

Zoom call @ 4.30pm

AGENDA

1. Declarations of interest
2. Apologies

FOR APPROVAL

3. Minutes of meeting of 19 May 2022
4. Matters Arising
 - a) A/21/040 Risk Management
 - b) A/21/041 Risk Appetite Workshop Outputs
5. Review of Committee Remit Alison Stewart
6. Governance Statement Alison Stewart

Elements of paper 6 are withheld from publication on the Forth Valley College website under Section 27 Information Intended for Future Publication of the Freedom of Information (Scotland) Act 2002

7. Audit Committee Self-Assessment Lorna Dougall
8. Response to Ernst & Young letter to those charged with Governance Lorna Dougall

FOR DISCUSSION

9. Presentation of Internal Audit Reports Henderson Loggie
 - a) Business Continuity
 - b) Follow Up Report
 10. Internal Audit Annual Report Henderson Loggie
 11. Progress Report on Audit Recommendations Stephen Jarvie
 12. Risk Management Alison Stewart
 13. Review of Risk
 14. Any other competent business
-

Zoom (commencing at 4pm)

Present: Lorna Dougall (Chair)
Alistair McKean
Emma Meredith

In Attendance: Professor Ken Thomson, Principal
Alison Stewart, Vice Principal Finance and Corporate Affairs (VPFACA)
David Archibald, Henderson Loggie
Stephen Reid, Ernst & Young

A/21/031 Declarations of Interest

David Archibald declared an interest re A/21/035

A/21/032 Apologies for Absence

Hazel Burt
Paul Devoy

A/21/033 Minutes of meeting of 16 November 2021

The minutes of the meeting of 16 November 2021 were approved.

A/21/034 Matters Arising - None

Members queried whether the outstanding query regarding the Board Chair's remuneration had been finalised. The Chair confirmed that this was the case.

Members queried the increase in the perceived UK Cyber risk. The CGPO informed members that, as well as keeping up to date on latest guidance, the College was also supported in cyber resilience by JISC.

A/21/035 Extension of Internal Auditor Appointment

The VPFACA presented a paper seeking approval to extend the appointment of Henderson Loggie for an additional year.

She confirmed that this extension was permissible under the original contract for Internal Audit services and outlined ongoing work between the College and Henderson Loggie.

She also confirmed to members that the internal audit service would be retendered for next year

a) Members approved the extension of the internal auditors.

A/21/036 External Audit Plan

Stephen Reid, Ernst & Young, presented members with the draft external audit plan for this financial year. He noted that this would be their final year under the current appointment from Audit Scotland.

He discussed the content of the plan and the areas of risk identified. He also confirmed that the content of the plan had been shared with College senior management who were content with the content.

The VPFACA confirmed that this was the case.

Members noted the change in climate change reporting outlined and queried what guidance there was on this.

Stephen Reid confirmed that there was some guidance available from Audit Scotland, mainly focussing on SFC funded activity but that the overall sector was also being proactive and working to develop this further in order to demonstrate contribution to Scottish Government environmental commitments.

a) Members approved the External Audit Plan

A/21/037 Presentation of Internal Audit Reports

David Archibald, Henderson Loggie presented two reports to the Committee.

Data Protection

He outlined the scope of the report and reported that not only was there a framework in place for data protection within the college but there are mechanisms to ensure that it is applied consistently across the college.

He noted that there was a recommendation that an annual overview on data protection be brought to this committee.

Members confirmed they would welcome an annual report from the College on data protection.

a) Members noted the content of the report

Procurement and Creditors/Purchasing

David Archibald presented the report on procurement and creditors/purchasing.

He noted that the fieldwork showed that the policies were being followed and that delegated authority levels were clear. He also noted that the financial regulations

were undergoing a review. The VPFACA confirmed that these would go to Finance Committee for approval in due course.

Members noted the value of procurement and discussed whether procurement should be on the strategic risk register.

The VPFACA noted that the Finance Committee monitor procurement activity along with the annual procurement report and would identify any relevant risks during this process.

a) Members noted the content of the report

A/21/038 Internal Audit Progress Report

David Archibald outlined the content of the report and focussed on a number of changes since the last report to the Committee.

He noted that some activity had been delayed into the following academic year to free up audit days for a quality assurance review this year. He confirmed that the scope for this audit has already been agreed with the VPFACA and VPLSE.

He confirmed that the fieldwork for the Business Continuity audit had been completed and the report was currently being prepared and would come to the next meeting of the Committee.

Members discussed the addition of the quality assurance review and the VPFACA provided further background, noting that there had been a couple of incidents of malpractice/maladministration identified. She informed members that further information on this was intended to be presented to the upcoming meeting of the Learning & Student Experience Committee.

a) Members noted the content of the report

A/21/039 Progress Report on Audit Recommendations

The CGPO presented the regular update on progress. He noted that there were some recommendations where an extension to the timescale was being sought and briefly outlined the reasons for this.

a) Members noted the content of the report and the requested timescale extensions

A/21/040 Risk Management

The VPFACA presented the latest update to the College Strategic Risk Register for member's consideration. She highlighted that there was a new risk that related to the maladministration/malpractice item discussed earlier in the meeting.

Members queried whether the current consultation exercise might impact on the progress of the People Strategy.

The VPFA confirmed that there was a new people strategy under development and that this would be taken into consideration.

The Principal noted that a key part of the new strategy would be to invest in developing the leadership skills within the College and that funding had been allocated and a procurement exercise was currently underway on this.

The Principal presented the Springback Risk Register to members, noting that there were three risks the College was recommending be retired.

He also queried, given Springback was now operationalised, whether the Committee wished to see a specific risk register on this at their meetings.

Following discussions members agreed that, as the risks within the register would be covered by reporting at other Committees, it was sensible to retire this register.

a) Members noted the content of the report and the removal of the Springback Risk Register

A/21/041 Risk Appetite Workshop Outputs

David Archibald presented members with an overview of the outputs from the risk appetite session which had taken place at the February 2022 Board Strategic event.

He outlined a number of ways in which this appetite could be reflected in either the risk register or in covering papers that are brought to Committees.

Following discussion, it was agreed that the College would look to amend the cover paper template to include this information.

a) Members noted the content of the report

A/21/042 Review of Risk

Members noted that there were a range of external financial pressures impacting on the College and students/staff which may warrant a review of the financial risks on the register.

The VPFA confirmed that these and other factors would be present in the budget paper being taken to the upcoming Finance Committee meeting.

The Principal also informed members that College PI data was also showing an increased pressure from students to work more from employers/personal circumstances which could impact on their course attendance and/or results.

A/21/043 Any Other Competent Business

None.

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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
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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

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1. Purpose

To review the draft Governance Statement to ensure it provides an accurate reflection of the governance arrangements in place for 2021/22.

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

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 <i>SG Audit and Assurance Committee Handbook</i> ?	Yes	
Are the terms of reference approved by the Audit and Assurance Committee and reviewed periodically?	Yes	Reviewed and approved by the Committee on 8 September 2022 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
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 2021/22 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	

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 registers reviewed at every meeting. Additional Risk Appetite workshop conducted with full Board February 2022

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 /HR 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	

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 present members with correspondence from the College's current external auditors, Ernst & Young, to the Committee seeking information on the Committee's oversight of the College.

2. Recommendation

That members consider the content of the letter (Appendix 1) and approve the proposed response developed by the College for the Chair (Appendix 2).

3. Background

The College external auditors are appointed by Audit Scotland and are, at this time, Ernst and Young.

4. Key Considerations

The letter attached as Appendix 1 forms part of Ernst and Young's annual review of oversight performed by the Audit Committee.

The letter has been reviewed by both the Board Secretary and Depute Board Secretary who have identified that, owing to the Committee structure of the College, not all questions relate directly to the work of the Audit Committee. Where this is the case, this has been identified and explained in the proposed response in Appendix 2.

5. Financial Implications

Please detail the financial implications of this item – None

6. Equalities

Assessment in Place? – Yes No

If No, please explain why – Not applicable

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

7. Risk

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

	Likelihood	Impact
Very High		
High		
Medium		X
Low		
Very Low	X	

Please describe any risks associated with this paper and associated mitigating actions – Failure to ensure adequate oversight of systems in use by the College can lead to issues of poor performance or fraud. The College and Board mitigate this via a strong internal and external audit function, regular reporting to Board and Committees.

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

Please provide a summary of these implications – Not Applicable

Paper Author – Stephen Jarvie

SMT Owner – Alison Stewart

Members of the Audit Committee
Forth Valley College
Grangemouth Road
Falkirk
FK2 9AD

12th July 2022

Ref: SR/OP

Direct line: 0131 777 2839

Email: SReid2@uk.ey.com

Dear Audit Committee Members,

External audit: Year ending 31 July 2022

Auditing standards require us to formally update our understanding of your arrangements for oversight of management processes and arrangements annually. I am therefore writing to ask that you please provide a response to the following questions.

1. How does the Audit Committee, as 'those charged with governance' at Forth Valley College ("the College"), exercise oversight of management's processes in relation to:
 - undertaking an assessment of the risk that the financial statements may be materially misstated due to fraud or error (including the nature, extent and frequency of these assessments);
 - identifying and responding to risks of fraud in the College, including any specific risks of fraud which management has identified or that have been brought to its attention, or classes of transactions, account balances, or disclosures for which a risk of fraud is likely to exist;
 - communicating to employees its view on business practice and ethical behaviour, for example by updating, communicating and monitoring against the College's code of conduct;
 - encouraging employees to report their concerns about fraud; and
 - communicating to you the processes for identifying and responding to fraud or error?
2. How does the Audit Committee oversee management processes for identifying and responding to the risk of fraud and possible breaches of internal control?
3. Have there been any significant changes in the design and/or operating effectiveness of management controls as a result of the Coronavirus outbreak and hybrid working arrangements?
4. Is the Audit Committee aware of any:
 - breaches of, or deficiencies in internal control; and
 - actual, suspected or alleged frauds during 2021/22?
5. Is the Audit Committee aware of any organisational or management pressure to meet financial or operating targets?

6. How does the Audit Committee gain assurance that all relevant laws and regulations have been complied with? Are you aware of any instances of non-compliance during 2021/22?
7. How does the Audit Committee gain assurance that the College has policies and procedures in place to identify, evaluate and account for litigation and claims? Is the Audit Committee aware of any actual or potential litigation or claims that would affect the financial statements?
8. How does the Audit Committee satisfy itself that it is appropriate to adopt the going concern basis in preparing the financial statements?
9. Has management considered the impact of the coronavirus outbreak and recovery as part of their going concern assessment, including:
 - ▶ any changes in underlying assumptions
 - ▶ additional or potential financial difficulties, impairments or write-offs
10. How does the Audit Committee satisfy itself that the College has arrangements to ensure compliance with the Scottish Funding Council's ("SFC") Accounts Direction and Financial Memorandum?
11. How does the Audit Committee satisfy itself that the College has arrangements to ensure compliance with its requirements as an independent charity as set out by OSCR?
12. How does the Audit Committee satisfy itself that the College has arrangements to monitor and maintain the regularity of income and expenditure?
13. What does the Audit Committee consider to be the related parties that are significant to the College and what is its understanding of the relationships and transactions with those related parties?
14. Does the Audit Committee have concerns regarding relationships or transactions with related parties and, if so, what is the substance of those concerns?

Thank you for your assistance. Please respond to the inquiries above (or if you have any queries in respect of this letter) by emailing Olga Potapova at opotapova@uk.ey.com.

Yours faithfully



Stephen Reid
Partner
For and on behalf of Ernst & Young LLP

Appendix 2 – Proposed Response

DATE TO BE CONFIRMED

Stephen Reid
Partner
Ernst & Young LLP Atria One
144 Morrison Street
Edinburgh
EH3 8EB

Dear Mr Reid,

Thank you for your letter (Ref SR/OP) of 12 July 2022 to the Audit Committee of Forth Valley College of Further and Higher Education.

The Audit Committee has reviewed the content of your letter and agreed the following responses to your queries –

1) How does the Audit Committee, as ‘those charged with governance’ at Forth Valley College (“the College”), exercise oversight of management’s processes in relation to:

Undertaking an assessment of the risk that the financial statements may be materially misstated due to fraud or error (including the nature, extent and frequency of these assessments);

The Audit Committee relies on a number of measures to obtain comfort in relation to the financial statements. These include –

- The work undertaken by Internal and External auditors, as guided by the Audit Committee, into providing assurance on the efficacy of College controls
- The College Anti-Fraud policy
- The regular reports taken to the Finance Committee, which would highlight unexpected and/or significant expenditure
- The joint annual meeting between the Audit and Finance Committee’s to consider the annual accounts at which the external auditors provide written assurance as to the accuracy and materiality of the accounts
- The Audit Committee also meets at least annually in private with both Internal and External Auditors who can raise any concerns they might have without College management being present

Identifying and responding to risks of fraud in the College, including any specific risks of fraud which management has identified or that have been brought to its attention, or classes of transactions, account balances or disclosures for which a risk of fraud is likely to exist;

Along with the anti-fraud policy referred to in the previous response, all Committee and Board papers have a requirement for risk to be identified along with mitigating actions. Committee members take

cognisance of risks which are identified in this manner and, should a risk be deemed too high, the Committee would not approve the item under consideration.

