health, Safety, Environment and Welfare Policy (published June 2020) should be updated with details of the mandatory and refresher training requirements and accountabilities for non-compliance should also be clearly documented. The process for requesting specialised training in line with updates made to processes in R3 and documented in the Health, Safety, and Environmental policy. The Contractor induction form should also be version controlled in line with good practice.	Version date is 2020 with document review date of 2023 but due to the significant change in circumstances not only relating to covid 19 but the Scottish Government environmental change the policy is being reviewed and will be discussed with the Trade Unions once they return from the summer break prior to approval. The College advises that it will work with all relevant parties to agree an updated policy that encapsulates recommendation **R5** The College acknowledge the version control footer and has since been updated. **To be actioned by:** Head of Health and Safety, Director of Infrastructure, College Trade Union representatives **No later than:** 3 January 2022
			Grade **3**

Health and Safety

Objective 3: Regular monitoring of H&S systems to ensure that they are functioning effectively.

The Health, Safety, Environment and Welfare Policy (June 2020) defines that the H&S Department monitors the progress of College health and safety via the operational plan, which includes, where required, actions for all Departments, and organises and carries out scheduled active monitoring inspections and audits in conjunction with the Departments and the Health and Safety Trade Union Representatives.

An annual H&S audit schedule is established to review H&S arrangements. Due to national restrictions brought by the global COVID-19 pandemic, and Trade Union representatives not being available, no physical audits were completed between March 2020 to December 2020.   The gap in physical auditing was reported to the H&S Committee, HR Committee and Board of Management for awareness. At the time of our audit, the schedule for 2020/21 was established and underway. There is a detailed approach in place for conducting audits and inspections these include:

- The person(s) responsible and the Trade Union representatives for the area would be contacted to arrange a convenient date and time for carrying out the inspection,
- The inspection would involve a tour of the workplace and may involve talking to members of staff working within the area and talking to students; and
- Reviewing documents and records to support compliance, including training records, and risk assessments.

Any identified issues would be formatted in to three compliance categories:

- High – Meets conditions and criteria,
- Medium – Meets most but not all criteria, and,
- Low – Fails to meet criteria.

The report as described above is then submitted and summarises the findings and recommendations. An Action Plan is also distributed to the individual responsible for the area under review and is monitored for completion. Reports detail the remedial action, the rating of the action, action owner, target date. In line with continual improvements the College monitors actions arising from the audits using the Health and Safety Audit Tracker on the H&S SharePoint.

Progress against the audit plan and issues emerging from the audit inspections are reported to the H&S Operational Committee and H&S Committee and results are reported to the Senior Leadership Team meetings, HR Committee and onwards to the Board of Management via H&S Newsletter reports. Our audit reviewed five H&S audits completed before national restrictions prevented physical audits in 2020 and confirmed that these inspections were being completed in line with the documented approach.

A key element of the health and safety framework is the use of risk assessments to identify hazards and produce a safe system of work to mitigate the identified risks. The importance of these requirements is communicated to staff within their targeted training and within the Health and Safety Handbook. Within the College each Curriculum Area and Support Service Department will have their own series of risk assessments. There is a standard approach in place with the required use of the College template for risk assessments detailed on the eFocus intranet. The risk assessments are completed by staff who have received training in their completion and guidance is also available to support the assessment.

---

mha
HENDERSON LOGGIE

Health and Safety

Objective 3: Regular monitoring of H&S systems to ensure that they are functioning effectively (continued).

These completed risk assessment templates are undertaken by a nominated person and are reviewed and approved by the area Director. The completed risk assessment is maintained within the relevant academic or support service with a copy submitted to the Health and Safety Coordinator who also reviews the assessment for completeness. All completed risk assessments are documented on the eFocus system to enable all staff to access any completed risk assessment.

Training on the completion of risk assessments is provided by the Health and Safety Coordinator along with guidance to support their completion.

Observation	Risks	Recommendation	Management Response
As part of our audit programme, we tested a sample of 10 risk assessments to confirm these were complete, approved, and had been reviewed in line with the review date set. Testing identified that 2 of the 10 risk assessments reviewed were not complete such that they missed reference numbers and were not signed or dated to confirm they were approved; and 4 of 10 did not have a review date set. These issues of non-compliance with the required risk assessment process and a lack of a formal review date, weakens the overall effectiveness of the health and safety processes in place.	Health and safety risks are not adequately identified and acted on and may result in incidents where staff or others are injured.	**R6** The College should ensure that risk assessments are completed as required, they should also be reviewed, and updated on time. The H&S Committee should be provided with regular reports detailing the level of compliance with updating risk assessments and be informed where there are areas of significant non-compliance with their regular review and updating.	The Health and Safety department vigorously work with departments and trade union H&S reps to adapt and review general risk assessment as necessary. Although acknowledged that departments require to sign of risk assessments the H&S department will carry out further training to ensure new starters and current post holders are aware of the expectations when completing and uploading a risk assessment Please refer to response **R2** for College intent to rectify training records and identify areas for improvement. **To be actioned by:** Head of Health & Safety / Director of Infrastructure **No later than:** 1 October 2021

Grade	**2**

Health and Safety

<div style="border:1px solid #ccc; background:#eee; padding:10px;">

Objective 4: An incident and accident recording system with follow-up process and implementation of new controls where required.

The College has in place an incident reporting system on the eFocus intranet. All incidents should be recorded on the standard incident reporting template which requests details of the incident and whether it is a reportable incident. Reportable incidents are defined in the Reporting of Injuries, Diseases and Dangerous Occurrences Regulations (RIDDOR) to the Health and Safety Executive (HSE) under the Health and Safety at Work Act 1974. Should any RIDDOR incidents occur they are reported to the HSE by the Head of Estate, Facilities and H&S.

All incidents are logged directly onto the reporting system by the person identifying the issue and an email is automatically generated to the H&S Coordinator and Head of Estates, Facilities and H&S. The Head of Estates, Facilities and H&S will decide if any investigation is required and who will undertake it. This investigation will identify the root cause of the incident and review current working practice, including the risk assessment, to prevent a recurrence and further injury to staff, visitors, or students. An audit trail of all actions is retained directly on the system and Microsoft Access reports generated for monitoring purposes.

These incidents are monitored and reported at every H&S Committee meeting broken down into:

- Type of Incident
- Type of Injury
- RIDDORS
- Illness
- Status (student, staff contractor etc)
- First Aid Stats; and
- Adverse notifications (near miss, hazard, unsafe practice, or dangerous occurrence).

Audit testing of this process did confirm the accurate recording, monitoring, and reporting of health and safety incidents. There is also a process established for management to monitor incidents across the College and the status of any investigations through audit trail recorded in the system. This enables accurate reporting on health and safety incidents across the College.

In reviewing the incidents recorded on the monitoring system, there was clearly a reduction in the reported health and safety incidents to the H&S Committee for Quarter 1 of the 2020-21 academic year, due to the reduction of staff and students being onsite because of the pandemic, although there was 1 near miss and 2 dangerous occurrences highlighted. No issues were noted from this review.

</div>

mha
HENDERSON LOGGIE

Health and Safety

Objective 5: Regular reporting of H&S to senior management and to the Board of Management

The College has a H&S Committee in place which includes all relevant members of the College's senior management team and a member of its Board of Management. An up-to-date remit is in place outlining its roles, responsibilities, meeting frequency and reporting lines. The H&S Committee meets four times per year and reports to the Senior Management Team, the HR Committee and onward to the Board of Management. As part of its remit the H&S Committee reviews health and safety performance across the College, its standing agenda items include the following:

- Absence statistics,
- Incident statistics,
- Health and Safety Quarterly reporting statistics,
- Departmental Health and Safety Reporting; and
- Health and Safety Policy and action planning.

The committee is supportive of measures in place to improve the health and safety culture, strengthen the overall process including monitoring, training provision and being supportive of initiatives such as the development of Health and Safety Key Performance Indicators (KPIs).

During the audit, copies of the two most recent minutes from the quarterly H&S Committee meetings were obtained. Out with the training gap noted in Objective 2, an evaluation of these documents showed adequate reporting and consideration of all relevant health and safety issues.

There is also a H&S Operational Committee with a remit that is up to date. This is a monthly working group to review all H&S operational matters. Minutes over 2020/21 were reviewed and action plans updated. No issues were noted from this review.

mha
HENDERSON LOGGIE

Health and Safety

Appendix 1: Table of Health & Safety Policies and Procedures reviewed where exceptions were noted.

POLICY/PROCEDURE	DATE	NEXT REVIEW DATE	EXCEPTION NOTED
ABRASIVE WHEELS PROCEDURE	June 2020	June 2023	Footnotes dated 2016
ACCESSIBLE PARKING PASSES FLOWCHART	October 2018	Not detailed	Next review date is not detailed
BATTERY CHARGING AND SAFETY PROCEDURE	June 2020	June 2023	Footnotes dated 2016
BLOOD BORNE VIRUS INFO	October 2017	February 2021	Not updated in line with review date
CONTACTING OF FIRST AIDERS PROCEDURES	April 2018	April 2021	Footnotes dated 2012
DISPLAY SCREEN EQUIPMENT PROCEDURE	January 2021	January 2024	Tel number for H&S Manager is out of date
DRIVING PROCEDURES	January 2018	March 2021	Footnotes dated 2011
PROCEDURE FOR FOREIGN OR EXTENDED TRAVEL	April 2018	Not detailed	Next review date is not detailed
INCLUSIVE RISK ASSESSMENT PROCEDURE	April 2018	Due April 2021	Footnotes dated 2012
MANUAL HANDLING PROCEDURE	October 2020	October 2023	Footnotes dated 2014
SHARPS PROCEDURES	April 2018	April 2021	Footnotes dated 2015

mha
HENDERSON LOGGIE

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

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

LEVEL OF ASSURANCE

Good

Forth Valley College

Staff Recruitment, Retention and Succession Planning

Internal Audit report No: 2021/06

Draft issued: 25 August 2021

Final issued: 30 August 2021

Henderson Loggie

Staff Recruitment, Retention and Succession Planning

Contents

Level of Assurance

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

Gradings are defined as follows:

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

Action Grades

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

Staff Recruitment, Retention and Succession Planning

Management Summary

Overall Level of Assurance

Good	System meets control objectives.

Risk Assessment

This review focused on the controls in place to mitigate the following risk on Forth Valley College's Risk Register:

- 9 – Loss of key staff will impact on College operations (risk score: medium);

Background

As part of the Internal Audit programme at the College for 2020/21 we carried out a review of the College's arrangements for staff recruitment and retention. Our Audit Needs Assessment identified this as an area where risk can arise and where Internal Audit can assist in providing assurances to the Principal and the Audit Committee that the related control environment is operating effectively and ensuring that risk is maintained at an acceptable level.

Staff Recruitment, Retention and Succession Planning

Scope, Objectives and Overall Findings

This audit focused on the adequacy and effectiveness of policies and procedures for staff recruitment and selection and the processes in place that contribute to the retention and engagement of staff, and arrangements for succession planning.