The College is also a participant in the National Fraud Initiative (NFI). The NFI provides external checks to identify potential instances of fraud.

Additionally, any expenditure of £25k or over is managed via the contracted APUC procurement specialists. This ensures quality, independent procurement advice and systems is adhered to for material levels of expenditure. Any proposal to award a contract over £25,000 without competition must be approved in advance by the Scottish Funding Council, in accordance with the requirements of the Financial Memorandum. Authority to review and approve the College procurement policies is devolved to the Finance Committee who approved the most recent version at their 14 June 2022 meeting, with copies of the policies going to the full Board of Management for information on 23 June 2022.

Communicating to employees its views on business practice and ethical behaviour, for example by updating, communicating and monitoring against the College's code of conduct.

The primary method of communication is via the Policies approved by the Board which clearly set out the conduct and actions expected of staff members.

Encouraging employees to report their concerns about fraud;

The College has a comprehensive whistleblowing policy in place for all staff. Additionally, in line with the Code of Good Governance adopted by the Board of Management, the Board Secretary and Depute Board Secretary both have a duty to report issues of concern to the Board which would include instances of fraud.

Communicating to you the processes for identifying and responding to fraud or error?

The anti-fraud policy outlines the required notifications. In relation to errors, this would be communicated by the relevant member of the senior management team or the Board Secretary/Depute Board Secretary as appropriate.

2) How does the Audit Committee oversee management processes for identifying and responding to the risk of fraud and possible breaches of internal control?

Beyond the anti-fraud policy, the Audit Committee reviews and approves the internal audit plan which is based in part on the College risk register. The Audit Committee meets privately with the Internal and External Auditors each year so any matters of concern can be raised then without management being present if necessary.

3) Have there been any significant changes in the design and/or operating effectiveness of management controls as a result of the Coronavirus outbreak and hybrid working arrangements?

No. Owing to the ongoing efforts of the College in recent years management controls and processes are digital in nature and there has been sustained investment in our digital infrastructure and cyber security. As such, while offering hybrid working to staff whose roles support it, staff are still accessing College systems etc from within our own College network thanks to VPN, two factor authentication and other security measures

As with the previous academic year, all staff have the resources they required to work effectively from home. Additional guidance on effective homeworking is in place for our staff.

Beyond staffing, we have continued with our diet of Board and Committee meetings on both a virtual basis and, when restrictions were eased, face to face meetings.

4) Is the Audit Committee aware of any:

- Breaches of, or deficiencies in, internal control; and
- Actual, suspected or alleged frauds during 2021/22

No. Through ongoing Internal Audit activity, areas of improvement in internal controls are identified, however none of these have been categorised as “red” by the internal auditors.

5) Is the Audit Committee aware any organisational or management pressure to meet financial or operational targets?

The Audit Committee is aware that the College continues to operate in a challenging financial environment whilst having ambitious operational targets in order to achieve its Outcome Agreement with the Scottish Funding Council. It is not the impression of the Committee however that this would result in management malfeasance to achieve these targets.

6) How does the Audit Committee gain assurance that all relevant laws and regulations have been complied with? Are you aware of any instances of non-compliance during 2021/22?

The Audit Committee gains assurance via a rolling programme of internal audits which examine areas within the College for legislative compliance and the implementation of best practice. The Audit Committee is not aware of any instances of non-compliance during 2021/22.

7) How does the Audit Committee gain assurance that the College has policies and procedures in place to identify, evaluate and account for litigation and claims? Is the Audit Committee aware of any actual or potential litigation or claims that would affect the financial statements?

As above, the Audit Committee gains assurance via a rolling programme of internal audits which examine areas within the College to review management controls in place and support the identification and implementation of best practice.

The Audit Committee is not aware of any instances of any actual or potential litigation of claims that would affect the financial statements.

8) How does the Audit Committee satisfy itself that it is appropriate to adopt the going concern basis in preparing the financial statements?

Over 70% of the College's activities are funded by the Scottish Government through the Scottish Funding Council (SFC) to provide Higher and Further Education. The Board of Management and the Executive Team are responsible for ensuring that these funds are used to meet this purpose and the operations within the College to achieve this support ensuring financial sustainability of the College.

No notification from the Scottish Funding Council on behalf of the Scottish Government has been received to suggest that the higher and further education provision within Forth Valley College is no longer a going concern.

Management have prepared a detailed assessment of going concern which will be considered at the Finance Committees prior to the meeting considering the annual Report.

9) Has management considered the impact of the coronavirus outbreak as part of their going concern assessment, including:

- any changes in underlying assumptions
- additional or potential financial difficulties, impairments or write-offs

As noted in Q8 Management has prepared a detailed assessment of going concern which considers the impact of Covid19.

10) How does the Audit Committee satisfy itself that the College has arrangements to ensure compliance with the Scottish Funding Council's ("SFC") Accounts Direction and Financial Memorandum?

Board members are provided with copies of the Financial Memorandum during induction which they can refer to if needed. The primary route of assurance is via the scrutiny of the information provided by College Senior Management to the Finance Committee. There is a joint meeting where Finance Colleagues, Internal and External auditors all have an opportunity to raise any concerns regarding compliance with the accounts direction and financial memorandum.

11) How does the Audit Committee satisfy itself that the College has arrangements to ensure compliance with its requirements as an independent charity as set out by OSCR?

The Audit Committee relies upon the judgement of the Finance Committee in scrutinising information provided by the Senior Management Team. Additionally, any correspondence for OSCR would be brought to the relevant Committee or the full Board to further inform members.

12) How does the Audit Committee satisfy itself that the College has arrangements to monitor and maintain the regularity of income and expenditure?

The Audit Committee satisfies itself that this is monitored by the Finance Committee of the Board through ensuring compliance with financial regulations. Additionally, each Committee Chair is afforded the opportunity at Board meetings to raise any items of concern.

13) What does the Audit Committee consider to be the related parties that are significant to the College and what is its understanding of the relationships and transactions with those related parties?

On appointment all members are required to complete a register of interest which is updated annually and published on the College website. Additionally, as per the Code of Conduct for Further Education Boards adopted on 25 February 2022, all Board Members have a responsibility to notify the College of any change in circumstances that is registerable within 1 month of the change. Any related parties would be identified through this process. There are no related parties that we would consider to be significant. All transactions with related parties are of a routine nature in terms of the College's business.

14) Does the Audit Committee have concerns regarding relationships or transactions with related parties and, if so, what is the substance of those concerns?

No.

I hope the above responses meet your requirements. Should you require further clarification, please do not hesitate to contact me via Alison Stewart (alison.stewart@forthvalley.ac.uk)

Yours sincerely

Lorna Dougall
Chair
Audit Committee

LEVEL OF ASSURANCE

Good

Forth Valley College

Business Continuity

Internal Audit report No: 2022/06

Draft issued: 12 August 2022

Final issued: 15 August 2022



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Level of Assurance

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

Gradings are defined as follows:

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

Action Grades

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



Management Summary

Overall Level of Assurance

Good	System meets control objectives.
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Risk Assessment

This review focused on the controls in place to mitigate the following risks on the Forth Valley College ('the College') Strategic Risk Register:

- We fail to deliver a high quality learning experience and meet targets of outcome agreement
- A major incident prevents the College from operating

Background

As part of the Internal Audit programme at the College for 2021/22, we carried out a review of the organisation's business continuity arrangements. Our Audit Needs Assessment identified this as an area where risk can arise and where Internal Audit can assist in providing assurances to the Principal and to the Board that the related control environment is operating effectively, ensuring risk is maintained at an acceptable level.

We undertook a review of business continuity planning to consider whether there are adequate plans in place to minimise disruption to College operations following loss of life, buildings or equipment. This included a specific focus around the work that was undertaken to allow College operations to continue during the COVID-19 pandemic and reopen College campuses as the lockdown was eased.



Business Continuity

Scope, Objectives and Overall Findings

We undertook a review of business continuity planning to consider whether there are adequate plans in place to minimise disruption to College operations following loss of life, buildings or equipment. This included a specific focus around the work that was undertaken to allow College operations to continue during the COVID-19 pandemic and reopen College campuses as the lockdown was eased.

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

Objective	Findings		
	1	2	3
The objective of our audit was to obtain reasonable assurance that:			
	No. of Agreed Actions		
1. Business Continuity / Contingency Plans (including ICT Business Continuity plans) are in place covering all of the College's activities and locations.	Good	-	-
2. the Business Continuity Plans / Contingency Plans are workable, properly communicated to members of staff, and have been adequately tested.	Good	-	-
3. the processes and procedures in place follow recommended good practice.	Good	-	-
4. the work that was undertaken to allow College operations to continue during the COVID-19 pandemic minimised, as far as possible, the impact on the student experience.	Good	-	-
5. appropriate preparations were made and robust plans developed to ensure that College campuses could safely reopen when the COVID-19 lockdown was eased, taking into account all Scottish Government and Health and Safety Executive Guidance relevant to education providers.	Good	-	-
Overall Level of Assurance	Good	-	-
		System meets control objectives.	

Audit Approach

Through discussion with the Corporate Governance and Planning Officer we obtained copies of Business Continuity / Contingency Plans in place and considered whether they covered all of the College's activities and locations. We also discussed and reviewed the specific continuity plans put in place to continue College operations during the COVID-19 pandemic and the plans developed to allow College campuses to reopen once restrictions were eased.



Summary of Main Findings

Strengths

- A Business Continuity Policy (March 2022) is in place which sets out the core principles which the College will apply in handling any incident;
- The overarching Business Continuity Plan (March 2022) has been prepared by the Leadership Management Team and is designed to be a tool to assist the Emergency Response Team (ERT) in the management of any incident;
- The Business Continuity Plan is underpinned by a variety of detailed scenario flowcharts which set out the prescribed method for dealing with different types of incident;
- A standard Business Continuity Incident Record form is in place which allows the details of the incident to be captured and acts as a checklist to ensure that all of the appropriate steps have been taken;
- A COVID-19 internal working group was created – ‘COVID short life working group (SLWG) – Returning to Campus Operations’ and a formal remit for the short life working group was developed;
- A standard Risk Assessment Activities form was introduced to ensure a consistent approach in assessing the risks and identifying required changes to the operating model to reflect the changes in legislation and guidance as the pandemic progressed;
- A Vulnerable Groups Staff Risk Assessment was also introduced to ensure that the specific needs of vulnerable staff members could be identified and managed;
- Separate Resuming Campus Operations (RCO) Guides were produced for staff, students and visitors, which were made available through SharePoint together with a training video accessible via the virtual learning environment;
- Testing of the business continuity arrangements is completed on an annual cycle, with tabletop exercises completed on every scenario flowchart;
- Our comparison with the good practice guidance we confirms that the college arrangements follow good practice;
- The College was represented on number of COVID related liaison groups;
- In an effort to support students and the wider community, vaccination centres were set up at all three campuses providing vaccinations seven days a week;
- Following the issue of SQA guidance on assessment the college conducted its own review of quality assessment processes and produced a paper which was considered by the Learning and Student Experience Committee in June 2020;
- A Return to Campus Operations guide was produced by the Head of Learning & Quality, on Learning and Teaching Resources, which signposted students to all of the key information they needed to successfully engage in their studies remotely;
- A Business Continuity Group generic email address was set up to allow COVID outbreaks to be reported and added to the College tracker. Communication around this was channelled via Curriculum/Line Managers;
- The Springback Programme was deployed to ensure that appropriate plans were made for the safe reopening of College operations; and
- In addition to enhanced cleaning regimes (stronger detergents) and enhanced hand hygiene measures the College has also taken the decision to introduce anti-microbial fogging at each campus, which is undertaken by facilities staff at weekends.

Weaknesses

- There were no control weaknesses identified through the audit work undertaken.

Acknowledgment

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



Main Findings and Action Plan

Objective 1: Business Continuity / Contingency Plans (including ICT Business Continuity plans) are in place covering all of the College's activities and locations.

A Business Continuity Policy (March 2022) is in place which sets out the following principles which the College will apply in handling any incident:

- Protecting and ensuring the health and safety of College staff, students and other users
- Minimising and recovering from damage to College facilities
- Returning to a 'business as usual' state as soon as practicably possible

Our review of the Business Continuity Policy confirmed that this is a comprehensive document which maps out the need for Business Continuity Plans (at every level across the organisation); the process for the identification of risks; roles and responsibilities for business continuity activity; the activation and deactivation of Business Continuity Plans and the framework for testing of the business continuity arrangements.

The overarching Business Continuity Plan (March 2022) has been prepared by the Leadership Management Team and is designed to be a tool to assist the Emergency Response Team (ERT) in the management of any incident and to meet the objectives of the College Business Continuity Process listed above. The members of the ERT are listed within the Business Continuity Plan together with contact details and levels of delegated authority for decision making.