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

Objective	Findings				
The specific objectives of this audit were to obtain reasonable assurance that:		**1**	**2**	**3**	**Actions already underway**
		No. of Agreed Actions			
1. there are appropriate formal policies and procedures relating to recruitment and selection which meet legal requirements, including those regarding equality and diversity, and these are being followed in practice.	**Good**	0	0	0	
2. the College has appropriate policies and processes in place that contribute to the retention of staff, including good internal communication and employee engagement, reward and recognition, and ongoing training which are in line with good practice and being effectively implemented.	**Good**	0	0	0	✓
3. appropriate succession planning arrangements are in place.	**Good**	0	0	0	
Overall Level of Assurance	**Good**	**0**	**0**	**0**	
		System meets control objectives.			

Audit Approach

The College's policies and procedures were reviewed, and the Head of Human Resources, and other relevant managers and staff, were interviewed. Walkthrough and detailed compliance testing was carried out to consider the overall efficiency and effectiveness of the procedures and the extent to which risks are being identified and managed regarding the above objectives.

Staff Recruitment, Retention and Succession Planning

Summary of Main Findings

Strengths
- A Recruitment Approval Request form is completed for all new recruitments, and this is approved by the HR Business Manager, Head of HR and Director of Finance;
- There is a detailed Recruitment and Selection Policy and Procedure in place, with associated up-to-date guidance and resources made available for Line Managers on all stages of the recruitment journey. This is readily accessible through the Line Manager Toolkit on the HR page of the College intranet;
- Job roles are defined and placed on the pay scales based on the independent FEDRA job evaluation process;
- The HR team utilises a new start checklist to monitor the progress of each recruitment exercise to ensure compliance with the defined approach;
- An induction process is in place to support new College employees in transitioning into their new role;
- The College has a wide range of non-pay benefits available to staff;
- The College has acknowledged the impact that the Covid-19 pandemic has had on staff engagement, morale and wellbeing and range of appropriate actions and initiatives have been developed to support staff;
- A range of Learning and Development opportunities are available to staff and CPD and training is valued and encouraged;
- A number of internal communication initiatives have been embedded across the College, including regular staff surveys, staff conferences and a "Listening to employees" forum; and
- Appropriate succession planning arrangements are in place through the People Strategy and Workforce Plan covering the period 2017 – 2022.

Weaknesses
- We were unable review new start checklists and subsequently confirm pre-employment checks had been completed for five of the 10 new starts sampled as previously these were completed in paper form and were destroyed once completed. The College has subsequently moved to an electronic process and new start checklists were available for the five staff recruited since this change was implemented; and
- No evidence of reflective practice reviews or objectives being set were available for any of our sample of ten members of staff. The College has already identified the fact that participation has been low following the shift to a reflective practice process in 2018 and is already planning to reintroduce a more formal Personal Review and Development (PRD) process to address this issue.

Acknowledgment

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

Staff Recruitment, Retention and Succession Planning

Main Findings and Action Plan

Objective 1 - There are appropriate formal policies and procedures relating to recruitment and selection which meet legal requirements, including those regarding equality and diversity, and these are being followed in practice.

The College has a Recruitment and Selection Policy and Procedure in place, which sets out in detail roles and responsibilities and guidance on the College's recruitment processes. The Policy had an up-to-date equality impact assessment in place and was aligned with the College's Equalities Policy, the Public Sector Equality Duty, and the Equality Act 2010. The Policy is also aligned with the Data Protection Act 2018 (DPA) and the UK GDPR. The Policy provides advice and guidance on the processes which should be followed when carrying out recruitment activity, including approval to recruit; advertising protocols; the application process; the selection process (including shortlisting); interviewing; and assessment and feedback. The [policy framework also sets out the approach for making an offer of employment; setting a start date; salary placement; and pre-employment checks. Additional guidance is also provided to managers through the Line Manager Toolkit which is readily available via the College intranet. A useful Recruitment and Selection Managers Guide outlines the stages of recruitment in detail and a table is included setting out each task involved in the recruitment journey (as well as the responsible party and the required timeline for completion). There are also further guides available on specific stages of the recruitment process, such as induction.

Our discussions with members of the HR department confirmed that the College uses a Recruitment Approval Request (RAR) template, which the Head of Department populates with details of the role and justification for progressing with the recruitment exercise. This form is completed online and is available on the HR section of the intranet. The request is approved by the HR Business Manager, the Head of HR, and the Director of Finance before the vacancy is advertised.

The College uses the My Job Scotland website to advertise vacancies and to manage applications. This is consistent with other public sector bodies across Scotland. Vacancies are also advertised internally on the HR SharePoint page. Applications received are assessed by the relevant recruiting manager, with support available from the HR department if required, and those selected will be short-listed for interview. Interviews are performed by a panel including the recruitment manager, other relevant managers, and a representative from the HR Team may also be present.

On conclusion of the selection process, an Appointment Form is completed by the Head of Department. This acts as a trigger for the HR department to commence the pre-employment processes. Offers of employment are issued to the preferred candidate and, once acceptance is received, all the relevant checks (references, PVG, right to work) are performed before the new member of staff commences employment. All preferred candidates are also asked to complete an Equalities Questionnaire.

Our evaluation of the College's Recruitment and Selection Policy and Procedure, as well as the above process, confirmed that the College's recruitment process appears to be efficient, effective and aligned to legal requirements on equality and diversity. We also performed audit testing on a sample of 10 vacancies advertised by the College since August 2020. Our testing confirmed that, on all occasions, the College's recruitment and selection policies/procedures were applied in practice for the recruitment exercises tested.

Staff Recruitment, Retention and Succession Planning

Objective 1 - There are appropriate formal policies and procedures relating to recruitment and selection which meet legal requirements, including those regarding equality and diversity, and these are being followed in practice. (Continued)

We did note that for five of the 10 new starts sampled, no new start checklist was available. We were advised that this was due to a paper checklist being used earlier in the year when these staff members were recruited, and these paper checklists had subsequently been destroyed once the recruitment process was complete. This meant that for this element of our sample we could not confirm that pre-employment checks were completed for these staff members. However, we were provided with assurances that in all five instances the checklist had not been destroyed until each stage had been completed. The checklist process has been revised during the academic year and electronic checklists are now utilised and are held within a secure MS Teams channel. We were able to verify that a new start checklist was completed for each of the five staff members appointed following the revision in this process.

The induction process is completed through SharePoint and an induction pack is automatically sent out to all new starts when they join the College. Line managers are also alerted by an email that the induction process has commenced, because it is their responsibility to ensure that induction is completed. There are a selection of mandatory training courses, which require to be completed online, and the induction pack highlights the tasks which must be completed at key milestones following appointment. Once the induction process is complete, the HR Business Manager will confirm that all stages have been completed. The College are currently reviewing the induction process with a view to allowing new recruits to commence the induction process in advance of physically joining the College.

Staff Recruitment, Retention and Succession Planning

Objective 2: The College has appropriate policies and processes in place that contribute to the retention of staff, including good internal communication and employee engagement, reward and recognition, and ongoing training which are in line with good practice and being effectively implemented.

The College processes for staff financial reward and recognition are aligned with the nationally agreed pay scales for both teaching and non- teaching staff. Job roles are placed on the relevant pay scales with the use of the FEDRA job evaluation process which is used by all Scottish Further Education bodies. This evaluation approach independently assesses the job role and its place within the nationally agreed pay scales.

Several non-financial benefits are also available to staff which include:
- flexible work arrangements including flexi-time;
- favourable maternity, paternity and adoption leave arrangements;
- discounts including beauty & hairdressing, shopping, travel & leisure activities and the Gallery restaurant;
- childcare vouchers;
- computer equipment loan scheme;
- continuous professional development and evening classes opportunities;
- cycle to work scheme;
- an Employee Assistance Programme, where staff can access professionally qualified counsellors and information specialists on financial, wellbeing and workplace matters;
- first aid training and allowance;
- flu vaccinations;
- gym membership;
- generous holiday entitlements;
- the holiday fund;
- incremental progression;
- loyal service awards;
- occupational health services;
- parking on campus;
- pension scheme;
- reimbursement of professional membership fees;
- enhanced sick pay; and
- interest free travel loans.

Staff Recruitment, Retention and Succession Planning

Objective 2: The College has appropriate policies and processes in place that contribute to the retention of staff, including good internal communication and employee engagement, reward and recognition, and ongoing training which are in line with good practice and being effectively implemented. (Continued)

The Managing and Supporting Performance Policy and Procedure provides guidance for employees on the development and career progression opportunities available within the College and the support which will be put in place to help staff to achieve their personal development goals and career ambitions. In line with current common practice within the FE sector in Scotland, the College does not have a formal staff appraisal process. However, the College is committed to the ongoing development of staff at all levels. There is currently a "reflective practice" process in place which is designed to support employees and line managers in identifying and achieving objectives informally and with staff in the driving seat of their own development. Review meetings should be held with line managers annually. The reflective practice model was introduced in 2018, following a review of the previous Personal Review and Development (PRD) process. This move was designed to address feedback which highlighted that the more formal PRD method was less effective and some staff felt that it was a routine "tick-box" exercise. However, a more recent review of the reflective practice model has identified that participation rates have fallen and this approach was less effective than the previous methodology. Therefore, the College is in the process of reinstating a more structured PRD process to ensure meaningful engagement and to ensure compliance with GTCS requirements. A training program has been developed for managers which covers the PRD process, which highlights the requirements and the benefits. This will also be added to the induction process for new line managers. We selected a sample of ten staff to review records of review meetings and objectives being set but these were not available due to the drop off in completion described above. However, as the reflective practice approach has already been identified as an area for improvement, and a new PRD process is currently being developed, no separate recommendation has been raised.

Our review confirmed that the College provides a good range of learning and development opportunities for staff, including:
- College Development Network offering programmes to aspiring managers through to Executive senior leadership
- CMI Management and Leadership qualifications
- Online Management Courses
- ACAS Training
- FVC Skills Network
- Reed Business Training
- The Graduate Apprenticeships Scheme
- Free learning from the Open University
- Upskilling Scotland Scholarships
- High Potential Development Programme
- Work placement and secondment opportunities
- Staff development days
- Attainment of professional teaching qualifications (TQFE and PDA)

If employees would like to do any training or CPD, a CPD request form is completed which is approved by Line Managers and HR Business Partners. Once the employee has participated in the training activity, they complete an evaluation section of the CPD request form. The evaluation is reviewed by the relevant Line Manager to ensure transfer of learning is realised and the employee can share learning with colleagues, where appropriate.

Staff Recruitment, Retention and Succession Planning

Objective 2: The College has appropriate policies and processes in place that contribute to the retention of staff, including good internal communication and employee engagement, reward and recognition, and ongoing training which are in line with good practice and being effectively implemented (Continued).

The College has a variety of internal communication methods in place and conducts regular staff surveys every two to three years. The most recent survey was postponed as staff were already receiving other surveys in relation to the COVID-19 pandemic. Exit surveys are also conducted when employees leave the College and the results are reported to the HR Committee and actions identified to make improvements based on the feedback.

A staff conference was recently held, and this was used to showcase many of the activities the College has on offer as well as deliver workshops including management of stress, getting the most from your PRD, "how to stop saying yes (when you need to say no)", a wellbeing expo and planning for retirement expo. A Listening to Employees forum has also been introduced and the idea of a Staff Awards ceremony came from here which was acted upon and held successfully with positive feedback.

Employee engagement is valued within the College and there are a wide variety of activities ongoing in this area, with a particular focus on wellbeing in recognition of the impact of COVID-19 on staff. Funding was obtained from the Spirit of 2012 Grantee Wellbeing Fund to provide an additional programme of wellbeing support sessions to staff. A range of sessions were planned covering topics including managing change; coping under pressure; cancer in the workplace; inclusive management; how to support a co-worker who is under stress; and how to cope with anxiety returning to work after a long period on furlough. The College's HR Department are currently developing a staff wellbeing framework, which is intended to be a strategic and preventative approach, in line with an overall commitment to developing FVC's approach to the provision of education and awareness learning for the workforce around health and wellbeing. The College has achieved a Health and Wellbeing Gold Award.

Staff Recruitment, Retention and Succession Planning

Objective 3: Appropriate succession planning arrangements are in place.

The College has a People Strategy in place covering the period 2017 – 2022 which is linked directly to the College's Strategic Plan and seeks to "instil an energy and passion in our people, celebrate success and innovation". The People Strategy commits to:

- Develop and empower their people as a workforce of the future
- Ensure all college activities reflect the key principles of equality and diversity to achieve an inclusive organisation
- Value staff by recognising and celebrating staff

This will be delivered through four key areas of focus including Leadership and Drive, Workforce for the Future, Well-Being, Engagement and Diversity and Recognising and Celebrating Success. A five-year plan sits alongside the People Strategy, outlining the core activities required to meet the strategy. An annual operational plan is also in place outlining targets, responsibilities, and timescales. A competency framework also sits alongside the People Strategy defining three areas in which competencies sit – managing self, managing relationships and operational and strategic awareness.

A Workforce Plan is in place covering the period 2017 – 2022 and this was developed to meet the goals of the People Strategy through analysing past trends in order to predict future needs. The Workforce Plan analyses current Academic and Support workforce data, trends in recruitment retention and turnover including internal promotion and external recruitment and engagement, health & wellbeing including development and performance reviews. This looks at maximising the contribution of staff through matching the needs of the college with the aspirations and motivations of staff. A Risk Analysis is included highlighting risks and actions required to mitigate the risks.

Updates are provided on the key undertakings and outcomes of the People Strategy to the HR Committee as well as updates on the current staffing establishment and on key aspects of HR activity on a six-monthly basis.

Our audit concluded that these succession planning arrangements are appropriate.

Henderson Loggie

Forth Valley College

Annual Report to the Board of Management and Principal on the Provision of Internal Audit Services for 2020/21

Internal Audit report No: 2021/09

Draft issued: 3 September 2021

Final issued:

Henderson Loggie

Internal Audit Annual Report 2020/21 – DRAFT

Contents

Annual Report and Opinion

Introduction

1.1 We were appointed as internal auditors of Forth Valley College ('the College') for the period 1 August 2019 to 31 July 2022, with an option to extend for a further 12-months subject to satisfactory performance and continued College requirements. This report summarises the internal audit work performed during 2020/21.

1.2 A Strategic Internal Audit Plan 2019 to 2022, based on the areas of risk that the College is exposed to, was prepared (Internal Audit Report 2020/01, issued August 2019). The Strategic Internal Audit Plan was prepared following discussion with members of the College Leadership Team and the Chair of the Audit Committee, and from a review of various College documents and previous internal audit reports and the College's Strategic Risk Register. This was supplemented by our own assessment of the risks faced by the College. The Strategic Internal Audit Plan was approved by the Audit Committee at its meeting on 5 September 2019.

1.3 At the request of College management, the internal audit work undertaken in the year showed a number of changes to the allocation set out in the Strategic Internal Audit Plan for 2020/21:

- two assignments originally proposed for 2020/21, Student Application Process BPR and Corporate Planning / Service Redesign, were deferred to 2021/22. In their place, two assignments were moved from 2021/22 to 2020/21, Corporate Governance and initially Business Continuity;
- Business Continuity subsequently reverted back to the 2021/22 plan and Staff Recruitment, Retention and Succession Planning brought forward in its place; and
- an extra two days was added to the IT Network Arrangements review to allow this to be combined with the work on Cyber Security originally planned for 2021/22.

1.4 The reports submitted during 2020/21 are listed in Section 2 of this report and a summary of results and conclusions from each finalised assignment is given at Section 3. Internal audit report 2021/07 – IT Network Arrangements / Cyber Security was issued in draft on 25 August 2021 and has still to be finalised with management at the time of this draft Annual Report.

1.5 An analysis of time spent against budget is included at Section 4.

Public Sector Internal Audit Standards (PSIAS) Reporting Requirements

1.6 The College has responsibility for maintaining an effective internal audit activity. You have engaged us to provide an independent, risk-based assurance and consultancy internal audit service. To help you assess that you are maintaining an effective internal audit activity we:

- Confirm our independence;
- Provide information about the year's activity and the work planned for next year in this report; and
- Provide quality assurance through self-assessment and independent external review of our methodology and operating practices.

Public Sector Internal Audit Standards (PSIAS) Reporting Requirements Continued

1.7   Self-assessment is undertaken through:

- Our continuous improvement approach to our service. We will discuss any new developments with management throughout the year;
- Ensuring compliance with best professional practice, in particular the PSIAS;
- Annual confirmation from all staff that they comply with required ethical standards and remain independent of clients;
- Internal review of each assignment to confirm application of our methodology which is summarised in our internal audit manual; and
- Annual completion of a checklist to confirm our PSIAS compliance. This is undertaken in April.

1.8   External assessment is built into our firm-wide quality assurance procedures. Henderson Loggie LLP is a member of Prime Global, a global association of independent accountancy firms. Continued membership of Prime Global is dependent on maintaining a high level of quality and adhering to accounting and auditing standards in the provision of our services. Annual quality reviews are conducted to confirm our continuing achievement of this quality. The independent MHA review conducted in March 2019 included our internal audit service. Overall, the review confirmed that the firm's policies and procedures relating to internal audit were compliant with the PSIAS in all material respects.

1.9   The results of our latest annual self-assessment are that we are able to confirm that our service is independent of the College and complies with the PSIAS.

Significant Issues

1.10   Internal audit report 2021/05 – Health and Safety (H&S), issued as final in September 2021, was graded as 'Requires Improvement'. The report contained four Priority 2 and two Priority 3 recommendations. We confirmed that some expected controls were in place to maintain the arrangements for H&S. However, we noted significant weaknesses within the controls established around mandatory and refresher training monitoring, inclusive of H&S training, and provision of H&S specialised training in line with good practice. 45 new starters, who joined the College since April 2020, were not recorded on the HR training system, My Employee Record, and therefore there was no evidence that they had completed any mandatory training on Moodle. We concluded that remote working arrangements during 2020/21 may have been a contributory factor, with a corresponding detriment to HR oversight of arrangements. There has also been an absence of reporting on new start mandatory training completion to the H&S committees over this period. There was also an absence of a joined-up approach between HR and the H&S Team that effectively identifies all staff requiring H&S training, refresher training, and any training gaps in the organisation. Other control weaknesses were identified, and management have already started work to address the agreed recommendations.

1.11   There were no other issues identifying major internal control weaknesses noted from the internal audit work carried out during the year. In general, procedures were operating well in the areas selected, but a few areas for further strengthening were identified and action plans have been agreed to address these issues. The agreed actions will be followed-up as part of our planned activity in 2021/22.

Opinion

1.12   In our opinion, with the exception of the issue highlighted in paragraph 1.10 above, the College has adequate and effective arrangements for risk management, control and governance. Proper arrangements are in place to promote and secure Value for Money. This opinion has been arrived at taking into consideration the work we have undertaken during 2020/21 and in the prior year following our appointment in 2019/20.

Internal Audit Annual Report 2020/21 – DRAFT

Reports Submitted

Number	Title	Overall Grade	Recommendations	High / Priority 1	Medium / Priority 2	Low / Priority 3
2021/01	Internal Audit Annual Plan 2020/21	N/A	N/A	N/A	N/A	N/A
2021/02	Student Activity Data	N/A	2	-	1	1
2021/03	Student Support Funds	N/A	N/A	-	-	-
2021/04	Externally Facilitated Effectiveness Review (EFER)	N/A	8	N/A	N/A	N/A
2021/05	Health and Safety	**Requires Improvement**	6	-	4	2
2021/06	Staff recruitment, retention, and succession planning	**Good**	-	-	-	-
2021/07*	IT Network Arrangements / Cyber Security	**Satisfactory**			2	8
2021/08	Follow-Up Reviews	**N/A**	7 recommendations required further action with 6 associated with the 2021/04 EFER above that were not graded using our rating system. 5 of there were not past their target date.	-	-	1

* Please note that this report is still in draft awaiting management response. Fieldwork was delayed until August 2021 at the request of management. The final report will be submitted to the November 2021 meeting of the Audit Committee.

Internal Audit Annual Report 2020/21 – DRAFT

Overall 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.

Recommendation grades are defined as follows:

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

Internal Audit Annual Report 2020/21 – DRAFT

Summary of Results and Conclusions

2021/01 – Annual Plan 2020/21

Final Issued – May 2020

The purpose of this document was to present for consideration by management and the Audit Committee the annual operating plan for the year ended 31 July 2021. The plan was based on the proposed allocation of audit days for 2020/21 set out in the Strategic Internal Audit Plan 2019 to 2022 (although refer paragraph 1.3 above). The preparation of the Strategic Internal Audit Plan involved dialogue with management, and the Audit Committee approved the plan at its meeting on 5 September 2019.

2021/02 –Student Activity Data

Final Issued – December 2020

In accordance with the Credits Audit Guidance, we reviewed and recorded the systems and procedures used by the College in compiling the returns and assessed and tested their adequacy. We carried out further detailed testing, as necessary, to enable us to conclude that the systems and procedures were working satisfactorily as described to us. Detailed analytical review was carried out, including a comparison with last year's data, obtaining explanations for significant variations by Price Group.

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

Our report was submitted to the SFC on 30 November 2020. We reported that, in our opinion:

- 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

- on the basis of our testing, we can provide reasonable assurance that the FES return contains no material mis-statement.

Two recommendations were made in our internal audit report. One Risk Priority 2 rated recommendation was to ensure that a schedule of milestones agreed at enrolment is maintained for all distance learning programmes. This should include a record of the estimated amount of time that students are expected to take to complete each element of the course, to evidence eligibility of the Credits value claimed. One Risk Priority 3 rated recommendation was to accurately capture the part-time fee waiver status of students by amending the format of the part-time fee waiver form to include separate fields for Job Seekers Allowance and Universal Credit and the associated source of finance codes.

Internal Audit Annual Report 2020/21 – DRAFT

2021/03 – Student Support Funds

Final Issued – November 2020

We carried out an audit on the following fund statements for the 2019/20 academic year:

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

The audit objectives were to ensure that:

- The College complies with the terms, conditions and guidance notes issued by SFC, SAAS and the Scottish Government;
- Payments to students are genuine claims for hardship, 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 ending 31 July 2020, is in agreement with underlying records.

We were able to certify all fund statements for the year and submit these to the appropriate bodies, without reservation.