Four main routes to the activation of the Business Continuity Plan are listed as follows:

1. Head of Facilities and Health and Safety – Identification of facilities related issues which occur during working hours or are notified via the Facilities Assistant out of hours service
2. IT Manager – Identification of significant disruption to the College's Information
3. Senior Management Team (SMT) – SMT members may identify a range of issues which could warrant BCP activation
4. Corporate Governance and Planning Officer – Through liaison with College Executive Office Staff, the Corporate Governance and Planning Officer may identify issues which warrant activation of the BCP

The Business Continuity Plan is underpinned by a variety of detailed scenario flowcharts which set out the prescribed method for dealing with different types of incident, including separate flowcharts for data breaches; IT/Network/Cyber incidents; and pandemic/sickness. These were updated to ensure that they covered specific initiatives, such as the management of the COVID-19 outbreak at the Park Hotel in Falkirk, where apprentices were accommodated.

A standard Business Continuity Incident Record form is in place which allows the details of the incident to be captured and acts as a checklist to ensure that all of the appropriate steps have been taken, and all of the relevant documentation collated and stored, before an incident is formally declare



Objective 2: The Business Continuity Plans / Contingency Plans are workable, properly communicated to members of staff, and have been adequately tested.

A COVID-19 internal working group was created – 'COVID short life working group (SLWG) – Returning to Campus Operations' and a formal remit for the short life working group was developed. This group includes staff representation across the College (including academic representation as well as support functions such as IT) together with the Student Association President and trade union representation). The duties of the SLWG were divided into four key strands:

- Physical Infrastructure
- Curriculum
- IT
- Other duties (such as ensuring clear communication on revised operations for staff and students)

The SLWG made recommendations on the way forward for consideration and approval by the Senior Management Team.

The business continuity arrangements have evolved throughout the pandemic towards a high level policy based on key principles. Previously the College had a separate plan which sat below the overarching Business Continuity Plan and this document helped guide the thinking in reacting to the pandemic in early 2020. In particular, the estates implications had already been considered in advance of the introduction of national restrictions. This process was assisted by the move to new buildings which had brought about new operating models, such as hot desking for non-static staff. The introduction of laptop trolleys and the move away from fixed PCs also helped the transition for staff and students in deploying the Business Continuity Plan. This has been supported by investment in the Learning and Skills Digital Academy.

A standard Risk Assessment Activities form was introduced to ensure a consistent approach in assessing the risks and identifying required changes to the operating model to reflect the changes in legislation and guidance as the pandemic progressed. This form also contains a section to allow teaching staff to communicate the safety procedures with their students and the risk assessment for the task/room and to log the details of the students who had been advised of the changes in procedures. A Vulnerable Groups Staff Risk Assessment was also introduced to ensure that the specific needs of vulnerable staff members could be identified and managed.

Separate Resuming Campus Operations (RCO) Guides were produced for staff, students and visitors, which were made available through SharePoint together with a training video accessible via the virtual learning environment. In addition, targeted communications were issued to staff via eFocus and a joint statement was issued by the College and trade unions in August 2020. Student update emails were also issued to advise students of any changes to the college operating model which would impact on their learning and student experience. In addition Wellbeing guidance was produced and disseminated.

Testing of the business continuity arrangements is completed on an annual cycle, with tabletop exercises completed on every scenario flowchart. This enables managers to work through the relevant flowchart to ensure that it remains workable and fit for purpose. Previously the scenario flowcharts were held on the Principal's drive, but we were advised that going forward these will be made available via the restricted area with Admincontrol.



Objective 3: The processes and procedures in place follow recommended good practice.

To establish whether the processes in place within the College were in line with Business Continuity Best Practices, a review of the documentation against 'Good Practice Guidance 2018 Edition' from the Business Continuity Institute, as well as literature from the IIA and HM Government, was undertaken to compare alignment.

From our review of the College processes against the above documents, the following points were noted as being aligned with the guidance:

- The Business Continuity Management System is defined as being in clear separate stages.
- Senior management Responsibility and Management Responsibility is defined in the Policy.
- The key areas of risk recognised in the IIA guidance of: Major Operational Failures; Loss of Primary Office, and Loss of IT Network are all recognised and incorporated into the BC approach.
- Recovery Processes are clearly defined.
- Annual testing/ exercises are performed in line with best practice.
- Senior management are immediately responsible for managing an Emergency Response.
- Plans are clearly communicated to operational management.
- All scenario flowcharts are available to both senior and operational management.
- Scenario flowcharts provide step by step guidance for addressing recovery issues.
- The scenario flowcharts are split into operational activities to allow for a tailored approach to specific practices.
- Regular updates have been provided to the Board on the initiatives progressed to identify and manage emerging issues arising from the pandemic

Therefore, based on our comparison with the good practice guidance listed above we are content that the college arrangements follow good practice.



Objective 4: The work that was undertaken to allow College operations to continue during the COVID-19 pandemic minimised, as far as possible, the impact on the student experience.

The Chair of the Learning and Student Experience Committee was a member of the SLWG, and this provided an important link between the Board and the activity which was being progressed to identify and manage emerging risks in a way which would minimise impact on the student experience. There were no meeting notes kept because an action tracker was felt to be more appropriate. An online tracker was used in MS Teams, which provided an overview of live tasks and allowed the members of the group to drill down into individual tasks.

Key to the work to minimise the impact on students was the need to understand the scale of the pandemic and the impact this would have on everyday life and on College operations. The College was represented at meetings of the Local Resilience Partnership, which was meeting five days a week at one time and contained local authority, NHS, Police and university representation. In addition, the College was represented at the weekly Education specific meetings which involved local authority Education heads and NHS Forth Valley. A HE/FE sector wide meeting was also convened, which the College attended.

In an effort to support students and the wider community, vaccination centres were set up at all three campuses providing vaccinations seven days a week. This was assisted by funding from the Scottish Funding Council to procure vaccination booths. This allowed a total of 330,000 vaccinations to be delivered across all three centres with a particular focus on providing accessible facilities for citizens with mobility issues.

Following the issue of SQA guidance on assessment the college conducted its own review of quality assessment processes and produced a paper which was considered by the Learning and Student Experience Committee in June 2020. A performance tool is now in place which allows individual student analysis to identify any emerging issues with attainment. This includes metrics which tie back to the Regional Outcome Agreement and targets have been set to allow intervention if the trajectory is not in line with targets. A number of students who were undertaking practical courses deferred their studies into the next academic year, given the impact which national restrictions would have on class based learning. However, the majority of students continued their studies online. Specific Moodle Resuming Campus Operations Awareness Sessions were made available to provide information to students. In addition, a Return to Campus Operations guide was produced by the Head of Learning & Quality, on Learning and Teaching Resources, which signposted students to all of the key information they needed to successfully engage in their studies remotely. Targeted support was put in place for students in Access to Learning provision. This was supported by a Return to Campus Operations guide on E-Assessment and Written Examinations and Exam Invigilation incorporating Social Distancing.

A Business Continuity Group generic email address was set up to allow COVID outbreaks to be reported and added to the College tracker. Communication around this was channelled via Curriculum/Line Managers. This email address also provided a mechanism for staff and students to ask questions and obtain advice.

The initial generic risk assessment for the College identified a number of issues arising from the pandemic, including security; first aid and health and safety (such as legionella arrangements). Previously a Business Impact Assessment form had been in place which was completed for each classroom, on the assumption that the loss of a classroom would result in a move to a different classroom. This approach has been revamped, with a particular focus around the student experience. The CELCAT booking system now allows staff to book space and the use of the reserve system at the Falkirk campus now allows staff to see when a room is booked via an iPad on the door.



Objective 5: Appropriate preparations were made and robust plans developed to ensure that College campuses could safely reopen when the COVID-19 lockdown was eased, taking into account all Scottish Government and Health and Safety Executive Guidance relevant to education providers.

The Springback Programme was deployed to ensure that appropriate plans were made for the safe reopening of College operations. A weekly dashboard has produced for the Springback Programme to review progress and ensure the various projects continue to stay on track. This dashboard was monitored via the Leadership Management Team.

Our review of LMT minutes confirmed that the guidance issued by the Scottish Government was considered and factored into the dashboard to ensure that the plans put in place were aligned with Scottish Government guidance.

A number of projects were progressed under the Springback Programme as follows:

- Student Journey project
- Hybrid Working project
- Hybrid learning project
- Re-introducing Staff and Students to Campus Life Project

In addition to enhanced cleaning regimes (stronger detergents) and enhanced hand hygiene measures the College has also taken the decision to introduce anti-microbial fogging at each campus, which is undertaken by facilities staff at weekends. We have been advised that these measures were to be continued and kept under review in order to minimise the risk for immunosuppressed staff and students.

Investment has also been made in electrostatic guns which are utilised by technicians to cleanse tools trolleys.

It is clear from our review of the evidence presented that the College has maintained a focus around ensuring compliance with Scottish Government and Health and Safety Executive guidance and has exceeded these recommended minimum standards in a number of areas in an effort to ensure a safe environment for staff, students and visitors.



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Forth Valley College

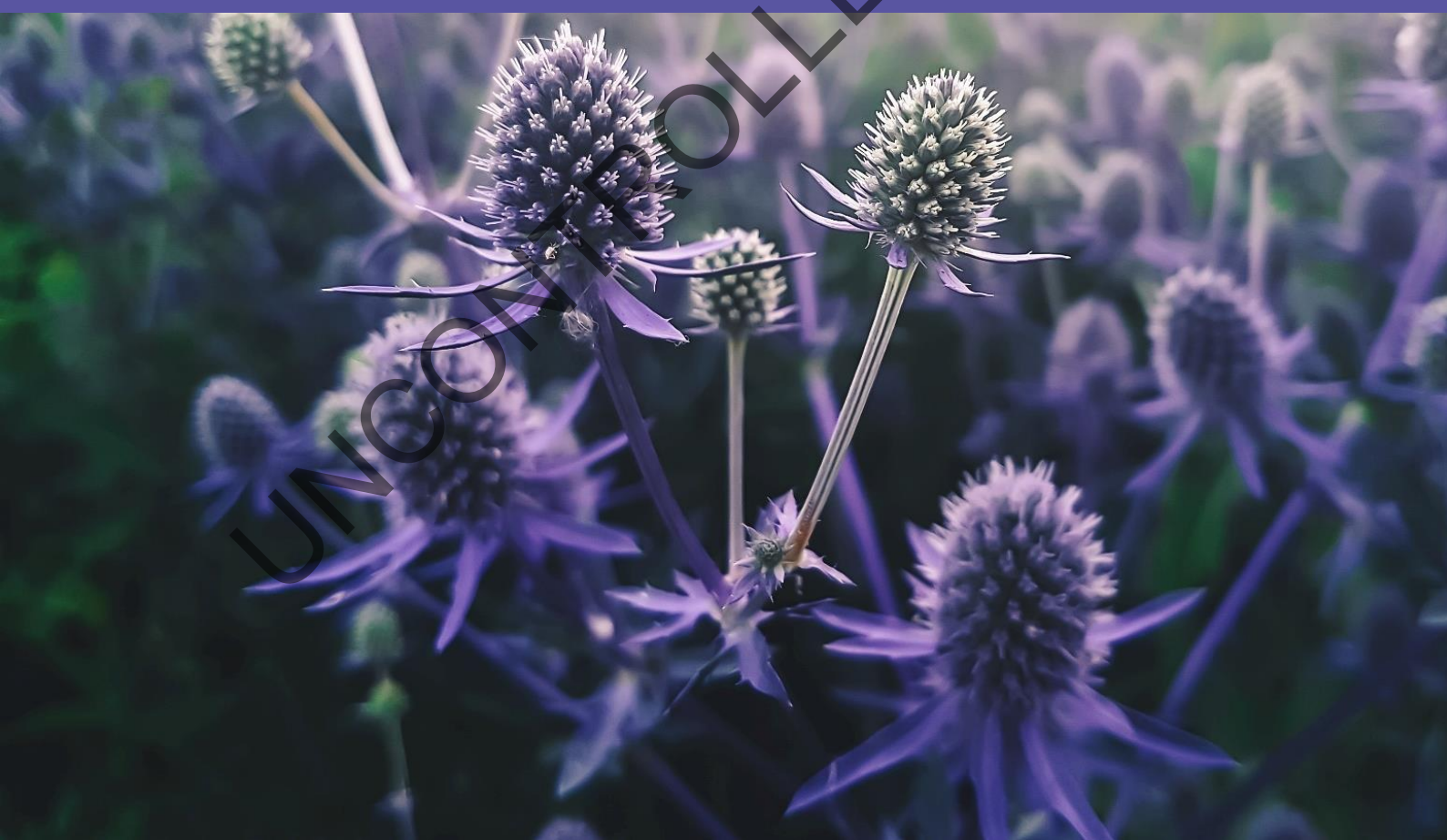
Follow Up Reviews 2021/22

Internal Audit report No: 2022/07

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Management Summary

Introduction and Background

As part of the Internal Audit programme at Forth Valley College ('the College') for 2021/22 we carried out a follow-up review of the recommendations made in Internal Audit reports issued during 2021/22 and reports from earlier years that had either not already been subject to follow-up or where previous follow-up identified recommendations outstanding. These were:

- Internal Audit Report 2021/08 – Follow Up 2020/21
- Internal Audit Report 2021/05 – Health and Safety
- Internal Audit Report 2021/07 – IT Network Arrangements / Cyber Security
- Internal Audit Report 2022/02 – Procurement and Creditors / Purchasing
- Internal Audit Report 2022/03 – 2020/21 Student Activity Data
- Internal Audit Report 2022/05 – Data Protection

Reports 2021/06 – Staff Recruitment, Retention and Succession Planning, 2021/09 – Annual Plan 2020/21, 2022/01 – Annual Plan 2021/22, 2022/04 – Student Support Funds and 2022/06 – Business Continuity did not contain an action plan and therefore no follow-up was required as part of this review.