In our covering letter to the SFC enclosing the audited EMA Return we made the following observation. As noted by the College on the year-end statement, the College has underclaimed for maintenance payments made to students in November 2019 (£2,100) and January 2020 (£3,600) and we understand that a request for payment has been submitted to the SFC on the monthly return for September 2020. In addition, there was an error made by the SFC in relation to the November 2019 College Maintenance Adjustment. In that month's return, the College declared an overclaim of £210 relating to maintenance payments for 2019/20 and an underclaim of £1,950 relating to 2018/19. This gave rise to a net underclaim of £1,740 however the College Maintenance Adjustment was recorded as £17,400 by the SFC and the College was overpaid by £15,660. We understand that this amount has been returned to the SFC in September 2020. For clarification, maintenance payments to students recorded in the College financial ledger for 2019/20 totalled £152,520 = £147,030 (per year-end statement) + £2,100 + £3,600 – £210.

Internal Audit Annual Report 2020/21 – DRAFT

2021/04 – Externally Facilitated Effectiveness Review

Final Issued – March 2021

In August 2016, the College Development Network (CDN) published a Guidance Note, which provided the context and the process for conducting the Externally Facilitated Effectiveness Review described in the updated Code. This guidance built on the Board Member Development Framework, published in November 2015.

This effectiveness review covers 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

This report built on the Governance Effectiveness Review produced by Polley Solutions Ltd in April 2017, which highlighted a number of strengths and areas of good practice in the governance framework operating within the College at that time. The April 2017 report also set out a small number of areas of governance development for 2017/18 to build on the foundations already in place.

The scope was agreed with the College for the 2020/21 iteration of the review to observe the December 2020 meeting of the Board of Management, as required by the Code. In addition, it was agreed that Option 3iii, as described in the Guidance Note, would be completed; namely 'The facilitator undertakes one-to-one interviews with some, or all Board Members, and staff based on the proforma / questionnaire'. The issues arising from these interviews were triangulated and then pressure tested as part of a desktop review.

Overall, our review concluded that the College demonstrated a high level of compliance with the Code. Therefore, the improvement areas identified in our report should be viewed in the context of further refinement and enhancement to the governance arrangements which are designed to build on the solid foundations which the College has developed. The suggestions from our report are for refining and building on the existing governance arrangements rather than steps required to ensure compliance with the Code.

The Board is extremely strong in terms of expertise and knowledge, with a range of expertise available to provide support and challenge for management.

The governance framework is operating effectively with clear roles and responsibilities for the Board and each of the standing sub committees.

There was a high level of Board Member engagement in this review, which reflects a high degree of engagement with the College in their role as individual Board Members.

The staff and student representatives on the Board feel that they are treated as full members of the Board and that their views are given sufficient prominence and are listened to.

Internal Audit Annual Report 2020/21 – DRAFT

2021/05 – Health and Safety

Final Issued – September 2021

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

The table opposite notes each separate objective for this review and records the results.

Strengths

- The College has a H&S Policy in place which is supported by a comprehensive range of additional H&S procedures.
- The current H&S policies and procedures are being reviewed and updated.
- The College has a H&S Committee which meets four times per year and receives appropriate updates and statistics on all relevant H&S issues across all campuses. The committee includes members of the College Board of Management, its senior leadership team and senior managers who are well placed to respond to the H&S risks identified and make improvements to the culture within the College.
- The College also has a H&S Operational Committee that reviews matters monthly and drives actions across staff, students, and contractors.
- There is an online database for reporting and recording accidents and incidents, and action tracking that is efficiently maintained by the H&S Coordinator. Full audit trails allow for accurate reporting to the H&S Committee.
- All risk assessments completed are centrally retained by the H&S Coordinator who offers support to departments where required.
- There is a programme of audit that was interrupted in 2020 due to national restrictions imposed by the COVID-19 pandemic and Trade Union representation not being available. The revised 2021 audit programme was underway at the time of our audit, as a matter of priority for the H&S department.
- There is an agile approach to new H&S requirements, such as revised risk assessments for staff working from home due to COVID-19 and risk assessed arrangements around the new Vaccination Centres at each campus.
- There is a desire to continually improve the current H&S approach and address the current weaknesses in its application across the College.
- Out with weakness noted below, the governance arrangements for reporting the status of H&S arrangements are satisfactory with action plans for groups reviewed established and monitored.

The specific objectives of this audit were to obtain reasonable assurance the College has:	
1. H&S policy and documented procedures which are communicated to all staff	**Satisfactory**
2. H&S training programme which includes induction training, refresher training and training for new equipment or legislation	**Requires Improvement**
3. 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	**Satisfactory**
4. An incident and accident recording system with follow-up process and implementation of new controls where required	**Good**
5. Regular reporting of H&S to senior management and to the Board of Management	**Good**
Overall Level of Assurance	**Requires Improvement**

Internal Audit Annual Report 2020/21 – DRAFT

2021/05 – Health and Safety (Continued)

Weaknesses

Our audit highlighted scope for improvement in the following areas:

- the updating and version control of H&S policies and procedures; and
- ensuring that risk assessments are approved by area directors in line with requirements and consistently identified next review dates, where appropriate.

However, we noted significant weaknesses within the controls established around mandatory and refresher training monitoring, inclusive of H&S training, and provision of H&S specialised training in line with good practice as follows:

- The audit identified that 45 new starters, who have joined the College since April 2020, were not recorded on the HR training system, My Employee Record, and therefore there was no evidence that they had completed any mandatory training on Moodle. We have concluded that remote working arrangements during 2020/21 may have been a contributory factor, with a corresponding detriment to HR oversight of arrangements. However, there has also been an absence of reporting on new start mandatory training completion to the H&S committees over this period. Management should ensure all new starters have completed their mandatory training and assess the risk to the organisation of this gap. Without recorded evidence, there is an increased risk that the organisation may be in breach of its regulatory obligations to ensure the health and safety of all staff.
- There is an absence of a joined-up approach between HR and the H&S Team that effectively identifies all staff requiring H&S training, refresher training, and any training gaps in the organisation. This is impacted by the following:
  - There is absence of a skills matrix for identifying mandatory and desired H&S training for job roles.
  - The current process for reporting specialised H&S training requirements is not effective. In practice, Staff Development Activity Forms (SDAFs) are submitted on an ad hoc basis. However, HR reported that the documentation may not always be completed, impacting on effective review of training needs by HR.
- There is currently no reporting on the compliance levels of refresher training completed across the College to the HR Committee and H&S refresher training completion rates to the H&S Committee.

Internal Audit Annual Report 2020/21 – DRAFT

2021/05 – Health and Safety (Continued)

Weaknesses (Continued)

- There is no process for reporting the student rates of H&S training completed to the H&S Team for oversight of support required by curriculum areas.
- There is no process for reporting H&S training completed by competent persons to the H&S Team, impacting on the FVC Competent Persons list being out of date. A process should be developed to ensure the organisation has a record of those completing required training for their role and responsibilities.
- While the Health, Safety, Environment and Welfare Policy (June 2020) defines that H&S training responsibilities lie with HR, it does not link to HR's induction policy to identify the courses to be completed by staff or the process for requesting specialised H&S training - which should be updated on the back of recommendations from this report. Accountabilities for staff not completing mandatory training are also not defined in policies reviewed.
- Contractor induction form template (2014) also requires to be version controlled in line with good practice

Internal Audit Annual Report 2020/21 – DRAFT

2021/06 – Staff Recruitment, Retention and Succession Planning

Final Issued – August 2021

This audit focused on the adequacy and effectiveness of policies and procedures for staff recruitment and selection and the processes in place that contribute to the retention and engagement of staff, and arrangements for succession planning

The table opposite notes each separate objective for this review and records the results.

Strengths
- A Recruitment Approval Request form is completed for all new recruitments, and this is approved by the HR Business Manager, Head of HR and Director of Finance;
- There is a detailed Recruitment and Selection Policy and Procedure in place, with associated up-to-date guidance and resources made available for Line Managers on all stages of the recruitment journey. This is readily accessible through the Line Manager Toolkit on the HR page of the College intranet;
- Job roles are defined and placed on the pay scales based on the independent FEDRA job evaluation process;
- The HR team utilises a new start checklist to monitor the progress of each recruitment exercise to ensure compliance with the defined approach;
- An induction process is in place to support new College employees in transitioning into their new role;
- The College has a wide range of non-pay benefits available to staff;
- The College has acknowledged the impact that the Covid-19 pandemic has had on staff engagement, morale and wellbeing and range of appropriate actions and initiatives have been developed to support staff;
- A range of Learning and Development opportunities are available to staff and CPD and training is valued and encouraged;
- A number of internal communication initiatives have been embedded across the College, including regular staff surveys, staff conferences and a "Listening to employees" forum; and
- Appropriate succession planning arrangements are in place through the People Strategy and Workforce Plan covering the period 2017 – 2022.

The specific objectives of this audit were to obtain reasonable assurance that:	
1. There are appropriate formal policies and procedures relating to recruitment and selection which meet legal requirements, including those regarding equality and diversity, and these are being followed in practice	**Good**
2. The College has appropriate policies and processes in place that contribute to the retention of staff, including good internal communication and employee engagement, reward and recognition, and ongoing training which are in line with good practice and being effectively implemented.	**Good**
3. Appropriate succession planning arrangements are in place.	**Good**
Overall Level of Assurance	**Good**

Internal Audit Annual Report 2020/21 – DRAFT

2021/06 – Staff Recruitment, Retention and Succession Planning (Continued)

Weaknesses
- We were unable review new start checklists and subsequently confirm pre-employment checks had been completed for five of the 10 new starts sampled as previously these were completed in paper form and were destroyed once completed. The College has subsequently moved to an electronic process and new start checklists were available for the five staff recruited since this change was implemented; and
- No evidence of reflective practice reviews or objectives being set were available for any of our sample of ten members of staff. The College has already identified the fact that participation has been low following the shift to a reflective practice process in 2018 and is already planning to reintroduce a more formal Personal Review and Development (PRD) process to address this issue.

Internal Audit Annual Report 2020/21 – DRAFT

2021/07 – IT Network Arrangements / Cyber Security

Draft Issued – August 2021

This audit reviewed the College's IT network arrangements, including cyber security controls.

The table opposite notes the objective for this review and records the results.

Strengths
Throughout our review we observed examples of good practice and we welcomed the willingness of the College staff to assist our review and to seek ways to improve security within the College. We have concluded that, overall, the College exhibits a strong awareness of information / cyber security risks and impacts, and that the control environment demonstrates good practice with many of the expected cyber security controls, for an organisation of this size and complexity. These include:

- a risk management regime has been established, which includes identifying information / cyber security as key strategic risks, and there are structures in place which act as appropriate bodies for evaluating and monitoring information security risks within the College.
- hardware and software inventories have been created.
- processes are in place for applying updates and patches to all devices connected to the College network.
- the IT architecture protects the College network through use of firewalls and segregation prevents direct connections to untrusted external services and protects internal IP addresses.
- management of user accounts is linked to the College's starter, leaver and change of role procedures.
- administrator access to network components is carried out over dedicated network infrastructure and secure channels using communication protocols that support encryption.
- Data at rest and in transit is protected through encryption and secure communication channels.
- only College issued devices can be used by staff to access the College's systems and data. Standard baseline security builds have been established for all devices to ensure the consistency of security configurations.

The objective of our audit was to:	
1. review the College's current position with regard to information and cyber security 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 cyber security guidance and support. It also included consideration of the controls in place to mitigate the increased risks arising from home working as a result of the COVID-19 pandemic.	**Satisfactory**
Overall Level of Assurance	**Satisfactory**

Internal Audit Annual Report 2020/21 – DRAFT

2021/07 – IT Network Arrangements / Data Protection (Continued)

Strengths (continued)
- administrator access to network components is carried out over dedicated network infrastructure and secure channels using communication protocols that support encryption.
- Mandatory cyber security awareness training is in place for all staff and the College has monitoring procedures in place which ensure that a high level of compliance is maintained. Training is supported through regular communication of good practice to promote a positive cyber security culture.
- network hardware is protected by an antivirus solution, which automatically scans for malware.

Weaknesses

Using the latest guidance available from the NCSC we identified several weaknesses across the ICT environment and noted potential for cyber-attack and data loss through several avenues. The implementation of the recommendations in this report will reduce the College's current risk position; reinforce the College's preparations for Cyber Essentials certification and will enhance the College's ability to manage IT security risks on an on-going basis.

The specific risk relevant to the College that could be managed more effectively is the risk of reputational damage because of breach of Personally Identifiable Information (PII) of staff and students because of external attack or a malicious insider due to weaknesses in security controls.

Internal Audit Annual Report 2020/21 – DRAFT

2021/08 – Follow-Up Reviews

Final Issued – September 2021

As part of the Internal Audit programme at the College for 2020/21 we carried out a follow-up review of the recommendations made in Internal Audit reports issued during 2020/21 and reports from earlier years that had not already been subject to follow-up. These were:

- Report 2020/06 – Estates Maintenance
- Report 2021/02 - 2019/20 Student Activity Data
- Report 2021/04 - Externally Facilitated Effectiveness Review

Reports 2021/01 – Annual Internal Audit Plan 2020/21 and 2021/03 – Student Support Funds did not contain an action plan and therefore no follow-up was required as part of this review.

It should be noted that given the nature of report 2021/04 - Externally Facilitated Effectiveness Review, and the requirement to report the final output to the Scottish Funding Council, the recommendations contained in the action plan were not graded using our normal grading methodology.

The objective of each of our follow-up reviews is to assess whether recommendations made in previous reports have been appropriately implemented and to ensure that, where little or no progress has been made towards implementation, that plans are in place to progress them.

The College has made good progress in taking forward the seven recommendations which have passed their target implementation date, followed-up as part of this review with five of the seven recommendations being assessed as 'fully implemented'. One recommendation has been classified as 'partially implemented' with one classified as 'little or no progress'. The remaining five recommendations examined had not passed their target implementation date at the point of review. Revised implementation dates have been agreed where appropriate.

Our findings from each of the follow-up reviews has been summarised below:

Internal Audit Annual Report 2020/21 – DRAFT

From Original Reports		Number Agreed	From Follow-Up Work Performed				
Area	Rec. Priority		Fully Implem-ented	Partially Implem-ented	Little or No Progress Made	Not Past Agreed Completion Date	Considered But Not Implemented
Report 2020/06 – Estates Maintenance	1	-	-	-	-	-	-
	2	-	-	-	-	-	-
	3	2	1	-	1	-	-
Total		**2**	**1**	**-**	**1**	**-**	**-**
Report 2021/02 - 2019/20 Student Activity Data	1	-	-	-	-	-	-
	2	1	1	-	-	-	-
	3	1	1	-	-	-	-
Total		**2**	**2**	**-**	**-**	**-**	**-**
Report 2021/04 - Externally Facilitated Effectiveness Review		-	-	-	-	-	-
		-	-	-	-	-	-
		8	2	1	-	5	-
Total		**8**	**2**	**1**	**-**	**5**	**-**
Grand Totals		**12**	**5**	**1**	**1**	**5**	**-**

Time Spent - Actual v budget

	Report number	Planned days	Actual days feed	Days to fee at August 2021	Days to spend / WIP	Variance
Reputation						
Health and Safety	2021/05	5	5	-	-	-
Staffing Issues						
Staff recruitment, retention & succession planning	2021/06	5	-	5		
Organisational Issues						
Corporate Governance (EFER)	2021/04	6	6	-	-	-
Information and IT						
IT network arrangements / Cyber Security	2021/07	7	-	7	-	-
Other Audit Activities						
Credits audit	2021/02	5	5	-	-	-
Student Support Funds	2021/03	7	7	-	-	-
Management and Planning	2021/01	5	3	2	-	-
External audit / SFC						
Attendance at Audit Committee						
Follow-up reviews	2021/08	2	-	2	-	-
Total		42	26	16	-	-

Operational Plan for 2021/22

5.1   The annual operating plan for 2021/22 shows a number of changes to the allocation set out in the original 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, were deferred to 2021/22. In their place, two assignments were moved from 2021/22 to 2020/21, Corporate Governance and Staff Recruitment, Retention and Succession Planning. There were minor variations in the number of days allocated for each assignment;
- the proposed four-day review of Cyber Security in 2021/22 has been removed from the plan and was covered as part of the IT Network Arrangements assignment in 2020/21. An extra two days were added to this review to allow sufficient time for the work required; and
- a four-day review of Creditors and Purchasing / Procurement has been added to the annual plan for 2021/22.

Proposed Allocation of Audit Days

	Category	Priority	Planned 21/22 Days
Student Experience			
Student application process BPR	Perf	M/H	5
Financial Issues			
Procurement and creditors / purchasing	Fin	M	4
Organisational Issues			
Business Continuity	Perf	H	5
Corporate Planning / Service Redesign	Perf	M/H	5
Information and IT			
Data Protection	Gov	M	4
Other Audit Activities			
Credits audit		Required	5
Student Support Funds		Required	7
Management and Planning			5
External audit / SFC			
Attendance at Audit Committee			
Follow-up reviews		Various	2
Total			**42**

Key

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

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

BPR = Business Process Review

Henderson Loggie

Aberdeen 45 Queen's Road AB15 4ZN
Dundee The Vision Building, 20 Greenmarket DD1 4QB
Edinburgh Ground Floor, 11-15 Thistle Street EH2 1DF
Glasgow 100 West George Street, G2 1PP

T: 01224 322 100   **F:** 01224 327 911
T: 01382 200 055   **F:** 01382 221 240
T: 0131 226 0200   **F:** 0131 220 3269
T: 0141 471 9870

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

As reported at the meeting of 20 May 2021, all but 3 audit recommendations had reached a stage the College considered to be complete.

Since that meeting, the recommendations from the Board External Effectiveness Review have been added to the tracker to ensure these are actioned in a timely manner.

The attached annex contains an update on progress against recommendations. Proposed changes to completion dates are highlighted in red.

The table below represents a summary of the current position of the recommendations as at September 2021.

	No Priority	Priority 1	Priority 2	Priority 3	Total
Live within date	5	0	0	1	6
Live recommendation passed implementation date	1	0	0	0	1
Completed since last report to Committee	2	0	1	0	3

5. Financial Implications

There are no unexpected financial implications expected.

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		

   Audit recommendations are actively managed by the College and are reported on as a standing agenda item to the Audit Committee.

   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	Estates Maintenance	Aug-20	Alison Stewart	Alison Stewart	The College should review its strategic, governance and corporate oversight to identify a management group and / or a sub-committee of the Board that has a formal defined responsibility for the estates function to ensure that it maintains current teaching capability and any risks associated with the ability to maintain delivery of the curriculum are identified and mitigated.	This recommendation matches requests from the Board to ensure capital utilisation and maintenance is monitored. The Board Chair and Board Secretary have had discussions around how best to achieve this. Recommendations and a remit for this work will be taken to the Board of Management for consideration and approval in February 2021.	3	May 21 - with the cancellation of the February 2021 strategic session, the completion date for this recommendation has been changed to December 2021 to allow for consideration by members at the rescheduled Board strategic sessions November 2021. November 2020 - No update at this time as this recommendation	28/02/2021	31/12/2021 Agreed May 2021		
2	2019/20 Student Activity Data	Nov-20	David Alison	David Alison	Systems and Procedures for Compilation of Returns - The College should ensure that a schedule of milestones agreed at enrolment is maintained for all distance learning programmes. This should include a record of the estimated amount of time that students are expected to take to complete each element of the course, to evidence eligibility of the Credits value claimed.	As per Credit guidance, for non-credit rated units, an estimate of planned learning hours is used as the basis for claiming Credits. This information is recorded within the College's Curriculum Planning System. For FES/Credit purposes there is no need, or mechanism, for recording granular information below unit level, nor is this level of granularity required for any College purpose. Consideration will be given to how College systems can be adapted / built to capture this additional granular information with the minimum of additional work for College staff.	2	May 21 - discussion ongoing between internal auditors and Flexible /Online learning team.	31/05/2021	31/08/2021 Agreed May 2021	Systems have been developed to show planned learning hours	Yes
3	Externally Facilitated Effectiveness Review	Feb-21	Ken Thomson	David Alison	Leadership and Strategy - A distillation exercise should be conducted to translate the ROA into an accessible format which would set out for all Board Members the key priorities in the ROA and what these mean for the College going forward.	ROA Dashboard will be presented to Learning and Student Experience Committee and attached to minute which is reviewed by the Board					LSE Dashboard	Yes
4	Externally Facilitated Effectiveness Review	Feb-21	Ken Thomson	Alison Stewart	Leadership and Strategy - As part of the strategic planning process which is scheduled for later in 2021 the Board should consider mapping the ongoing and planned initiatives and projects with local, regional and national priorities and defining performance metrics which will allow internal and external reporting on the impact which these initiatives and	Mapping exercise to be conducted and workshop to be included in Strategic planning session scheduled for October 21.		Aug 21 - Owing to availability of Board members, this session has now been scheduled for November 2021 where the mapping exercise will be considered.	30/10/2021	31/12/2021		
5	Externally Facilitated Effectiveness Review	Feb-21	Ken Thomson	Kenny MacInnes	Quality of the Student Experience - Consideration should be given to the production of a "You said – We did" feedback document which would capture the outputs from the student surveys and Feedback Fridays and would showcase the work which is being progressed to address the issues raised	Feedback mechanisms (including recurring timescales) to be developed. These will be presented to the Learning & Student Experience Committee and thereafter distributed to students by FVSA.		Aug 21 - On-going. On target for completion	30/11/2021			
6	Externally Facilitated Effectiveness Review	Feb-21	Ken Thomson	Kenny MacInnes	Quality of the Student Experience - The role and remit of the Corporate Parenting Planning Group should be revisited to ensure that it is fit for purpose and an explicit reporting line to the Learning and Student Experience Committee should be established	Remit will be reviewed and reporting link to Learning & Student Experience Committee established.		Aug 21 - On-going. On target for completion	30/10/2021			
7	Externally Facilitated Effectiveness Review	Feb-21	Ken Thomson	Alison Stewart	Accountability - An exercise should be conducted, ideally as an integral part of the strategic planning exercise, to revisit the Board's risk appetite for the various categories of risk on the College's Strategic Risk register. This should be done in such a way that future reporting to the Audit Committee can highlight residual risks which are sitting above the stated	A risk workshop regarding risk appetite will be held and the risk register will be considered at the strategic planning session in October 21.		Aug 21 - This will occur at the November 2021 Board session referred to above	30/10/2021	31/12/2021		
8	Externally Facilitated Effectiveness Review	Feb-21	Ken Thomson	Ross Martin	Effectiveness - The Chair of the Board of Management should explore ways in which staff and student input can be captured and fed into the process to set the annual objectives for the Principal.	The Chair will have this in place by the end of the current academic year		Aug 21 - The Chair will utilise his existing links with the Student Association (and through them class reps – 201 reps in 2020/21) as well as with College trade union reps to gain an insight into opportunities for development/areas of concern and feed this into his objective setting considerations for the Principal.	30/08/2021	31/12/2021		
9	Externally Facilitated Effectiveness Review	Feb-21	Ken Thomson	Committee Chairs	Effectiveness - Consideration should be given to the introduction of a short written report by Board Sub Committee Chairs which will set out in bullet point format the key issues which will be highlighted for further discussion at the Board. Consideration should also be given to the introduction of high level dashboard reporting as part of these Sub Committee Chair updates in order to highlight key points.	Do not believe there is a requirement for an additional report as the minute provides the detail of committee discussions. Relevant dashboards presented to Committees will be attached to minutes for members information such as is done for the Learning & Student Experience Committee. The Chairs also have the opportunity to highlight matters of importance to members.			30/08/2021		Committee minutes are taken to each Board meeting as well as relevant dashboards. Any items committees wish to raise to Board level are taken to the next meeting.	Yes
10	Externally Facilitated Effectiveness Review	Feb-21	Ken Thomson	Board	- As part of the development of the Strategic Plan the Board should develop a consensus around partnerships and collaborations with entities who are involved in fossil fuels and explain this in a way which makes it clear to stakeholders how this stance can be aligned with the Net Zero and decarbonisation agenda.	The Board will discuss this at the next strategic planning session and develop an Ethical Policy.		Aug 21 - The Strategic Planning session has been scheduled for November owing to Board members availability. Given this and the need to develop the policy following Board input, the completion date for this recommendation will need to be revised to 24 February 2022.	30/10/2021	24/02/2022		