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

Some progress has been made in implementing the previous internal audit recommendations that have reached their target completion date, with 12 (48%) of the 25 recommendations past their due date classified as fully implemented.



Overall Conclusion (Continued)

We found that 11 (44%) of recommendations were categorised as ‘partially implemented’ and one was not yet past its agreed completion date. These recommendations will be subject to follow up in the next formal Follow Up Review exercise.

Two recommendations were categorised as ‘considered but not implemented’.

The first of these relates to report 2021/07 – IT Network Arrangements (R2). The recommendation proposed that a review be conducted to identify the business need for scripting languages and executables, with steps taken to disable services for users that are not required. While a review was undertaken, it was deemed to be low risk and no further action was taken at this time.

The second recommendation relates to report 2022/03 – 2020/21 Student Activity Data (R1). The recommendation noted that in line with College procedures, it should be ensured that all part-time fee waiver forms are retained to show the type of evidence provided by the students and confirmation that College staff have reviewed and verified student eligibility. Management advised that from August 2021 completion of this internal form was no longer a mandatory requirement however the College opted to file fee waiver forms with fee waiver evidence when received from a student. It was ultimately decided that from August 2022 this document is no longer required to accompany fee waiver evidence.

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 Implemented	Partially Implemented	Little or No Progress Made	Not Past Agreed Completion Date	Considered But Not Implemented
2021/08 – Follow Up 2020/21	1	-	-	-	-	-	-
	2	-	-	-	-	-	-
	3	1	-	1	-	-	-
	N/A	6	4	2	-	-	-
Total		7	4	3	-	-	-
2021/05 – Health and Safety	1	-	-	-	-	-	-
	2	4	3	1	-	-	-
	3	2	2	-	-	-	-
Total		6	5	1	-	-	-
2021/07 – IT Network Arrangements / Cyber Security	1	-	-	-	-	-	-
	2	2	1	1	-	-	-
	3	7	1	5	-	-	1
Total		9	2	6	-	-	1
2022/02 – Procurement and Creditors / Purchasing	1	-	-	-	-	-	-
	2	-	-	-	-	-	-
	3	2	1	1	-	-	-
Total		2	1	1	-	-	-



Overall Conclusion (Continued)

From Original Reports			From Follow-Up Work Performed				
Area	Rec. Priority	Number Agreed	Fully Implemented	Partially Implemented	Little or No Progress Made	Not Past Agreed Completion Date	Considered But Not Implemented
2022/03 – 2020/21 Student Activity Data	1	-	-	-	-	-	-
	2	-	-	-	-	-	-
	3	1	-	-	-	-	1
Total		1	-	-	-	-	1
2022/05 – Data Protection	1	-	-	-	-	-	-
	2	-	-	-	-	-	-
	3	1	-	-	-	1	-
Total		1	-	-	-	1	-
Grand Totals		26	12	11	-	1	2

The grades, as detailed below, denote the level of importance that should have been given to each recommendation within the 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 2021/08 – Follow Up 2020/21

Original Recommendation	Priority	Management Response	To Be Actioned By	No Later Than	Progress Previously Reported	Progress at August 2022
2020/06 – Estates Maintenance						
<p>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.</p>	3	<p>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.</p>	<p>Vice Principal Finance and Corporate Affairs</p>	<p>28 February 2021</p>	<p>August 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.</p> <p>Little or No progress</p> <p>Revised implementation date: 31 December 2021</p>	<p>The scheduled strategic event did not take place as planned. With the Strategic Plan to 2025 having been approved in February 2022, consideration was given to committee structures and implemented from August 2022.</p> <p>Management agreed with the Chair of the Board of Management that estates will sit under the remit of the Finance Committee. A revised remit will be taken to the September meeting of the Committee.</p> <p>Partially Implemented</p> <p>Revised Date of Completion: 30 September 2022</p>

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Follow Up Reviews 2021/22

Original Recommendation	Priority	Management Response	To Be Actioned By	No Later Than	Progress Previously Reported	Progress at August 2022
2021/04 – Externally Facilitated Effectiveness Review						
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.	N/A	Mapping exercise to be conducted and workshop to be included in Strategic planning session scheduled for October 2021.	SMT	30 October 2021	<p>August 2021 Owing to availability of Board members, this session has now been scheduled for November 2021 where the mapping exercise will be considered.</p> <p>Not past agreed completion date</p> <p>Revised implementation date: 30 November 2021</p>	<p>This was initially discussed at the meeting on 4 November 2021 and was taken further at the strategic event in February 2022.</p> <p>The Principal included this mapping in the presentation to the Board in February 2022, completing the action.</p> <p>Fully Implemented</p>



Follow Up Reviews 2021/22

Original Recommendation	Priority	Management Response	To Be Actioned By	No Later Than	Progress Previously Reported	Progress at August 2022
2021/04 – Externally Facilitated Effectiveness Review						
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.	N/A	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.	Vice Principal Learning and Student Experience	30 November 2021	<p>August 2021 On-going. On target for completion.</p> <p><i>Not past agreed completion date</i></p> <p>Revised implementation date: 30 November 2021</p>	<p>There has been ongoing engagement with Learning & Quality and the Forth Valley Students' Association (FVSA) to implement the correct document format and process.</p> <p>Monthly meetings with FVSA and the Learning and Student Experience Committee (LISEC) are being used to capture student concerns and feedback updates and solutions to students.</p> <p>The College's new student portal, Campus M, will be the vehicle to communicate all student feedback. Outcomes and feedback from Student surveys; Listening to learners; and Student Association 'Feedback Fridays' will commence from the start of academic session 2022/23.</p> <p><i>Partially Implemented</i></p> <p>Revised Date of Completion: 30 September 2022</p>



Follow Up Reviews 2021/22

Original Recommendation	Priority	Management Response	To Be Actioned By	No Later Than	Progress Previously Reported	Progress at August 2022
2021/04 – Externally Facilitated Effectiveness Review						
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.	N/A	Remit will be reviewed and reporting link to Learning & Student Experience Committee established.	Vice Principal Learning and Student Experience	30 October 2021	<p>August 2021 On-going. On target for completion.</p> <p><i>Not past agreed completion date</i></p> <p>Revised implementation date: 30 October 2021</p>	<p>This recommendation is complete. The Corporate Parenting Plan and Action tracker have both launched. Action owners will report into Action group on a bi-annual basis.</p> <p>Fully Implemented</p>
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.	N/A	A risk workshop regarding risk appetite will be held and the risk register will be considered at the strategic planning session in October 2021.	Board Secretary	30 October 2021	<p>August 2021 This will occur at the November 2021 Board session referred to above.</p> <p><i>Not past agreed completion date</i></p> <p>Revised implementation date: 30 November 2021</p>	<p>A Risk Appetite workshop was held at the February 2022 Board Strategic Session. Feedback was given to the Audit Committee in May 2022.</p> <p>Fully Implemented</p>



Follow Up Reviews 2021/22

Original Recommendation	Priority	Management Response	To Be Actioned By	No Later Than	Progress Previously Reported	Progress at August 2022
2021/04 – Externally Facilitated Effectiveness Review						
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.	N/A	The Chair will have this in place by the end of the current academic year.	Chair	30 August 2021	<p>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.</p> <p>Partially Implemented</p> <p>Revised implementation date: 31 December 2021</p>	<p>The Chair holds one-to-one meetings with all members of the Board. During these meetings with the staff and student members, he seeks feedback on the performance and targets for the Principal.</p> <p>Fully Implemented</p>
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.	N/A	The Board will discuss this at the next strategic planning session and develop an Ethical Policy.	Board of Management	30 October 2021	<p>August 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.</p> <p>Not past agreed completion date</p> <p>Revised implementation date: 24 February 2022</p>	<p>Following further review, it was felt that this should not be a standalone item and instead should form part of a wider Corporate Social Responsibility Policy.</p> <p>A draft Policy has been prepared and will be considered at the Board of Management meeting in September 2022 for approval.</p> <p>Partially Implemented</p> <p>Revised Date of Completion: 30 September 2022</p>



Appendix II - Updated Action Plan

Internal Audit Report 2021/05 – Health & Safety

Original Recommendation	Priority	Management Response	To Be Actioned By	No Later Than	Progress at August 2022
<p>R1 The College should ensure that all health and safety policies and procedures (as noted in Appendix 1) are reviewed and updated.</p> <p>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.</p> <p>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.</p>	<p>3</p>	<p>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.</p> <p>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.</p> <p>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.</p> <p>The College's Health and Wellbeing at Work Strategic Commitment (April 2017) will be reviewed by the H&S committee and HR Committee.</p>	<p>Head of H&S and College Leadership Management Team</p>	<p>1 November 2021</p>	<p>This recommendation was completed in November 2021. All Health and Safety policies and procedures and been reviewed and updated where required and will continue to be reviewed at agreed intervals or upon a significant change.</p> <p>Fully Implemented</p>



Follow Up Reviews 2021/22

Original Recommendation	Priority	Management Response	To Be Actioned By	No Later Than	Progress at August 2022
<p>R2 Management should review all new staff records to ensure they have completed all mandatory training requirements within their probationary period.</p> <p>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.</p> <p>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.</p> <p>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.</p>	<p>2</p>	<p>The College is in agreement with R2 and is making adjustment to reflect the required changes.</p> <p>The College will review the process of identifying mandatory training for all staff to develop a matrix of mandatory training by role profile, which will be linked to staff records.</p> <p>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.</p> <p>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.</p>	<p>Head of HR, Head of Estates and Directors of Curriculum</p>	<p>31 March 2022</p>	<p>All mandatory training courses have been re-written within Moodle to ensure they are functioning correctly and capturing details of when a member of staff completes.</p> <p>More comprehensive reporting has also been developed and all issues with recording of courses and reporting resolved.</p> <p><i>Fully Implemented</i></p>

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Follow Up Reviews 2021/22

Original Recommendation	Priority	Management Response	To Be Actioned By	No Later Than	Progress at August 2022
<p>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.</p> <p>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.</p> <p>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.</p> <p>The process for reporting H&S training needs to HR and H&S should be defined in policies for staff awareness, including that training needs be identified from completing risk assessments and who to communicate needs to.</p>	2	Please refer to management response to R2 .	Head of HR, Head of Estates and Directors of Curriculum	31 March 2022	<p>Progress has been made, and all mandatory training courses have been re-written within Moodle to ensure they are functioning correctly and capturing details of when a member of staff completes.</p> <p>In relation to non-mandatory training, the College is awaiting the output from the national support staff role profile exercise to identify role specific CPD. This, combined with the functionality of the new HR system, will greatly aid in developing a process for ensuring all necessary training is undertaken. As the Role profile work is being done at a sector level, the date has been changed to allow time for completion and implementation.</p> <p>Reports have been created that show the College picture, with the option to drill down to course or department level and to identify individuals. Work continues to provide this in a dashboard for managers to utilise as required and without prompting.</p> <p>Partially Implemented</p> <p>Revised Date of Completion: 20 December 2022</p>

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Follow Up Reviews 2021/22

Original Recommendation	Priority	Management Response	To Be Actioned By	No Later Than	Progress at August 2022
<p>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.</p> <p>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.</p> <p>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.</p>	<p>2</p>	<p>The College acknowledges the recommendation and will strive to verify the data received to ensure accurate data submissions and trend analysis are carried out.</p> <p>Links between both H&S and HR to be established and developed further as necessary</p> <p>Aim to obtain and retain credible data to develop a reporting structure to ensure overall compliance and reporting to the relevant committees.</p> <p>Further development of Moodle courses for new starts</p>	<p>Head of H&S, Head of HR, Head of Quality</p>	<p>1 November 2021</p>	<p>All mandatory training courses have been re-written within Moodle to ensure they are functioning correctly and capturing details of when a member of staff completes.</p> <p>Links between VLE and HR systems have been resolved so reports are now available.</p> <p><i>Fully Implemented</i></p>

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Follow Up Reviews 2021/22

Original Recommendation	Priority	Management Response	To Be Actioned By	No Later Than	Progress at August 2022
<p>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.</p> <p>The process for requesting specialised training in line with updates made to processes in R3 and documented in the Health, Safety, and Environmental policy.</p> <p>The Contractor induction form should also be version controlled in line with good practice.</p>	<p>3</p>	<p>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.</p> <p>The College advises that it will work with all relevant parties to agree an updated policy that encapsulates recommendation R5</p> <p>The College acknowledge the version control footer and has since been updated.</p>	<p>Head of Health and Safety, Director of Infrastructure, College Trade Union representatives</p>	<p>3 January 2022</p>	<p>The Health, Safety, Environment and Welfare Policy has updated and was approved by the Health & Safety Committee in March 2022.</p> <p><i>Fully Implemented</i></p>