1. **Purpose**

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

2. **Recommendation**

    That members note the content of the registers 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

    There have been no significant changes to the register.

    COVID-19 Risk Register

    As discussed at the 20 May 2021 meeting of the Committee this register has been retired.

    Springback Risk Register

    Also at the 20 May 2021 meeting of the Committee it was recognised that, owing to the importance of the Springback project to College operations, a specific risk register should be created. Following feedback from individual project leads and members of the Leadership and Senior Management Teams, the attached register has been prepared for members' consideration.

5. **Equalities**

    Assessment in Place? – Yes ☐   No ☒

    If No, please explain why – The Risk Registers do 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

Risk Management and Mitigation

No	There is a real or perceived risk that...	Causes	Potential Consequences	Mitigating Actions	Actions/Progress to Date	College Committee	Board Committee	SMT Risk Owner	Action Owner	Likelihood	Impact	Risk Score	Likelihood	Impact	Risk Score	Change to score since last meeting	Date Added and Date Score Updated
						Owners				Initial Risk Score			Score After Mitigation				
1	We are unable to maintain financial sustainability	- Political/regulatory changes - Changes in funding streams - Insufficient funding from Scot Gov/SFC to support core College activities - SFC new funding model potentially - Failure to meet commercial or student enrolment targets	- 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 - Reputational Damage	- Principal and Chair represented on sector groups to lobby SFC/Scottish Government - Director of Business Development has strategic relationships with key stakeholders - Regular reporting on financial position to Leadership Team, Finance Committee and the Board	August 21 - All instructor assessors have been converted to lecturers. Applications/Enrolments for FA and HEI courses for 21/22 are down. Both of which will put pressure on the 21/22 Budget. SFC Financial Forecast Return (FFR) request issued in August 21 states that forecasts for 21/22 should be prepared on the basis of FA are funded from core credits which is in effect a cut in funding of over £1m. LMT away day scheduled for end of September to formulate action plan to address potential changes in funding. May 2021 - Funding allocation for 21/22 is positive and was presented to the Board in April 21. Work on medium term planning is underway and will be presented to FC & Board in June 21.	LMT	F	P	VPFACA	VH	VH	25	H	VH	20		Apr-21
2	We are unable to maximise the long term return on investment on the College estate	- Insufficient capital maintenance funding from SFC - Changes in working practices impact on demand	- We are unable to maintain our estate to an acceptable standard - Impact on Student Experience - Creation of backlog maintenance - Loss of commercial income	- Effective monitoring of lifecycle maintenance programme - Continue to secure best value for TFM contract - Development of commercialisation strategy - Review of campus utilisation	Aug 21 - Highest priority lifecycle maintenance needs are being met through our 2021/22 Capital allocation. Agreed appointment of Commercialisation and Skills Director with role to maximise Estates activity. Apr 21 - Available capital allocation has been prioritised to cover the highest priority lifecycle maintenance in AY 21/22. Lifecycle maintenance for the next 5 years, particularly for Alloa and Stirling, is being reviewed by Head of Estates. There are quarterly review meetings of our TFM contract to ensure best value.	LMT	F	P	VPIC	H	VH	20	H	VH	20		Apr-21
3	National bargaining adversely impacts College staffing relationships and finances	- National bargaining process removes ability to implement local agreements - Issues at national level can impact on local union relations	- Impact on staff morale due to delay in implementation of pay awards/job evaluation - Action Short of Strike/Strike Action impacts on student experience - Reputational Damage	- Ongoing engagement with local union representatives and Employers Association	September 2021 - Continued engagement with Unions through monthly, and as required, LNCC and JNC meetings to ensure ongoing communication and relationship building. Ensure open and clear communication to expedite solutions to issues as they are raised. IA dispute now resolved with EIS-FELA. 21/22 pay negotiations now open and may result in ballot for strike action. April 2021 - Continued engagement with Unions through monthly, and as required, LNCC and JNC meetings to ensure ongoing communication and relationship building. IA dispute meetings have been held weekly to support negotiations in an effort to seek a resolution. A resolution to the dispute has not been reached but both sides are still in dialogue.	LMT	HR	P	VPLSE	VH	H	20	VH	H	20		Apr-21
4	We fail to deliver a high quality learning experience and meet targets of outcome agreement	- Failure to deliver upon digital learning strategy - Curriculum fails to meet need of students/employers or other stakeholders - Inability to access campus resources owing to Pandemic - Failure to provide required support levels for individual student needs	- Impact on student experience with blended learning - Impact on student retention and attainment - Impact on College meeting credit and PI targets - Impact on student recruitment - Reputational damage with key stakeholders such as SFC - Failure to meet sustainability ambitions	- Implementation of the Digital Skills Academy - Success of Project NxGen - Student Engagement and Feedback - Effective staff structures to support the student experience	September 2021 - LDSA now launched with all staff in place. LDSA Ambitions document released and quarterly reports on progress to targets released to LMT. Project next GEN FVC launched. Continuous Curriculum Improvement process launched and running across all departments to help improve course performance and student outcomes. Learning Improvement and Student Experience Committee (LISEC) also launched to help improve student experience. LISEC will also monitor student engagement and feedback. EILS restructure launched to help improve student support and learning services as part of project NxGen FVC. 19/20 combined FVC FE/HE PIs highest in sector. FT/HE FT PIs improved on 18/19 position. FT/HE PT PIs highest in sector. 20/21 PIs not yet finalised but on target to meet OA set targets. April 2021 - LDSA now launched with all staff in place. LDSA Ambitions document released and quarterly reports on progress to targets released to LMT. Project next GEN FVC launched. Continuous Curriculum Improvement process launched and running across all departments to help improve course performance and student outcomes. Learning Improvement and Student Experience Committee (LISEC) also launched to help improve student experience. LISEC will also monitor student engagement and feedback. EILS restructure launched to help improve student support and learning services as part of project NxGen FVC.	LISEC/LSE	P		VPLSE	H	VH	20	M	VH	15		Apr-21
5	A major incident prevents the College from operating	- Loss of access to campuses - Loss of access to IT from network issues or cyber attack	- Inability to deliver learning and teaching and the impact on student experience - Additional costs (including ransomware demands) - Staff morale from uncertainty over College reopening - Data protection and other legal issues - Reputational damage	- Business Continuity Plan which is regularly tested - Specific IT cyber security plan and IT business continuity plan - Regular testing of Health and Safety systems inc fire drills	Aug 21 - Updated IT Security Policy has been approved. We are currently on-boarding with Jisc to introduce a managed Security Information and Event Management (SIEM) system which will monitor logs of servers and key desktop PCs. Apr 21 - Additional IT security measures have been introduced to reflect increased remote working. IT Security policy is being updated to reflect these changes. IT Security Incident Response procedure is being updated to reflect current best practice.	LMT	B	P	VPIC	H	H	16	M	H	12		Apr-21
6	We are unable to deliver on the ambitions of the People Strategy	- Changes to staffing establishment impacting on succession planning - Impact of Covid on staff time - Increase in demand for wellbeing support - Inability to recruit/retain staff - Long term affordability of staffing	- People strategy not achieved - Increased staff absence/decreased staff morale - Staffing establishment not adequate to meet operational requirement	- Additional support mechanisms - employee counselling system, mental health ambassadors, carers support forum, signposting to training and wellbeing support days in place. A dedicated space has also been created on SharePoint - Initiatives such as time for me, weekly recharge - Increase in flexible working and staff autonomy - Futures programme to deliver effective and efficient structures	August 21 - Revised LMT structure implemented from 1 August 21 to improve succession planning for SMT. Hybrid working pilot to be implemented following October break. May 21 - weekly recharge and time for you initiatives extended to July 21. Springback project launched and will look at increased flexible working.	LMT	HR	VPFACA	HHR	H	H	16	L	H	8		Apr-21
7	Failure to grow and influence strategic partnerships impacts on our reputation as a partner of choice	- Insufficient resource - Competition from other providers - Inability to adapt to changes in the political/economic environment	- Loss of commercial income - Reduction in Modern Apprentices/Foundation Apprentices - Lack of influence at a regional level - Curriculum becomes outdated	- Director of Business Development works closely with Scottish Government/SFC/SDS and other key stakeholders - FVC key partner in City Deals/Investment Zone activity across the region - Project NxGen	August 21 - Director of Business Development & Strategic Relationships role has been split into 2 roles; Director of Commercialisation & Skills which will focus on increasing commercial activity and Director of Strategic Partnerships & Regional Economy which will focus on strategic funding opportunities. April 2021 - 4C* collaboration in place and delivered on nTTF** and YPG***, relationship will continue into 21/22. Progressing work in FIZ**** and S&C***** regional deal - skills work to be based in FVC as well as possible HQ for SIEC****** at Alloa campus. Fuel Change 1st round of challenges well received and road to COP26 planned. MA numbers down due to Covid-19 and delays on delivery for construction. UKRI bid and BP Senegal contract expected May 21. £353000 investment secured from SE to allow EnableSTEM digitisation to be accelerated.	LMT	B	P	DBDSR	M	H	12	L	H	8		Apr-21

* Four Colleges Collaboration (Forth Valley, Fife, Edinburgh, North East Scotland College
** National Transition Travel Fund
*** Young Persons Guarantee
**** Falkirk Investment ZONE
***** Stirling and Clacks City Deal
****** Scottish International Environmental Centre

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	Finance Committee
H	HR Committtee
L	Learning and Student Experience Committee

No	There is a real or perceived risk that...	Causes	Potential Consequences	Mitigating Actions	Actions/Progress to Date	Springback Committee	SMT Risk Owner	Likelihood (Initial)	Impact (Initial)	Risk Score (Initial)	Likelihood (After)	Impact (After)	Risk Score (After)	Change to score since last meeting	Date Added and Date Score Updated
1	Digital learning does not meet the needs of our students	- Staff lack the skills to capitalise on new technology or transpose/develop material that is engaging for students - Students may lack the skills to confidently engage with digital learning - Digital learning may not meet the expectations of students who want a College experience - Programme content does not lend itself effectively to a digital delivery model	- The reputation of the College could be damaged and students less likely to view the College as a place for further progression - Increase in student dissatisfaction or withdrawals - Students may not feel like true members of the College community - Fewer opportunities to build class/social bonds - Vital 'hands on' experience would be lost	- Digital Skills Academy established to support and upskill staff - Digital induction and short learning courses to give students confidence and experience with digital platforms - Work with FVSA to more effectively engage with students - Recognition and prioritisation of on campus activity for these programmes when access is still restricted per Scottish Government guidance		HL	KM	H	H	16	H	H	16		
2	The College may not capitalise on the benefits of digital enhancement	- Staff/students viewing digital learning as not being the norm - Systems and processes not connected - College transfers existing committee/internal group arrangements wholesale to digital platforms - Increased competition from other Colleges	- Return to pre-pandemic materials and delivery mindsets - Lack of a whole systems approach to the digital environment - Missed opportunity to streamline internal governance to new ways of working - Remote working removes traditional geographic catchment advantages	- Digital Skills Academy leading on embedding and enhancing digital benefits to staff and student experiences - Applicant/Learner Journey project. Monitoring by LISEC internal committee - LMT to review to avoid duplication/remove redundant activity - Quality of the College offering/student experience		HL	KM	H	H	16	H	H	16		
3	Future changes at a national level impact on the College timetable	- Changes to Scottish Government regulations and expectations for the College's handling of Covid	- Impact on the number of staff and students permitted on campus - Disconnect with the overall Springback timelines	- Clear leadership to ensure available on-campus resource is allocated to identified priority groups - Close monitoring of Springback progress and any external factors at Leadership Management Team meetings - Comprehensive project plan with monitoring against key milestones	- KT on national College Principal Group meeting regularly with SG. - Director on Strategic Group for College sector ensuring cascade to LMT - LMT providing strong communications to staff and students	LMT	KT	H	VH	20	H	H	16		
4	Increased cyber and physical security risks	- Significantly increased impact in a hybrid model of IT systems issues - College devices in homes - Reduced on campus numbers may lead to opportunistic theft of materials	- Inability to deliver learning or key College services such as student finance or payroll payments - Increased likelihood of theft or damage to College equipment - Loss of material or GDPR/other legislative breach	- Two factor authentication reduces risk of intentional data loss - Use of cloud based systems and effective business continuity planning - All IT equipment is security marked - Effective CCTV coverage across all campuses		LMT	KT	M	H	12	M	H	12		
5	Hybrid working could impact on the student/staff experience	- Issues that students/staff may be having (e.g. workload) may be less apparent owing to remote interactions - Flexibility in staff hours could lead to poor service provision - Lack of social interaction between classes or team groups - Increased 'silo' working from individuals and groups - Lack of face to face contact - Reduction in levels of customer service - Some staff roles will be unable to access hybrid working	- Increase in stress for students/staff - Harder for managers to effectively lead class groups/staff groups - Disconnect between working patterns of key staff could impact service responsiveness - Increased isolation and/or mental health stress on individuals - Reduced class/team dynamic - Impact on culture of the College and loss of best practice sharing -College decisions taken at Departmental level - Impact on the culture of the College - Poor student/customer experience and reputational damage - Perception of unfairness, impact on staff morale	- Guidance for managers in effective engagement for remote learners/workers - Establishment of core hours for staff, balancing flexibility of hybrid working with operational needs - Continued promotion of support mechanisms for staff and students - Increased social interaction via digital platforms - LMT sign off - Enhance both formal and informal team building and social activities - Reaffirm a student centred approach in strategic plan/values of the College and increase staff training - Clear communication from managers as to the operational need for roles, building in any flexibility possible		HW	KT	L	H	8	L	H	8		
6	The College may not have the infrastructure in place to meet demands	- Demand for College resources such as IT equipment for students or equipment for staff to work from home outstrips supply - Continued significant online activity stresses College's server/storage capacity - Continued heightened demand for IT equipment	- Impact on students accessing learning - Potential legislative considerations relating to the College's duties for staff working at home - Significant increase in recovery time in the event of a cyber attack or other significant IT event - Delays from suppliers could impact on students/staff	- Clear processes in place to identify need and allocate resources effectively - Use of cloud based systems to deliver a range of digital services reduces recovery time and risk of data loss - Mapping of anticipated demand against existing resource to allow early ordering of key equipment		AJ	DA	L	H	8	L	H	8		
7	Members of the College population may not wish to return to in-campus activity	- Anxiety regarding the ongoing pandemic, particularly among younger students who have not been able to secure vaccination or others with at risk members of their household, or those who have to use public transport - Reluctance to lose the flexibility from a fully at home experience and the impact on work/life balance	- Increase in student withdrawals - Reluctance of staff to be on campus more than timetabled leading to issues such as availability for class cover - Impact on staff morale or turnover	- Clear communications in place on safety mitigation measures in campuses - Ensure the SpringBack experience is a positive one with individual examples shared as best practise/case studies. - Need to emphasise the business needs come first requiring support from union colleagues and a parameters for delivery document.	- Positive discussion with unions, agreeing common purpose. - Parameter document completed and circulated to managers	HW	KT	M	M	9	L	M	6		

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

Springback Committee

AJ	Applicant Journey
HL	Hybrid Learning
HW	Hybrid Working
MST	MS Teams
RSS	Re-Introducing Staff and Students to Campus Life

1. Purpose

To provide members with an updated response to Audit Scotland's Guide for Audit & Risk Committees.

2. Recommendation

That members review the attached response and confirm they are satisfied with how the College is responding to the pandemic in terms of maintaining effective internal controls, governance and risk management.

3. Key considerations

In August 2020 Audit Scotland issued a Guide for Audit & Risk Committees with suggested questions to help audit and risk committees better understand how their organisation is responding to the pandemic and managing both the immediate and longer-term challenges that it creates.

The College management prepared a response to this which was considered by the Audit Committee in October 2020. As the pandemic continued throughout the Academic Year 2020/21 the original response has been updated to reflect actions taken throughout 2020/21.

4. Financial Implications - None

5. Equalities

Assessment in Place? – Yes ☐   No ☒

Review of committee remit does not require equalities assessment.

6. Risk

	Likelihood	Impact
Very High		
High		
Medium		
Low		
Very Low	X	X

Risk – Failure to consider the questions raised may lead to weaknesses not being identified.

Risk Owner – Alison Stewart   **Action Owner –** Alison Stewart

7. Other Implications – None

Paper Author – Alison Stewart   **SMT Owner –** Alison Stewart

Covid-19 Guide for audit and risk committees – Audit Scotland – Questions

Internal controls and assurance – questions to consider	
1. What changes to internal controls have been required due to Covid-19? • Has internal audit assessed the design, implementation and operational effectiveness of revised internal controls?	SQA's Covid-19 emergency guidance for Assessment documentation is being continued for 21/22. This was requested by Colleges to ensure forward plans were robust and also ensure continuity in delivery if further lockdown restrictions were imposed. All documentation for session 21/22 has been reviewed by the College's Quality Manager to ensure there were no changes to guidance. Prior internal validation and Programme Team review still relevant. Discussed by LSE and Audit Committee & Board.
2. What new controls have been established to account for the distribution of any additional funds received? • Have officers identified any weaknesses in new controls and if so, how are these being addressed?	None - any additional funding has been managed within existing processes and returns submitted to SFC as required.
3. To what extent has your organisation assessed the impact of working remotely on the control environment and working practices?	Majority of processes remain unchanged, main change is around the use of electronic signatures for contracts etc.
4. Has internal audit reviewed their audit plan and assessed which projects might need to be cancelled, postponed or accelerated as your organisation navigates its way through the pandemic?	Yes – business continuity was already on the plan following the move to the new campus and the scope has been extended to cover the pandemic and will be completed in January 2022. IT Networks/Cyber security audit brought forward to 20/21.
5. How is management supporting internal audit to balance its 'routine' programme of work and that required to respond to Covid-19-related audit work?	No additional work is currently required.
6 Has the external auditor's annual audit plan been updated to assess and address new risks?	Yes
7. To what extent has your organisation considered work undertaken by other organisations (via professional networks and bodies), or where appropriate, engaged with external experts to inform decision-making around significant areas of change in response to the pandemic?	Corporate Governance & Planning Officer on NHS general education group & NHS FE/HE Group
8. How have IT services performed during the pandemic? • To what extent have cyber security controls been considered?	Well. Review of remote access under taken and introduced Virtual Private Network (VPN) to replace remote desktop access which was identified as being high risk for cyber attacks. We've also enabled geo-blocking on our firewalls to limit traffic to only UK addresses.

9. To what extent has management assessed the impact of Covid-19 on overall staff capacity? • What areas have been identified as being under resourced and how is this being addressed?	Most significant areas impacted by Covid 19 in relation to resource capacity is within teaching departments. Additional teaching staff built into budget for delivery of training for deferred students.
10. What is your organisation doing to support its staff during the pandemic? • To what extent have workload and working practices been adjusted to allow for the challenges that people may face when working remotely? • What guidance, advice or signposting has your organisation put in place to support staff wellbeing?	Revised working from home policy approved. Working from home default and equipment provided to support this. Mental Health ambassadors have been trained and put in place. Guidance on support for mental health has been provided. A Carers forum created to support staff with caring responsibilities. Agreed processes for supporting staff with health concerns and monitoring updated to support management information whilst retaining staff privacy including Risk Assessments. A document on supporting wellbeing showing options available for staff has been created and distributed. Managers encouraged to keep in touch and be flexible with staff's individual circumstances with documentation providing guidance on best practice. For 21/22 Hybrid working model will be piloted from October 21.
11. What opportunities and risks have arisen as staff are deployed across departments? How is your organisation capturing the learning and opportunities that arise from new ways of working?	Development of Digital Community on teams. We've formed a new Digital team to support and help staff enhance their digital skills, and to develop digital learning. Adoption of the use of IT communication and collaborative tools.