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Follow Up Reviews 2021/22

Original Recommendation	Priority	Management Response	To Be Actioned By	No Later Than	Progress at August 2022
<p>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.</p>	<p>2</p>	<p>The Health and Safety department vigorously work with departments and trade union H&S reps to adapt and review general risk assessment as necessary.</p> <p>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</p> <p>Please refer to response R2 for College intent to rectify training records and identify areas for improvement.</p>	<p>Head of Health & Safety / Director of Infrastructure</p>	<p>1 October 2021</p>	<p>This recommendation was completed in November 2021. All departments were contacted, and risk assessments have been completed in all areas.</p> <p>Fully Implemented</p>

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Appendix III - Updated Action Plan

Internal Audit Report 2021/07 – IT Network Arrangements

Original Recommendation	Priority	Management Response	To Be Actioned By	No Later Than	Progress at August 2022
<p>R1 Formally document the College's specific cyber security risks and vulnerabilities, along with controls and mitigations, within an IT operational risk register. The format of the risk register should be in line with the College's strategic risk register and risks scored, prioritised, and monitored in accordance with the College's risk management framework.</p>	3	<p>The IT Operational Risk Register will be re-formatted to more closely align with the College's strategic risk register, with risks scored and prioritised.</p>	Head of IT	31 March 2022	<p>Specific cyber security risks have been documented, along with the creation of a "play book" detailing scenarios and responses to a range of security threats. These documents were presented for approval to the Information Governance meeting in June 2022.</p> <p>IT Operational Risk Register was presented to the College's Information Governance Group.</p> <p>Fully Implemented</p>
<p>R2 Mechanisms should be established for testing the effectiveness and value for money of the security training provided to staff. The areas of the organisation that regularly feature in security reports, or achieve the lowest feedback from information security questionnaires, should be targeted for further tailored training activity.</p>	3	<p>The IT Team will explore testing the effectiveness of training provided through the use of ethical phishing campaigns.</p>	Head of IT	31 July 2022	<p>An ethical phishing campaign was developed and originally planned to be delivered in July 2022.</p> <p>While the materials are ready, it was realised that most staff would still be on leave at that point and the College didn't want the campaign to be lost in the usual start of term work.</p> <p>Subsequently, management will be seeking permission at the upcoming Audit meeting to extend the deadline to the end of November 2022 when staff will be settled into the new academic year, and staff will be more receptive.</p> <p>Partially Implemented</p> <p>Revised Date of Completion: 30 November 2022</p>



Follow Up Reviews 2021/22

Original Recommendation	Priority	Management Response	To Be Actioned By	No Later Than	Progress at August 2022
<p>R3 Explore how guidance for staff on how to manage their digital footprints safely and reduce the risk of becoming a target for attackers, both in a professional and personal capacity, and particularly through use of social media platforms can be made more widely available to staff and Board members. The Learning Digital Skills team delivering training as part of the agenda for Staff Development days should be considered.</p>	3	<p>The existing mandatory training course will be adapted to specifically highlight the risks associated with social media platforms, and consideration will be given to running targeted training on staff development days.</p>	Head of IT/LDSA	31 August 2022	<p>Course content for the existing mandatory course has been written and passed to the course development team for training to be delivered.</p> <p>Partially Implemented</p> <p>Revised Date of Completion: 31 December 2022</p>
<p>R4 A review should be conducted to identify the business need for scripting languages and executables and steps should be taken to disable services for users that are not required.</p>	3	<p>This has been considered in the past but was deemed as low risk. Agree that a review should be conducted to identify if there is a need to address.</p>	Head of IT	31 July 2022	<p>Review has been undertaken, and this is still deemed as low risk. However, as part of the College's Information Management Programme this will continue to be reviewed at a departmental level.</p> <p>Considered But Not Implemented</p>
<p>R5 A full real time test of the College's backup and recovery capability should be undertaken to test the robustness of the College's recovery plans and provide assurance that the recovery time objectives outlined in those plans are both realistic and achievable. Testing should be scheduled for a time that minimises any potential disruption to the College's operations.</p>	2	<p>Agreed. Restores of individual systems from backups are performed regularly, however there is a need to test a full system recovery from back up. An air-gapped network has now been established for this purpose. A full power down and restore has also been undertaken as part of a planned "black start" to test business continuity.</p>	Head of IT	31 July 2022	<p>A full system restore from tape has been undertaken in the College's test environment, and a full power down and restore has also been undertaken as part of a planned "black start" to test business continuity, with minor issues addressed.</p> <p>Fully Implemented</p>



Follow Up Reviews 2021/22

Original Recommendation	Priority	Management Response	To Be Actioned By	No Later Than	Progress at August 2022
<p>R6 A risk-based approach should be adopted to enabling critical logs to improve endpoint security. Examples of critical logs include:</p> <ul style="list-style-type: none"> Local user and group enumeration. Logon attempts with local accounts. Logon with explicit credentials. Plug-and-play device connections (e.g., USBs). Process creation. File creation. PowerShell providers loaded. Script block logging. 	3	The College is currently on-boarding with Jisc to introduce a Security Information Events Management (SIEM) system, starting with logging at server level. It's planned to extend logging to key workstations once all parties are comfortable with how they system functions. This recommendation reflects where we are with our implementation.	Head of IT	31 August 2022	<p>On-boarding with Jisc to introduce a SIEM is progressing as planned.</p> <p>All preparatory work has been undertaken by the College however this service is proving popular, and the College has a provisional date in October 2022 with Jisc, with completion estimated for the end of the year.</p> <p>Partially Implemented</p> <p>Revised Date of Completion: 31 December 2022</p>
<p>R7 Use manual testing methods (for example penetration testing or red team simulated cyber-attack exercises) in addition to automated tools, such as network IDS / IPS or SIEM, to test and obtain assurance that vulnerabilities are identified and managed.</p>	3	As per previous response, the College is currently on-boarding with Jisc to introduce a managed SIEM. Penetration testing will be re-introduced.	Head of IT	31 July 2022	<p>As per R6, On-boarding with Jisc to introduce a SIEM is progressing as planned.</p> <p>All preparatory work has been undertaken by the College however this service is proving popular, and the College has a provisional date in October 2022 with Jisc with completion estimated for the end of the year.</p> <p>Partially Implemented</p> <p>Revised Date of Completion: 31 December 2022</p>



Follow Up Reviews 2021/22

Original Recommendation	Priority	Management Response	To Be Actioned By	No Later Than	Progress at August 2022
<p>R8 It is recommended that an audit of cloud and third-party systems in use across the College estate, which are not directly linked to College Active Directory or Office365 accounts, is undertaken to identify instances of staff using College logins and email accounts and put in place procedural guidance for line managers to revoke user access to such accounts, and for staff on good password management.</p>	3	<p>Agreed. IT are aware of a number of third-party and cloud-based systems which are managed locally within Departments, where IT don't control user accounts, and therefore can't delete accounts of staff leavers etc. An audit of all systems would be beneficial. Procedural guidance for system owners will be prepared, and guidance for college staff on using college credentials for external systems will be reiterated.</p>	<p>Project Support Officer (As part of Information Management Project)</p>	<p>31 August 2022</p>	<p>Audit is being undertaken as part of the College's Information Management Project, with two departments outstanding.</p> <p>Partially Implemented</p> <p>Revised Date of Completion: 31 October 2022</p>
<p>R9 The Incident Response Plan should be finalised and communicated to all relevant staff and stakeholders to ensure that everyone's roles and responsibilities are defined and understood. This should then be supported through appropriate training. The response plan should then be practised to ensure staff know how to respond during an incident, and to also highlight any problem areas in the planned response. Practises should also include restoring files from backups (see R5).</p>	2	<p>Agreed. The Incident Response Plan is currently in draft format, with advice on content gratefully received through this audit. Individual system RTOs are being tested on out air gapped test network. The plan will be finalised, shared appropriately and tested.</p>	<p>Head of IT</p>	<p>28 January 2022 for plan, 31 July 2022 for testing</p>	<p>Incident Response Plan reviewed at the Information Governance Group (IGG), with internal testing undertaken by the IT Team. Agreed at IGG that fuller testing should be combined with an exercise on College Business Continuity, with planning being done in August.</p> <p>Partially Implemented</p> <p>Revised Date of Completion: 31 December 2022 (for fuller testing combined with Business Continuity)</p>



Appendix IV - Updated Action Plan

Internal Audit Report 2022/02 – Procurement and Creditors / Purchasing

Original Recommendation	Priority	Management Response	To Be Actioned By	No Later Than	Progress at August 2022
<p>R1 The Scheme of Delegation, Procurement Policy and procurement procedures should be updated to make specific reference to the “authorisation process by department” record to ensure transparency over procurement and spending controls.</p>	3	<p>Although all information is in place, we accept that clarity could be improved and we will reference both the internal scheme of delegation and the “authorisation process by department” in the Financial Regulations and Procurement procedures and we will make these available on the Finance Sharepoint page.</p>	Director of Finance	30 January 2022	<p>The updated Financial Regulations will be presented to Finance Committee for approval September 2022. Delayed due to severance programme taking time away from day-to-day work.</p> <p>Partially Implemented</p> <p>Revised Date of Completion: 30 September 2022</p>
<p>R2 Procedures should be established to ensure that the purchase ledger team make contact with the supplier using the contact details held in SUN to confirm that the request is genuine and bona fide.</p> <p>Management should ensure that an exception report is generated for any supplier who has requested changes in their standing information to allow independent monitoring of the checks carried out prior to the changes being made. This exception report should be produced in advance of each payment run and signed off to confirm that the appropriate checks have been undertaken before payment is made.</p>	3	<p>Procedures do exist and are followed prior to each payment run, for changes in supplier bank details. We acknowledge that these are not formally documented and will rectify this.</p> <p>Given that payments are almost entirely electronic we view other standing data changes as being low risk but will now introduce them to the procedures.</p>	Finance Manager	31 December 2021	<p>This is now complete; the procedure has been updated.</p> <p>Fully Implemented</p>



Appendix V - Updated Action Plan

Internal Audit Report 2022/03 – 2020/21 Student Activity Data

Original Recommendation	Priority	Management Response	To Be Actioned By	No Later Than	Progress at August 2022
<p>Fee Waiver</p> <p>R1 In line with the College's internal procedures ensure that part-time fee waiver forms are retained in all cases to show the nature of the evidence presented by the students and to confirm that College staff have verified student eligibility.</p>	<p>3</p>	<p>Through the audit it was found that in all cases the evidence to substantiate eligibility was stored, however the internal part-time fee waiver form was not available for all students. In the interim the importance of ensuring a part-time fee waiver form is stored for all eligible students will be stressed to the Student Records Team, however a review of our internal procedures will be undertaken prior to Session 2022-23 to establish if student eligibility can be verified without the need to complete a part-time fee waiver form.</p>	<p>Director of Operations / Student Records Co-ordinator</p>	<p>May 2022</p>	<p>From 1 August 2021, the completion of the internal part-time fee waiver form was no longer a mandatory requirement, however, was filed along with fee waiver evidence when received. Following a review of internal fee waiver procedures, it has been agreed that from 1 August 2022, this document is no longer required to accompany fee waiver evidence, and this will be communicated to staff accordingly.</p> <p><i>Considered But Not Implemented</i></p>



Appendix VI - Updated Action Plan

Internal Audit Report 2022/05 – Data Protection

Original Recommendation	Priority	Management Response	To Be Actioned By	No Later Than	Progress at August 2022
<p>R1 An annual Data Protection Compliance report should be developed and formally reported to the Audit Committee. The report should include relevant data protection progress updates, as well as summarising key compliance metrics relating to data breaches, subject access requests and staff training. These metrics should also be included within the suite of performance data reported to senior management.</p>	<p>3</p>	<p>It's agreed that an annual Data Protection Complain report will be developed to be reported to the Audit Committee and LMT.</p>	<p>Donald MacLean, Data Protection Officer (DPO)</p>	<p>30 September 2022</p>	<p>The recommendation was discussed at the Audit Committee who confirmed this report would be welcomed.</p> <p>Report being developed and will be presented to the next Audit Committee in September 2022.</p> <p><i>Not Past Agreed Completion Date</i></p>

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Forth Valley College

**Annual Report to the Board of Management and
Principal on the Provision of Internal Audit Services for
2021/22**

Internal Audit report No: 2022/08

Draft issued: 31 August 2022

Final issued: 31 August 2022



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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. The contract extension was approved in May 2022. This report summarises the internal audit work performed during 2021/22.
- 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 The annual operating plan for 2021/22 showed a number of changes to the allocation set out in the above Strategic Plan. Following discussion with the College Leadership Team:
 - two assignments originally proposed for 2020/21, Student Application Process Business Process Review (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 was removed from the plan and was covered as part of the IT Network Arrangements assignment undertaken in 2020/21; and
 - a four-day review of Creditors and Purchasing / Procurement was added to the plan for 2021/22.
- 1.4 The work undertaken in the year followed that set out in the operating plan for 2021/22 with the exception of the further deferral of the Student Application Process BPR and Corporate Planning / Service Redesign reviews into the annual plan for 2022/23 at the request of College management. It was originally discussed with management that a Quality Assurance BPR be undertaken in 2021/22 utilising these audit days. However, the detailed scope for this review has only recently been agreed with management and therefore this reviews will also be undertaken as part of the 2022/23 programme of work.
- 1.5 The reports submitted during 2021/22 are listed in Section 2 of this report and a summary of results and conclusions from each finalised assignment is given at Section 3.
- 1.6 An analysis of time spent against budget is included at Section 4.



Public Sector Internal Audit Standards (PSIAS) Reporting Requirements

- 1.7 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.
- 1.8 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.
- 1.9 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.
- 1.10 In the intervening years between formal external assessment against PSIAS we conduct our own self-assessment annually. The result of our latest self-assessment, conducted in April 2022, confirms that our service is independent of the College and continues to comply with the PSIAS.

Significant Issues

- 1.11 In last year's annual report we highlighted that 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. Our follow-up work in 2021/22 noted that a significant amount of work had been undertaken in this area, although one Priority 2 recommendation on H&S training had still to be fully implemented. Progress had been made in addressing this issue, with completion now planned by December 2022.
- 1.12 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 2022/23.



Opinion

1.13 In our opinion, 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 2021/22 and in the prior years following our appointment in 2019/20.

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Reports Submitted

Number	Title	Overall Grade	Recommendations	High / Priority 1	Medium / Priority 2	Low / Priority 3
2022/01	Internal Audit Annual Plan 2021/22	N/A	N/A	N/A	N/A	N/A
2022/02	Procurement and Creditors / Purchasing	Satisfactory	2	-	-	2
2022/03	2020/21 Student Activity Data	Audit opinion unqualified	1	-	-	1
2022/04	Student Support Funds 2020/21	Audit opinion unqualified	-	-	-	-
2022/05	Data Protection	Good	1	-	-	1
2022/06	Business Continuity	Good	-	-	-	-
2022/07	Follow-Up Reviews	N/A	12 recommendations required further action with 2 associated with the 2020/21 EFER review that were not graded using our rating system	-	2	8

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.

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Summary of Results and Conclusions

2022/01 – Annual Plan 2021/22

Final Issued – May 2021

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 2022. The plan was based on the proposed allocation of audit days for 2021/22 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.

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2022/02 – Procurement and Creditors / Purchasing

This audit focussed on the systems of internal control in place for the ordering of goods and services and the payment of invoices. We also considered whether the procurement strategy followed, and the procedures in place, supported best value purchasing across the College in relation to non-pay spend.

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

Strengths

- The College’s Procurement Policy, Procurement Strategy and associated guidance made available to staff were in line with legislative requirements and there was dedicated procurement support in place through the Supply Chain Manager contracted to the College by APUC.
- Wherever possible, the College made use of available national framework agreements. A full list of frameworks open to the College was made available to staff on the FVC SharePoint site. These had previously been highlighted to staff during the procurement training sessions.
- Our testing confirmed that the College’s procurement guidance on quotes and tenders were being complied with.
- The College’s Financial Regulations (2012) were in the process of being updated by the Director of Finance. Arrangements around delegated authorities, and exceptions for goods and services not raised through P2P, were also in the process of being updated by management.
- The process for approving new suppliers and updating College systems was appropriately documented.
- As part of the payment run, the Finance Manager reviewed the bank details of suppliers and any changes made to standing supplier information (such as changes made to bank account details).
- Our sample testing noted that transactions selected from the general ledger were aligned to invoices approved in line with the delegated authority and segregation of duties within the Finance team for the supplier BACS returns reviewed.

Final Issued – December 2021

The objective of our audit was to obtain reasonable assurance that:	
1. The College’s Procurement Policy, Strategy and procurement guidance are comprehensive, kept up-to-date and in line with the Procurement Reform (Scotland) Act 2014, (‘the Act’) and The Procurement (Scotland) Regulations 2016 (‘the Regulations’)	Good
2. Procurement procedures ensure that: <ul style="list-style-type: none"> • areas of high spend across the College are monitored appropriately; • opportunities for pooling of expenditure are identified in order to achieve best value; and • collaborative procurements and frameworks available to the College are utilised where appropriate 	Good
3. Purchase orders are completed for relevant purchases and are approved by members of staff with sufficient delegated authority prior to issue to suppliers, with the risk of unauthorised and excessive expenditure being minimised	Satisfactory
4. The College’s procurement guidance on quotes and tenders are being complied with	Good
5. All liabilities are fully and accurately recorded	Good



2022/02 – Procurement and Creditors / Purchasing (Continued)

Weaknesses

- The College’s Scheme of Delegation (2018) and Procurement Policy and associated procedures should be updated to include information on delegated authority or should be amended to signpost explicitly to Finance’s list titled “Authorisation Process by Department” to provide enhanced transparency and understanding of the agreed arrangements.
- While there was function in P2P to retain evidence of goods or services received, it was not routinely utilised. Therefore, we were unable to evidence a process to centrally document receipt of goods or services received before invoices are approved for payment on P2P. In practice, departmental administrators, or budget holders, ticked a box on the P2P system to confirm to Finance that they were content to pay the supplier. There was also no formal check to confirm that goods and services had been received before Finance paid the invoice.
- In the absence of updated Financial Regulations, the process for changes in supplier standing information was not documented. Exception reports relating to changes in the supplier standing data were not routinely retained to demonstrate who had completed the supplier checks and when these checks had been carried out in order to provide the organisation with an audit trail of the checks conducted prior to any changes to supplier standing data being made. Weekly exception reports were run and retained by the Finance Manager and reviewed for bank detail changes which were viewed as the key risk.

6. All payments are properly authorised, processed, and recorded	Satisfactory
7. Appropriate controls are in place over the amendment of standing supplier data on the finance system	Satisfactory
Overall Level of Assurance	Satisfactory

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2022/03 – 2020/21 Student Activity Data

Final Issued – November 2021

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, COVID-19 related guidance at Annex D and the key areas of risk identified in Annex E.

Our report was submitted to the SFC on 2 November 2021. 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.

One Priority 3 recommendation was made in our internal audit report. We recommended that, in line with the College's internal procedures, the College should ensure that part-time fee waiver forms are retained in all cases to show the nature of the evidence presented by the students and to confirm that College staff have verified student eligibility.



Internal Audit Annual Report 2021/22

2022/04 – Student Support Funds 2020/21

Final Issued – November 2021

We carried out an audit on the following fund statements for the 2020/21 academic year:

- Further Education Discretionary Fund, Further and Higher Education Childcare Fund and Bursary Return;
- Higher Education 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 2021, 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.

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2022/05 – Data Protection

This audit included a review of the College’s implementation of the Data Protection Act 2018, including the UK General Data Protection Regulation (GDPR), to ensure that processes and procedures are in place to allow compliance with this.

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

Strengths

- The College had established a data protection compliance framework which included a suite of policies, procedures, guidance, privacy notices, an information asset register, data breach and Subject Access Request reporting and monitoring arrangements;
- A Data Protection Officer (DPO) had been appointed;
- Governance structures were in place to maintain oversight of data protection compliance across the College;
- As part of a strategic objective to improve its digital infrastructure, the College was undertaking an Information Management Policy project which aimed to provide an in-depth understanding of the data which was being held in the organisation; where the data was stored (both in core systems and external software applications); and with whom the data was shared. A key objective of the project was to drive compliance with the requirements of data protection legislation; and
- Overall, we identified that the College had good data protection procedures in place, although we did identify one opportunity for enhancing the existing procedures. This is described in more detail below.

Opportunities for improvement

- Although data protection issues were reported to the SMT as they arose, we noted that there was scope for formalising data protection compliance reporting such as through an annual DPO report to the Board. The report should include relevant data protection progress updates, as well as summaries of key compliance metrics relating to data breaches, subject access requests and staff training.

Final Issued – May 2022

The objective of our audit was to obtain reasonable assurance that:	
1. Appropriate action has been taken by the College to comply with the Data Protection Act 2018, including the UK GDPR	Good
2. Adequate procedures are in place for the ongoing monitoring of compliance with data protection legislation	Good
Overall Level of Assurance	Good



2022/06 – Business Continuity

We undertook a review of business continuity planning to consider whether there are adequate plans in place to minimise disruption to College operations following loss of life, buildings or equipment. This included a specific focus around the work that was undertaken to allow College operations to continue during the COVID-19 pandemic and reopen College campuses as the lockdown was eased.

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

Strengths

- A Business Continuity Policy (March 2022) was in place which set out the core principles which the College would apply in handling any incident;
- The overarching Business Continuity Plan (March 2022) had been prepared by the Leadership Management Team and was designed to be a tool to assist the Emergency Response Team (ERT) in the management of any incident;
- The Business Continuity Plan was underpinned by a variety of detailed scenario flowcharts which set out the prescribed method for dealing with different types of incident;
- A standard Business Continuity Incident Record form was in place which allowed the details of the incident to be captured and acted as a checklist to ensure that all of the appropriate steps had been taken;
- A COVID-19 internal working group was created – ‘COVID short life working group (SLWG) – Returning to Campus Operations’ and a formal remit for the short life working group was developed;
- A standard Risk Assessment Activities form was introduced to ensure a consistent approach in assessing the risks and identifying required changes to the operating model to reflect the changes in legislation and guidance as the pandemic progressed;
- A Vulnerable Groups Staff Risk Assessment was also introduced to ensure that the specific needs of vulnerable staff members could be identified and managed;
- Separate Resuming Campus Operations (RCO) Guides were produced for staff, students and visitors, which were made available through SharePoint together with a training video accessible via the virtual learning environment;
- Testing of the business continuity arrangements was completed on an annual cycle, with tabletop exercises completed on every scenario flowchart;

Final Issued – August 2022

The objective of our audit was to obtain reasonable assurance that:	
1. Business Continuity / Contingency Plans (including ICT Business Continuity plans) are in place covering all of the College’s activities and locations.	Good
2. The Business Continuity Plans / Contingency Plans are workable, properly communicated to members of staff, and have been adequately tested.	Good
3. The processes and procedures in place follow recommended good practice.	Good
4. The work that was undertaken to allow College operations to continue during the COVID-19 pandemic minimised, as far as possible, the impact on the student experience.	Good
5. Appropriate preparations were made and robust plans developed to ensure that College campuses could safely reopen when the COVID-19 lockdown was eased, taking into account all Scottish Government and Health and Safety Executive Guidance relevant to education providers.	Good
Overall Level of Assurance	Good



2022/06 – Business Continuity (Continued)

Strengths (continued)

- Our comparison with good practice guidance confirmed that the College arrangements followed good practice;
- The College was represented on a number of COVID related liaison groups;
- In an effort to support students and the wider community, vaccination centres were set up at all three campuses providing vaccinations seven days a week;
- Following the issue of SQA guidance on assessment the College conducted its own review of quality assessment processes and produced a paper which was considered by the Learning and Student Experience Committee in June 2020;
- A Return to Campus Operations guide was produced by the Head of Learning & Quality, on Learning and Teaching Resources, which signposted students to all of the key information they needed to successfully engage in their studies remotely;
- A Business Continuity Group generic email address was set up to allow COVID outbreaks to be reported and added to the College tracker. Communication around this was channelled via Curriculum/Line Managers;
- The Springback Programme was deployed to ensure that appropriate plans were made for the safe reopening of College operations; and
- In addition to enhanced cleaning regimes (stronger detergents) and enhanced hand hygiene measures the College had also taken the decision to introduce anti-microbial fogging at each campus, which was undertaken by Facilities staff at weekends.

Weaknesses

- There were no control weaknesses identified through the audit work undertaken.



Internal Audit Annual Report 2021/22

2022/07 – Follow-Up Reviews

Final Issued – August 2022

As part of the Internal Audit programme at the College for 2021/22 we carried out a follow-up review of the recommendations made in Internal Audit reports issued during 2021/22 and reports from earlier years that had either not already been subject to follow-up or where previous follow-up identified recommendations outstanding. These were:

- Internal Audit Report 2021/08 – Follow Up 2020/21
- Internal Audit Report 2021/05 – Health and Safety
- Internal Audit Report 2021/07 – IT Network Arrangements / Cyber Security
- Internal Audit Report 2022/02 – Procurement and Creditors / Purchasing
- Internal Audit Report 2022/03 – 2020/21 Student Activity Data
- Internal Audit Report 2022/05 – Data Protection

Reports 2021/06 – Staff Recruitment, Retention and Succession Planning, 2021/09 – Annual Plan 2020/21, 2022/01 – Annual Plan 2021/22, 2022/04 – Student Support Funds and 2022/06 – Business Continuity did not contain an action plan and therefore no follow-up was required as part of this review.

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

Some progress had been made in implementing the previous internal audit recommendations that had reached their target completion date, with 12 (48%) of the 25 recommendations past their due date classified as fully implemented.