Financial management and reporting – questions to consider	
12. Is financial (and performance) information received a timely manner, with sufficient detail, to inform the fast-paced changes that are required due to Covid-19?	Yes
13. How is management assessing the financial impact of Covid-19 on income and expenditure? • What processes or procedures have been put in place to assess, for example, new demands, new expenditure streams, savings from activity foregone and lost income?	Several planning sessions with SMT, regular financial reporting. Finance Manager & Director of Finance closely monitoring I&E activity.
14. What information has been used in determining the value of assets and liabilities? • To what extent have estimated valuations been impacted by Covid-19, for example, disruption to the	External professional advisors used for assessing pension liabilities and valuation of assets.

revaluation of properties or market volatility impacting on investments? • What is the likely impact of Covid-19 on pension deficits and what does this mean for your organisation?	Property valuations have not been negatively impacted, and the property revaluation exercise at 31 July 2020 was still able to take place. Our surveyors have indicated that no impairment of campus values is expected as at July 2021. The pension liability (LGPS) increased by £12.7m in the 2019/20 academic year from £14.0 million to £26.7 million. Our employer's contribution rates for the LGPS will remain steady at 22.4% until 31 March 2023, and then rise by 0.5% to 22.9% based on the formal pension scheme valuation as at 31 March 2020. Awaiting confirmation of valuation at 31 July 21.
15. What commitments and guarantees have been made to third parties, and how are these being monitored?	None
• Where relevant, how is your organisation ensuring that the impacts of the pandemic on its arm's-length external organisations (ALEOs) are being appropriately monitored?	N/a
16. What impact has Covid-19 had on savings plans? • Is your organisation on track to deliver these savings and if not, what plans are your organisation putting in place to help with this?	Futures Programme still on track – no additional savings required due to Covid 19
17. What impact has Covid-19 had on transformational activity?	None
18. Is there sufficient capacity within the finance team to deal with competing pressures, such as preparing annual accounts, at a time when working practices are having to be adapted due to Covid-19?	Yes – however significant pressure on the team and the need to prioritise workload.
Governance – questions to consider	
19. What impact has Covid-19 had on governance arrangements?	Move to virtual meetings
• How is your organisation ensuring that effective oversight and scrutiny of key decisions is maintained as it responds rapidly to the challenges it faces during the pandemic?	All Board and Committee meetings held as planned.
• Have any significant changes been made to governance arrangements due to the pandemic, for example, suspension of committees or increased use of delegated decision-making powers?	No
• Where decisions are being made using delegated or emergency powers, how are these being recorded,	N/a

made public and subjected to scrutiny by the relevant committee(s)?	
• Have changes to processes and procedures made in response to Covid-19 been reviewed and documented appropriately to comply with overall governance arrangements?	N/a
20. Are governance arrangements being reviewed regularly to ensure they remain fit for purpose?	Yes Board effective reviews carried out annually. Committee review of remits annually. External Board Effectiveness Review completed in March 21.
21. Are non-executive directors providing appropriate levels of support, scrutiny and challenge to your organisation as it responds to the current environment and new risks?	Yes
22. What barriers, if any, have affected your organisation's ability to continue to provide services for individuals and communities during the pandemic?	Main barriers – lockdown / social distancing impacting on ability to deliver on campus. Digital poverty where students don't have access to IT or internet.
• How have these barriers been overcome?	Distribution of College laptops Funding through Student Support On line delivery Academic year start delayed to accommodate delivery for deferred students
• What was the impact on service users?	No significant quantifiable impact - Student Achievements increased on previous years.
23. What impact has Covid-19 had on your organisation achieving its stated objectives? • Does performance reporting highlight any changes on your organisation's ability to meet its objectives as a consequence of Covid-19? • Has the pandemic caused new risks to achieving your organisation's objectives? If so, how are these being addressed?	The College has had to adapt delivery models to meet its objectives, however we have delivered our Credits target, and are tracking to show improvements in our key PIs. Separate Covid risk register monitored by Audit Committee
24. What impact has Covid-19 had on collaborative working?	Internal collaboration increased significantly with the use of digital tools

Risk management – questions to consider	
25. Are there new expenditure or procurement streams, or delivery methods arising from Covid-19 that introduce new risk?	No
• What indicators does management have to support informed decisions on risk and is this data available in real time?	N/a
• Is your organisation's risk management strategy up-to-date to include risks associated with Covid-19?	Yes

• What risks have emerged that need to be addressed and what protocols are in place to report and analyse emerging risks as the situation evolves?	Refer to Covid Risk Register which is being replaced by Springback project Risk Register
• Are risks being reported to the relevant committee?	Yes
26. Has your organisation's risk register been updated to reflect new risks arising from Covid-19?	Yes – Separate Covid 19 risk register.
27. Is there a need for management's risk appetite framework to be reviewed to ensure it is appropriate in this rapidly evolving environment?	No
• If so, when will the committee be informed of the outcome and any next steps?	N/a
28. How does Covid-19 impact on any financial risks already facing your organisation and how does this affect short, medium and long-term financial plans?	Additional funding received from SFC in March 21 to offset the loss of commercial income/additional costs.

Covered by Budget 21/22 & Forecasts for 2022-2024. Budget was presented to Board in June 2021, and the FFR for 2022-24 will go to the Finance Committee before submission to SFC in October. Covid negligible impact compared with the shortfall in funding for future years. |
| 29. What impact does Covid-19 have on any scenario planning that your organisation has in place for events such as EU withdrawal and increasing budget uncertainty? | Adds an additional degree of uncertainty around commercial delivery & income targets |

1. **Purpose**

    To present to members the National Fraud Initiative exercise for the period to 30 September 2020.

2. **Recommendation**

    Members note the results of the National Fraud Initiative exercise carried out within the College for the 3 year period ended 30 September 2020.

    Members recognise that the few instances of errors identified through the NFI exercise had already been promptly identified and corrected as a result of the financial controls in place within FVC.

3. **Background**

    The National Fraud Initiative (NFI) is a UK wide data matching exercise whose primary purpose is to help public sector bodies to prevent and detect fraud and error in their financial systems. The data matching exercise is led by the Cabinet Office.

    Under the provisions of Part 2A of the Public Finance and Accountability (Scotland) Act 2000, Audit Scotland requested FVC to submit creditors and payroll data for the period 1 October 2017 to 30 September 2020. The legislation enables Audit Scotland to require any body which comes under the remit of the Auditor General for Scotland to submit data for matching. This is an exercise required every 2 years.

    The creditors data submitted included creditor reference, name, address, bank account details, invoice numbers, invoice amounts, VAT, and methods of payment.

    The payroll data submitted included employee reference, post, department, employee name, gender, address, date of birth, home telephone number, mobile telephone number, email address, passport number, date started, date left, NI number, full-time or part-time, gross pay to date, standard hours per week, date last paid, and bank account details. Staff members were advised, via their payslips and an all staff email, of the requirement to submit data.

4. **Key Considerations**

The results of the data matching exercise covering the 3 year period were as follows:

Payroll Matches
Payroll to payroll

High risk	1
Medium risk	1
Low risk	2
Nil risk	0
Phone numbers	6
Payroll to creditors	4
	14

The purpose of the payroll to payroll matches is to identify individuals who may be committing employment fraud by failing to work their contracted hours because they are employed elsewhere or are taking long-term sickness absence from one employer and working for another employer at the same time. The reasons for our 4 payroll to payroll matches included issues such as an employee who works evenings with FVC and full-time elsewhere, or where an employee has 2 part-time roles, or leavers during the period to take up a full-time role at another college.

The phone numbers category is where the supplied employee phone number matches to another individual within the NFI data. All 6 of the FVC matches were investigated and our records confirmed as accurate – 2 of the matches were due to family relationships, 4 have no relationship with the matched person, therefore further checks were carried out to be satisfied that there is no fraud.

The payroll to creditors category is where a member of staff also has raised invoices to the College paid through the purchase ledger. The 4 matches for FVC relate to members of staff who had initially started at FVC as external counsellors but due to SFC funding changes, later being employed directly through payroll.

All 14 payroll matches were investigated by HR and Finance and no issues were found.

Creditors Matches

Duplicate creditors by creditor name	15
Duplicate creditors by address detail	5
VAT overpayments check	36
Duplicate records by amount and creditor reference	112
Duplicate records by name, invoice number and amount but different creditor reference	2
Duplicate records by invoice number and amount but different creditor reference and name	1
Procurement - payroll to Companies House (Director)	3
	174

Duplicate creditors by creditor name - to identify instances where the same supplier has been set up with more than one reference number on the system thus increasing the potential for creditors to obscure fraudulent activity. All 15 of our matches were investigated and were primarily due to large organisations having different departments and bank accounts for different services, or where the supplier had a new account set-up and the old one had been closed during the period. No action was required following investigations as all records were found to be in order.

VAT Overpayments check - to identify instances where VAT may have been overpaid based on the invoice history data submitted and using the maximum VAT rate of 20% for comparison. We had 36 matches for this category, and upon investigation all were as a result of errors in the dataset information, and not real issues.

Duplicate creditors by address detail – to identify multiple creditors operating at the same address. All 5 of our matches were investigated and were due to supplier name changes, subsidiary companies in the same building or multi-office premises.

Duplicate creditors by bank account number – may indicate where a supplier has changed name but the standing data has not been updated. FVC had no matches for this category.

The largest category of Creditors matches (112 records) was for Duplicate records by amount and creditor reference. This is where identical amounts have been paid to a supplier under different invoice numbers. Within this category the numbers of transactions within value bandings was as follows:

Duplicate Records by Values

Greater than £10,000	21
£5,000 to £10,000	15
£2,000 to £5,000	39
£1,000 to £2,000	37
	112

Many of the matches for FVC were as a result of contracts with identical regular payments eg Servest, Falkirk Council pension payments, quarterly equipment rentals, and various annual subscriptions. All 112 records were investigated and no further action was required.

Duplicate records by name, invoice number and amount but different creditor reference. This match is to identify possible duplicate payments for the same goods/services but to different creditor references. The 2 matches for FVC were one invoice that was paid twice with the duplicate payment promptly recovered (£2,430), and a second invoice that was allocated to the incorrect supplier code and subsequently reallocated prior to payment. In both cases the second supplier reference was blocked.

Duplicate records by invoice number and amount but different creditor reference and name. This match is to identify possible duplicate payments for the same goods/services but to different creditors. The one match for FVC was the same invoice mentioned above that was initially entered on to the wrong supplier code. No money was incorrectly paid.

Procurement - payroll to Companies House (Director). This is to identify potentially undeclared interests that have given a pecuniary advantage. The 3 matches were investigated and no issues found.

5. Financial Implications

Other than staff time, there are no direct financial implications of this paper. No instances of financial fraud were discovered, and the one error of a duplicate payment (as noted above for £2,430) was promptly identified, and the money recovered.

6. Equalities

Assessment in Place? – Not applicable given the nature of this report.

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		

Our strong controls within both the HR and Finance departments provide mitigation against the risk of fraud and error. Our stable complement of staff members is key to this within the Finance department, both within payroll and purchase ledger processing.

Risk Owner – Alison Stewart

Action Owner – Senga McKerr

Paper Author – Senga McKerr

SMT Owner – Alison Stewart