Internal Audit Annual Report 2021/22

2022/07 – Follow-Up Reviews (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 Implemented	Partially Implemented	Little or No Progress Made	Not Past Agreed Completion Date	Considered But Not Implemented
2021/08 – Follow Up 2020/21	1	-	-	-	-	-	-
	2	-	-	-	-	-	-
	3	1	-	1	-	-	-
	N/A	6	4	2	-	-	-
Total		7	4	3	-	-	-
2021/05 – Health and Safety	1	-	-	-	-	-	-
	2	4	3	1	-	-	-
	3	2	2	-	-	-	-
Total		6	5	1	-	-	-
2021/07 – IT Network Arrangements / Cyber Security	1	-	-	-	-	-	-
	2	2	1	1	-	-	-
	3	7	1	5	-	-	1
Total		9	2	6	-	-	1
2022/02 – Procurement and Creditors / Purchasing	1	-	-	-	-	-	-
	2	-	-	-	-	-	-
	3	2	1	1	-	-	-
Total		2	1	1	-	-	-
2022/03 – 2020/21 Student Activity Data	1	-	-	-	-	-	-
	2	-	-	-	-	-	-
	3	1	-	-	-	-	1
Total		1	-	-	-	-	1
2022/05 – Data Protection	1	-	-	-	-	-	-
	2	-	-	-	-	-	-
	3	1	-	-	-	1	-
Total		1	-	-	-	1	-
Grand Totals		26	12	11	-	1	2



Time Spent - Actual v budget

	Report number	Planned days	Actual days feed	Days to fee at Aug 2022	Days to spend / WIP	Variance
Student Experience						
<i>Student Application Process BPR</i>	N/A	5	-	-	-	5
Financial Issues						
<i>Procurement and Creditors / Purchasing</i>	2022/02	4	4	-	-	-
Organisational Issues						
<i>Business Continuity</i>	2022/06	5	-	5	-	-
<i>Corporate Planning / Service Redesign</i>	N/A	5	-	-	-	5
Information and IT						
<i>Data Protection</i>	2022/05	4	4	-	-	-
Other Audit Activities						
Credits audit	2022/03	5	5	-	-	-
Student Support Funds	2022/04	7	7	-	-	-
Management and Planning)	2022/01	5	3	2	-	-
External audit / SFC)						
Attendance at Audit Committee)						
Follow-up reviews	2022/07	2	-	2	-	-
Total		42	23	9	-	10
		=====	=====	=====	=====	=====



Operational Plan for 2022/23

- 5.1 Following the extension of our internal audit appointment by one year to 31 May 2023 we will develop a new Strategic Plan with College senior management and present this, together with a draft Annual Internal Audit Plan for 2022/23, at the Audit Committee meeting in November 2022.

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1. Purpose

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

2. Recommendation

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

3. Background

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

4. Summary of Changes

The recommendations from the reports presented in May 2022 have been added to the tracker.

The attached annex contains an update on progress against recommendations. Proposed changes to completion dates are highlighted in red and explanations for why are in the appendix.

The table below represents a summary of the current position of the recommendations as at 2 September 2022.

	No Priority	Priority 1	Priority 2	Priority 3	Total
Live within date	1		1	4	6
Live recommendation passed implementation date			1	3	4
Completed since last report to Committee	2			5	7

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	<p>August 22 - Agreed with Chair of Board of Management that estates will sit under the remit of the Finance Committee. A revised remit will be taken to the September meeting of the Committee</p> <p>May 22 - Committee structure under review and will be taken to June 22 Board of Management.</p> <p>November 21 - The planned strategic event did not take place as planned. Once the strategic Plan 2025 is approved in February 2022 consideration will be given to committee structures and implemented from August 2022.</p> <p>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.</p> <p>November 2020 - No update at this time as this recommendation will be considered at the February 2021 Board Strategic session</p>	31/12/2021 Agreed May 2021	31/8/22 Agreed May 2022	Remit	Yes
2	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.		<p>Aug 22- The College's new student portal Campus M will be the vehicle to communicate all student feedback. Outcomes and feedback from student surveys, Listening to learners and Student Association Feedback Fridays' will commence from the start of academic session 22/23.</p> <p>May 22 - Completion of action slipped. Estimated completion June 22. Monthly meetings with FVSA and LISEC being used to capture student concerns and feedback updates and solutions to students.</p> <p>Nov 21 This is currently work in progress. Engagement with L&Q and the FVSA is on-going to implement the correct document format and process. On target.</p> <p>Aug 21 - On-going. On target for completion</p>	30/11/2021	30/09/2022	CampusM system	Yes
3	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		<p>August 22 - the Chair holds one to one meetings with all members of the Board. During these meetings with the staff and student members, he seeks feedback on the performance and targets for the Principal</p> <p>May 22 - No further update at this time. Revised timeline to be agreed with the Chair</p> <p>Nov 21 - No further update at this time</p> <p>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.</p>	30/08/2021	31/12/2021 Agreed September 2021	Outcome from discussions taken forward by Chair with Principal	Yes
4	Externally Facilitated Effectiveness Review	Feb-21	Ken Thomson	Alison Stewart	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.		<p>August 2022 - Following further review, it was felt the this should not be a stand alone item and instead should form part of a wider Corporate Social Responsibility policy. A draft policy has been prepared and will be considered at the Board of Management meeting in September 2022 for approval</p> <p>May 22 - This recommendation will be covered as part of the Commercialisation strategy</p> <p>Nov 21 - Strategic Planning Session has been delayed until February 2022 and final approval likely in April 2022.</p> <p>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.</p>	24/02/2022 Agreed September 2021	30/09/2022 - agreed by Audit May 22		

5	Health and Safety	Sep-21	David Alison	Ralph Burns/Martin Loy	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 in-house 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 policies for staff awareness, including that training needs be identified from completing risk assessments and who to communicate needs to.	Please see above response	2	Aug 22 - Reports have been created that show the College picture, with the option to drill down to course or Department level and to identify individuals. Work continues to provide this in a dashboard for managers to utilise as required and without prompting. May 22 - In relation to non mandatory training the College is awaiting the output from the national support staff role profile exercise to identify role specific CPD. This, combined with the functionality of the new HR system to be deployed later, will greatly aid in developing a process for ensuring all necessary training is undertaken. As the Role profile work is being done at a sector level, the date has been changed to allow time for completion and implementation. Nov 21 - Progress has been made, and all mandatory training courses have been re-written within Moodle to ensure they are functioning correctly and capturing details of when a member of staff completes. Work has begun on developing more comprehensive reporting.	31/03/2022	20/12/2022 - agreed by Audit May 22		
6	IT Network Arrangements/Cyber Security	Nov-21	David Alison	Graeme Robertson	Formally document the College's specific cyber security risks and vulnerabilities, along with controls and mitigations, within an IT operational risk register. The format of the risk register should be in line with the College's strategic risk register and risks scored, prioritised, and monitored in accordance with the College's risk management framework.	The IT Operational Risk Register will be re-formatted to more closely align with the College's strategic risk register, with risks scored and prioritised.	3	Aug 22 - IT Operational Risk Register was presented to the College's Information Governance Group. May 22 - Specific cyber security risks have been documented, along with the creation of a "play book" detailing scenarios and responses to a range of security threats. These documents will be presented for approval to the next Information Governance meeting (June 22).	31/03/2022	30/06/2022	Updated IT Operational Risk Register	Yes
7	IT Network Arrangements/Cyber Security	Nov-21	David Alison	Graeme Robertson	Mechanisms should be established for testing the effectiveness and value for money of the security training provided to staff. The areas of the organisation that regularly feature in security reports, or achieve the lowest feedback from information security questionnaires, should be targeted for further tailored training activity.	The IT Team will explore testing the effectiveness of training provided through the use of ethical phishing campaigns.	3	Aug 22 - To maximise impact it was decided to delay the launch of an ethical phishing campaign from July, when staffing levels are low, to block 1 of the 2022/23 academic year. May 22 - An ethical phishing campaign will be developed in July.	31/07/2022	30/11/2022		
8	IT Network Arrangements/Cyber Security	Nov-21	David Alison	Graeme Robertson	Explore how guidance for staff on how to manage their digital footprints safely and reduce the risk of becoming a target for attackers, both in a professional and personal capacity, and particularly through use of social media platforms can be made more widely available to staff and Board members. The Learning Digital Skills team delivering training as part of the agenda for Staff Development days should be considered.	The existing mandatory training course will be adapted to specifically highlight the risks associated with social media platforms, and consideration will be given to running targeted training on staff development days.	3	Aug 22 - Course content for the existing mandatory course has been written, and passed to the course development team. May 22 - Update to the existing mandatory course planned for July.	31/08/2022	31/12/2022		
9	IT Network Arrangements/Cyber Security	Nov-21	David Alison	Graeme Robertson	A review should be conducted to identify the business need for scripting languages and executables and steps should be taken to disable services for users that are not required.	This has been considered in the past, but was deemed as low risk. Agree that a review should be conducted to identify if there is a need to address.	3	Aug 22 - Review undertaken, and this is still deemed as low risk, however as part of our Information Management Programme this will be continue to be reviewed at a Departmental level. May 22 - Review planned for July.	31/07/2022		Review undertaken	Yes
10	IT Network Arrangements/Cyber Security	Nov-21	David Alison	Graeme Robertson	A risk-based approach should be adopted to enabling critical logs to improve endpoint security. Examples of critical logs include: • Local user and group enumeration. • Logon attempts with local accounts. • Logon with explicit credentials. • Plug-and-play device connections (e.g., USBs). • Process creation. • File creation. • PowerShell providers loaded. • Script block logging.	The College is currently on-boarding with Jisc to introduce a Security Information Events Management (SIEM) system, starting with logging at server level. It's planned to extend logging to key workstations once all parties are comfortable with how they system functions. This recommendation reflects where we are with our implementation.	3	Aug 22 - All preparatory work has been undertaken by the College, however this service is proving popular, and the college has a provisional date in Oct with Jisc. May 22 - On-boarding with Jisc to introduce a SIEM is progressing as planned.	31/08/2022	31/12/2022		
11	IT Network Arrangements/Cyber Security	Nov-21	David Alison	Graeme Robertson	Use manual testing methods (for example penetration testing or red team simulated cyberattack exercises) in addition to automated tools, such as network IDS / IPS of SIEM, to test and obtain assurance that vulnerabilities are identified and managed.	As per previous response, the College is currently on-boarding with Jisc to introduce a managed SIEM. Penetration testing will be re-introduced.	3	August 22 - As above May 22 - As above	31/07/2022	31/12/2022		
12	IT Network Arrangements/Cyber Security	Nov-21	David Alison	Laura Calder	It is recommended that an audit of cloud and third-party systems in use across the College estate, which are not directly linked to College Active Directory or Office365 accounts, is undertaken to identify instances of staff using College logins and email accounts and put in place procedural guidance for line managers to revoke user access to such accounts, and for staff on good password management.	Agreed. IT are aware of a number of third-party and cloud based systems which are managed locally within Departments, where IT don't control user accounts, and therefore can't delete accounts of staff leavers etc. An audit of all systems would be beneficial. Procedural guidance for system owners will be prepared, and guidance for College staff on using college credentials for external systems will be reiterated	3	Aug 22 - Audit is being undertaken as part of the College's Information Management Project, with two Departments outstanding. May 22 - Audit is being undertaken as part of the College's Information Management Project, with review of the majority of Departments complete.	31/08/2022	30/10/2022		
13	IT Network Arrangements/Cyber Security	Nov-21	David Alison	Graeme Robertson	The Incident Response Plan should be finalised and communicated to all relevant staff and stakeholders to ensure that everyone's roles and responsibilities are defined and understood. This should then be supported through appropriate training. The response plan should then be practised to ensure staff know how to respond during an incident, and to also highlight any problem areas in the planned response. Practises should also include restoring files from backups	Agreed. The Incident Response Plan is currently in draft format, with advice on content gratefully received through this audit. Individual system RTOs are being tested on out air gapped test network. The plan will be finalised, shared appropriately and tested.	2	Aug 22 - Incident Response Plan reviewed at the Information Governance Group (IGG), with internal testing undertaken by the IT Team. Agreed at IGG that fuller testing should be combined with an exercise on College Business Continuity. May 22 - Incident Response Plan has been written and will be taken for approval to the Information Governance Group in June, and then on to LMT for information. System RTOs have been tested in our test network.	28/1/22 for plan, 31/7/22 for testing	31/12/2022 for fuller testing combined with Business Continuity		

14	Data Protection	Apr-22	David Alison	Donald McLean/Stephen Jarvie	An annual Data Protection Compliance report should be developed and formally reported to the Audit Committee. The report should include relevant data protection progress updates, as well as summarising key compliance metrics relating to data breaches, subject access requests and staff training. These metrics should also be included within the suite of performance data reported to senior management.	It's agreed that an annual Data Protection Complain report will be developed to be reported to the Audit Committee and LMT.	3	Aug 22 - Report being developed and will be presented to the next available Audit Committee May 22 - recommendation discussed at Audit Committee who confirmed this report would be welcomed. Will be presented to Audit Committee at next meeting on 8/9/22	30/09/2022			
15	Procurement and Creditors/Purchasing	Oct-21	Alison Stewart	Senga McKerr	The Scheme of Delegation, Procurement Policy and procurement procedures should be updated to make specific reference to the "authorisation process by department" record to ensure transparency over procurement and spending controls.	Although all information is in place, we accept that clarity could be improved and we will reference both the internal scheme of delegation and the "authorisation process by department" in the Financial Regulations and Procurement procedures and we will make these available on the Finance SharePoint page.	3	August 2022- the updated Financial Regulations will be presented to Finance Committee for approval September 2022. Delayed due to severance programme increasing demand on staff resource	30/01/2022	30/09/2022		
16	Procurement and Creditors/Purchasing	Oct-21	Alison Stewart	Moirra France	Procedures should be established to ensure that the purchase ledger team make contact with the supplier using the contact details held in SUN to confirm that the request is genuine and bona fide. Management should ensure that an exception report is generated for any supplier who has requested changes in their standing information to allow independent monitoring of the checks carried out prior to the changes being made. This exception report should be produced in advance of each payment run and signed off to confirm that the appropriate checks have been undertaken before payment is made.	Procedures do exist and are followed prior to each payment run, for changes in supplier bank details. We acknowledge that these are not formally documented and will rectify this. Given that payments are almost entirely electronic we view other standing data changes as being low risk but will now introduce them to the procedures.	3	Complete - Procedure updated	31/12/2021		Procedure document	Yes
17	2020/21 Student Activity Data	Nov-21	David Alison	Lyndsay Condie/Mhairi Archibald	In line with the College's internal procedures ensure that part-time fee waiver forms are retained in all cases to show the nature of the evidence presented by the students and to confirm that College staff have verified student eligibility.	Through the audit it was found that in all cases the evidence to substantiate eligibility was stored, however the internal part-time fee waiver form was not available for all students. In the interim the importance of ensuring a part-time fee waiver form is stored for all eligible students will be stressed to the Student Records Team, however a review of our internal procedures will be undertaken prior to Session 2022-23 to establish if student eligibility can be verified without the need to complete a part-time fee waiver form.	3	From 1st August 2021, the completion of the internal part-time fee waiver form was not a mandatory requirement however was filed along with fee waiver evidence when received. Following a review of internal fee waiver procedures, it has been agreed that from 1st August 2022, this document is no longer required to accompany fee waiver evidence and this will be communicated to staff accordingly.	May-22			Yes - superseded

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1. Purpose

To present members with the Strategic Risk register 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 LMT/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

Following the development and quantification of the Board risk appetite, a review of the register (attached) was conducted to ascertain the best way to present this information. A new column has been added to the register to compare the risk appetite score against the mitigated risk score. This is RAG'ed and highlights if the mitigated risk score is above, at or below the Board's risk appetite. Should any risk be flagged as red against the Board's appetite, additional information will be provided for the Committee.

Risk ID 1. The score associated with risk 1 had been increased for the last meeting as the College worked through the implications of the malpractice/maladministration issue highlighted at the May meeting. While the internal audit remains to be completed, a range of mitigations have been utilised so therefore, the score for risk 1 in terms of likelihood has been reduced slightly.

Risk ID 4. At this time, the likelihood has been reduced to high however the College is aware that the impact of rising energy costs and inflation will be brought into play in relation to pay award negotiations for next year and this risk is highly likely to rise again accordingly.

Risk ID 5. We have reduced the likelihood on this risk down to Low at this present moment in time. The recent positive internal audit report with no management actions required on the handling of the Covid-19 situation highlighted the good practice in place however this risk remains on the register to ensure regular review and to avoid complacency.

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

Forth Valley College Strategic Risk Register

No	There is a real or perceived risk that...	Risk Management and Mitigation				Owners				Initial Risk Score			Score After Mitigation			Board Risk Appetite			
		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	Risk Category	Board risk appetite compared to mitigated score	Date Added and Date Score Updated
1	We fail to deliver a high quality learning experience and meet targets of outcome agreement	<ul style="list-style-type: none"> - 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 	<ul style="list-style-type: none"> - 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 	<ul style="list-style-type: none"> - Implementation of the Digital Skills Academy - Success of Project NxGen - Student Engagement and Feedback - Effective staff structures to support the student experience - Milestone dates for meeting with Springback project leads and working groups to test progress 	<p>Aug 22 - Hybrid learning now launched as well as Digital self-assessment tool. LDSA team delivering hybrid learning support training. Student portal launched for on-boarding and student information app CampusM app launched. LDSA funding now in place and team fully staffed. LDSA Ambitions on target. Teaching pods launched to support hybrid learning. In September we are launching a pulse survey to support our cultural strategy.</p> <p>May 22 - LDSA has received funding for another 2 years from the College's ALF. LISEC established and monitoring the Student Journey Project. Student President sits on LISEC as Student Voice. Digital Skills self-evaluation tool now launched. ISS receiving excellent feedback from Departments. LDSA project to launch Hybrid Learning on target. Moodle upgrade completed and teaching materials transferred. Student portal App agreed as Campus M. MIS team working with Campus to create platform and launch for Aug 22.</p> <p>Nov 21 - For 2020/21 Forth Valley College has again performed well overall against our OA target figures across FE and HE categories, whilst continuing to operate in a restricted blended learning environment. The College continues to actively manage learning on and off campus to deliver the best learning experience possible while continuing to follow all necessary Scottish Government Covid guidance.</p> <p>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 Scotland.</p>	LIPSE	LSE	P	VPVLE	H	VH	20	H	VH	20	↓	Strategy	20	Apr-21
2	We are unable to maximise the long term return on investment on the College estate	<ul style="list-style-type: none"> - Insufficient capital maintenance funding from SFC - Changes in working practices impact on demand - Lack of stakeholder engagement in the new campus facilities 	<ul style="list-style-type: none"> - We are unable to maintain our estate to an acceptable standard - Impact on Student Experience - Creation of backlog maintenance - Loss of commercial income 	<ul style="list-style-type: none"> - Effective monitoring of lifecycle maintenance programme - Continue to secure best value for TFM contract - Development of commercialisation strategy - Review of campus utilisation - Maximising the legacy status of the Falkirk campus with project lead-in the Falkirk growth deal and for future inward investment 	<p>Aug 22 - Seeking alternative funding streams linked to Net Zero. College have heads of terms for a transition skills project through the Falkirk growth deal and the building is an intrinsic attractant for the project, however appropriate funding from SFC for ongoing maintenance remains an issue.</p> <p>May 22 - Insufficient funds in capital grant. Currently prioritising whilst diversifying funding streams.</p> <p>Nov 21 - Highest priority lifecycle maintenance needs are being met through our 2021/22 Capital allocation.</p> <p>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.</p> <p>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.</p>	LMT	F	P	VPIC	H	VH	20	H	VH	20	↔	Financial	20	Apr-21
3	We are unable to maintain financial sustainability	<ul style="list-style-type: none"> - 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 	<ul style="list-style-type: none"> - Inability to deliver high quality learning - Inability to react to changing economic and local environment - Inability to maintain College infrastructure - Impact on College performance indicators - Reputational Damage 	<ul style="list-style-type: none"> - 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 	<p>August 22 - Board have approved the budget for 22/23 showing a small surplus and have agreed the transfer of last years surplus into the ALF. However since then it has been identified inflation is running at higher levels than anticipated, particularly in relation to gas and electricity, SFC have been asked to look at in year cuts to funding, budgeted pay award will be unacceptable to Unions and future allocations will be flat cash at best going forward for the next 3 years. Increased commercial activity will offset this to a limited extent.</p> <p>May 22 - Indicative allocations announced in March 22. Consultation for FVC transformation and restructure approved by the Board and launched 10 May to reduce headcount by 41fte. Once complete we will be financially sustainable for 2022/23. Awaiting final allocation for 2022/23 and outcome of 3 year spending review.</p> <p>Nov 21 - No further update from SFC. Awaiting Scottish Government budget announcements in Dec 21. SMT working on a number of scenarios for savings/efficiencies.</p>	LMT	F	P	VPFACA	VH	VH	25	H	H	16	↔	Financial	20	Apr-21

Forth Valley College Strategic Risk Register

4	National bargaining adversely impacts College staffing relationships and finances	<ul style="list-style-type: none"> - National bargaining process removes ability to implement local agreements - Issues at national level can impact on local union relations 	<ul style="list-style-type: none"> - 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 	<ul style="list-style-type: none"> - Ongoing engagement with local union representatives and Employers Association 	<p>Aug 22 - Transformation consultation now completed with no compulsory redundancies. Restructure across both teaching and Corporate Services staff with no negative feedback received on the process from EIS-FELA or Unison. 21/22 national pay dispute resolved. However EIS-FELA are seeking a £5k increase at each scale point for 22/23 while the offer in line with public sector pay is £500. Given inflation pressures and pay awards in other areas of the public sector this could lead to further disputes. New monthly LNCC and JCC meeting schedules arranged for academic session 22/23.</p> <p>May 22 - IA dispute resolved. IA posts made lecturer roles against new lecturer role profile as of 18/6/21. Monthly LNCC and JCC meeting scheduled for academic session 21/22. Unions requests to hold more JCC meetings granted. National pay dispute ongoing. Both sides continuing with dialogue. FVC Transformation consultation launched 10/5/22. Management consulting with both Unions. Industrial action currently underway with EIS-FELA. Impact on students being mitigated at departmental level but some students will be disadvantaged. Scoring increased to reflect this.</p> <p>Nov 21 - No significant updates at this time</p> <p>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.</p> <p>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.</p>	LMT	HR	P	VPLSE	VH	H	20	H	H	16		People	25	Apr-21
5	A major incident prevents the College from operating	<ul style="list-style-type: none"> - Loss of access to campuses - Loss of access to IT from network issues or cyber attack 	<ul style="list-style-type: none"> - 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 	<ul style="list-style-type: none"> - 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 	<p>Aug 22 - Business Continuity audit on Covid 19 highlighted excellent practice. Further testing will be undertaken in 22/23.</p> <p>May 22 - The Covid 19 experience has shown our Business Continuity process can work. Further trialling to be undertaken in 22/23.</p> <p>Nov 21 - An IT Security and Network audit has been undertaken by our internal auditors, with a rating of satisfactory. A number of minor recommendations were made, and are being addressed by the IT Team.</p> <p>Aug 21 - Updated IT Security Policy has been approved. We are currently onboarding with Jisc to introduce a managed Security Information and Event Management (SIEM) system which will monitor logs of servers and key desktop PCs.</p> <p>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.</p>	LMT	B	P	VPIC	H	H	16	L	H	8		Governance	15	Apr-21
6	We are unable to deliver on the ambitions of the People Strategy	<ul style="list-style-type: none"> - 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 	<ul style="list-style-type: none"> - People strategy not achieved - Increased staff absence/decreased staff morale - Staffing establishment not adequate to meet operational requirement 	<ul style="list-style-type: none"> - 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 	<p>August 22 - Consultation completed, the objectives were achieved and the college now has a stable financial position. we are now in the process of revisiting the People Strategy at the same time we have launched a wellbeing personal assessment which will give a high level position for the College and a separate confidential statement for each member of staff completing the document. In September we are launching a Pulse survey to support our cultural strategy.</p> <p>May 22 - Consultation document launched in May 22 will have impact on staff morale, particularly on the academic staff.</p> <p>Nov 21 - A detailed report has been produced for the HR committee showing our progress in meeting the people strategy. Extensive work has been done in health and wellbeing and in staff development. An audit of our recruitment and succession planning approach supported our position as being on track. Morale continues to be a key point of focus with wellbeing.</p>	LMT	HR	VPFACA	HHR	H	H	16	L	H	8		People	25	Apr-21
7	Failure to grow and influence strategic partnerships impacts on our reputation as a partner of choice	<ul style="list-style-type: none"> - Insufficient resource - Competition from other providers - Inability to adapt to changes in the political/economic environment 	<ul style="list-style-type: none"> - Loss of commercial income - Reduction in Modern Apprentices/Foundation Apprentices - Lack of influence at a regional level 	<ul style="list-style-type: none"> - Director of Business Development works closely with Scottish Government/SFC/SDS and other key stakeholders - FVC key partner in City Deals/Investment 	<p>August 22 - Role for SMT and the Director of Commercialisation and Skills and a strategic objective in the new strategic plan 22-26 to support being at the heart of economic recovery. This can be evidenced with a number of projects.</p>	LMT	B	P	DBDSR	M	H	12	L	H	8		Strategy	20	Apr-21
8	SQA Maladministration and malpractice could impact on College's ability to offer courses	<ul style="list-style-type: none"> - Failure to have robust processes and staff understanding in place to ensure compliance with awarding body criteria 	<ul style="list-style-type: none"> - Reputational damage - Investigation from SQA resulting in loss of awarding body status or other special measures 	<ul style="list-style-type: none"> - Internal audit review of quality processes - Learning and Quality department in place with quality policy and procedures 	<p>Aug 22 - All SQA and internal review actions completed and response sent to SQA. All internal actions from Malpractice review, including training for staff, now closed out. Internal audit not yet completed. Completion date to be</p>	LMT	LSE	P	VPLSE	L	VH	10	L	H	8		Reputation	20	May-22